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Dated: May 27, 2011.

Federal Deposit Insurance Corporation.

**Valerie Best,**

*Assistant Executive Secretary, Federal Deposit Insurance Corporation.*

[FR Doc. 2011-13736 Filed 6-2-11; 8:45 am]

**BILLING CODE 6714-01-P**

## FEDERAL RESERVE SYSTEM

### Formations of, Acquisitions by, and Mergers of Bank Holding Companies

The companies listed in this notice have applied to the Board for approval, pursuant to the Bank Holding Company Act of 1956 (12 U.S.C. 1841 *et seq.*) (BHC Act), Regulation Y (12 CFR part 225), and all other applicable statutes and regulations to become a bank holding company and/or to acquire the assets or the ownership of, control of, or the power to vote shares of a bank or bank holding company and all of the banks and nonbanking companies owned by the bank holding company, including the companies listed below.

The applications listed below, as well as other related filings required by the Board, are available for immediate inspection at the Federal Reserve Bank indicated. The application also will be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the standards enumerated in the BHC Act (12 U.S.C. 1842(c)). If the proposal also involves the acquisition of a nonbanking company, the review also includes whether the acquisition of the nonbanking company complies with the standards in section 4 of the BHC Act (12 U.S.C. 1843). Unless otherwise noted, nonbanking activities will be conducted throughout the United States.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than July 1, 2011.

A. Federal Reserve Bank of Richmond (Adam M. Drimer, Assistant Vice President) 701 East Byrd Street, Richmond, Virginia 23261-4528:

1. *Crescent Financial Bancshares, Inc.*, Cary, North Carolina; to merge with Crescent Financial Corporation, Cary, North Carolina, and thereby acquire control of Crescent State Bank, both of Cary, North Carolina.

B. Federal Reserve Bank of Minneapolis (Jacqueline G. King,

Community Affairs Officer) 90 Hennepin Avenue, Minneapolis, Minnesota 55480-0291:

1. *Golden Oak Bancshares, Inc.*, Sparta, Wisconsin; to become a bank holding company by acquiring approximately 81.5 percent of the voting shares of Park Bank, Holmen, Wisconsin.

Board of Governors of the Federal Reserve System, May 31, 2011.

**Robert deV. Frierson,**

*Deputy Secretary of the Board.*

[FR Doc. 2011-13774 Filed 6-2-11; 8:45 am]

**BILLING CODE 6210-01-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Adjusted Federal Medical Assistance Percentage (FMAP) Rates for the Second and Third Quarters of Fiscal Year 2011 (FY11)

Implementation of Section 5001 of the American Recovery and Reinvestment Act of 2009 (Pub. L. 111-5) for adjustments to the second and third quarters of Fiscal Year 2011 Federal Medical Assistance Percentage Rates for Federal Matching Shares for Medicaid and Title IV-E Foster Care, Adoption Assistance and Guardianship Assistance programs.

**AGENCY:** Office of the Secretary, DHHS.

**ACTION:** Notice.

**SUMMARY:** This notice provides the adjusted Federal Medical Assistance Percentage (FMAP) rates for the second and third quarters of Fiscal Year 2011 (FY11) as required under Section 5001 of the American Recovery and Reinvestment Act of 2009 (ARRA). Section 5001 of the ARRA provides for temporary increases in the FMAP rates to provide fiscal relief to states and to protect and maintain state Medicaid and certain other assistance programs in a period of economic downturn. The increased FMAP rates apply during a recession adjustment period that was originally defined in ARRA as the period beginning October 1, 2008 and ending December 31, 2010. Public Law 111-226 amended ARRA to extend the recession adjustment period to June 30, 2011 and to extend the hold harmless provision that prevents a state's FMAP rate from decreasing due to a lower unemployment rate from the calendar quarter ending before July 1, 2010 to the calendar quarter ending before January 1, 2011. Public Law 111-226 also provided for a phase-down of the general FMAP increase in the last two quarters of the extended recession

adjustment period, and changed the look back period for calculating the unemployment adjustment for those quarters.

**DATES: Effective Date:** The percentages listed are for the second quarter of FY11 beginning January 1, 2011 through March 31, 2011 and the third quarter of FY11 beginning April 1, 2011 through June 30, 2011.

### A. Background

The FMAP is used to determine the amount of federal matching for specified state expenditures for assistance payments under programs under the Social Security Act ("the Act"). Sections 1905(b) and 1101(a)(8)(B) of the Act require the Secretary of Health and Human Services to publish the FMAP rates each year. The Secretary calculates the percentages using formulas in sections 1905(b) and 1101(a)(8)(B), and statistics from the Department of Commerce of average income per person in each state and for the Nation as a whole. The percentages must be within the upper and lower limits given in section 1905(b) of the Act. The percentages to be applied to the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands are specified separately in the Act, and thus are not based on the statutory formula that determines the percentages for the 50 states.

Section 1905(b) of the Act specifies the formula for calculating the FMAP as follows:

The FMAP for any State shall be 100 per centum less the State percentage; and the State percentage shall be that percentage which bears the same ratio to 45 per centum as the square of the per capita income of such State bears to the square of the per capita income of the continental United States (including Alaska) and Hawaii; except that (1) the FMAP shall in no case be less than 50 per centum or more than 83 per centum, and (2) the FMAP for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa shall be 50 per centum.

Section 4725 of the Balanced Budget Act of 1997 amended section 1905(b) to provide that the FMAP for the District of Columbia for purposes of titles XIX (Medicaid) and XXI (CHIP) shall be 70 percent. The Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) (Pub. L. 110-275) amended the FMAP applied to the District of Columbia for maintenance payments under title IV-E programs to make it consistent with the 70 percent Medicaid match rate.

Section 5001 of Division B of the ARRA provides for a temporary increase in FMAP rates for Medicaid and title

IV–E Foster Care, Adoption Assistance and Guardianship Assistance programs. The purpose of the increases to the FMAP rates is to provide fiscal relief to states and to protect and maintain State Medicaid and certain other assistance programs in a period of economic downturn, referred to as the “recession adjustment period.” The recession adjustment period was originally defined as the period beginning October 1, 2008 and ending December 31, 2010. Public Law 111–226 extended the recession adjustment period through June 30, 2011. Public Law 111–226 also provided for a phase-down of the general FMAP increase in the last two quarters of the extended recession adjustment period, and changed the look back period for calculating the unemployment adjustment for those quarters.

### **B. Calculation of the Increased FMAP Rates Under ARRA**

Section 5001 of the ARRA specifies that the FMAP rates shall be temporarily increased for the following: (1) Maintenance of FMAP rates for FY09, FY10, and first three calendar quarters of FY11, so that the FMAP rate will not decrease from the prior year, determined by using as the FMAP rate for the current year, the greater of any prior fiscal year FMAP rates between 2008–2010 or the rate calculated for the current fiscal year; (2) in addition to any maintenance increase, the application of a general percentage point increase in each state’s FMAP of 6.2 percentage points (decreasing during the last two quarters of the extended recession adjustment period); and (3) an additional percentage point increase based on the state’s increase in unemployment during the recession adjustment period. The resulting increased FMAP cannot exceed 100 percent. Each state’s FMAP will be recalculated each fiscal quarter beginning October 2008. Availability of certain components of the increased FMAP is conditioned on states meeting statutory programmatic requirements, such as the maintenance of effort requirement, which are not part of the calculation process.

Expenditures for which the increased FMAP is not available under title XIX of the Act include expenditures for disproportionate share hospital payments, certain eligibility expansions, services received through an IHS or tribal facility (which are already paid at a rate of 100 percent and therefore not subject to increase), and expenditures that are paid at an enhanced FMAP rate. The increased FMAP is available for expenditures under part E of title IV of

the Act (including Foster Care, Adoption Assistance and Guardianship Assistance programs) only to the extent of a maintenance increase (hold harmless), if any, and the general percentage point increase. The increased FMAP does not apply to other parts of title IV, including part D (Child Support Enforcement Program).

For title XIX purposes only, for each qualifying state with an unemployment rate that has increased at a rate above the statutory threshold percentage, ARRA provides additional relief above the general percentage point increase in FMAP through application of a separate increase calculation. For those states, the FMAP for each qualifying state is increased by the number of percentage points equal to the product of the state matching percentage (as calculated under section 1905(b) and adjusted if necessary for the maintenance of FMAP without reduction from the prior year, and after applying half of the general percentage point increase in the federal percentage) and the applicable percent determined from the state unemployment increase percentage for the quarter.

The unemployment increase percentage for calendar quarters other than the last two quarters of the recession adjustment period is equal to the number of percentage points (if any) by which the average monthly unemployment rate for the state in the most recent previous 3-consecutive-month period for which data are available exceeds the lowest average monthly unemployment rate for the state for any 3-consecutive-month period beginning on or after January 1, 2006. A state qualifies for additional relief based on an increase in unemployment if that state’s unemployment increase percentage is at least 1.5 percentage points. The applicable percent is: (1) 5.5 percent if the state unemployment increase percentage is at least 1.5 percentage points but less than 2.5 percentage points; (2) 8.5 percent if the state unemployment increase percentage is at least 2.5 percentage points but less than 3.5 percentage points; and (3) 11.5 percent if the state unemployment increase percentage is at least 3.5 percentage points.

If the state’s applicable percent is less than the applicable percent for the preceding quarter, then the higher applicable percent shall continue in effect for any calendar quarter beginning on or after January 1, 2009 and ending before January 1, 2011, as amended by Public Law 111–226. This hold harmless provision is not in effect beginning January 1, 2011.

Under section 5001(b)(2) of ARRA, Puerto Rico, the Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and America Samoa were given the option to make a special one-time election between (1) a 30 percent increase in their cap on Medicaid payments (as determined under subsections (f) and (g) of section 1108 of the Act), or (2) applying the general 6.2 percentage point increase in the FMAP plus a 15 percent increase in the cap on Medicaid payments. There is no quarterly unemployment adjustment for territories. All territories and the Commonwealth of the Northern Mariana Islands elected the 30 percent increase in their spending cap on Medicaid payments; therefore, there is no recalculation of their FMAP rate.

### **C. Adjusted FMAPs for the Second and Third Quarters of FY2011**

ARRA adjustments to FMAPs are shown by state in the accompanying table. The hold harmless FY11 FMAP is the higher of the original FY08, FY09, FY10 or FY11 FMAP. The general increase added to the hold harmless FY11 FMAP is 3.2 percentage points for the second quarter and 1.2 percentage points for the third quarter. The unemployment adjustment is calculated according to the unemployment tier and added to the hold harmless FY11 FMAP with the general percentage point increases.

The unemployment tier for the final two quarters of the recession adjustment period is determined by comparing the highest unemployment rate from any 3-consecutive-month period between January 2010 and December 2010 to the lowest consecutive 3-month average unemployment rate beginning January 1, 2006. Under section 5001(c)(3)(B) of ARRA, through December 31, 2010, a state’s applicable percent would not decrease as the result of a lowered unemployment adjustment; but this protection ended December 31, 2010. However, Section 5001 stipulates that the Secretary shall notify a State at least 60 days prior to applying any lower applicable percent to the hold harmless FMAP. Final unemployment data for December 2010 were not available until March 2011. Several states would have had a lower applicable percent because their unemployment tier dropped in 2010, but the Department cannot satisfy the statutory requirement at section 5001(c)(3)(B)(ii) to provide 60 day notice prior to lowering a state’s applicable percent due to the availability of the data necessary to perform the calculations. Therefore, the FMAP rates for the final two quarters of the recession adjustment period for

Alaska, New Hampshire, and Vermont will reflect the applicable percent applied for the first quarter of FY11.

**FOR FURTHER INFORMATION CONTACT:** Rose Chu or Thomas Musco, Office of Health Policy, Office of the Assistant Secretary

for Planning and Evaluation, Room 447D—Hubert H. Humphrey Building, 200 Independence Avenue, SW., Washington, DC 20201, (202) 690–6870.

(Catalog of Federal Domestic Assistance Program Nos. 93.778: Medical Assistance

Program; 93.658: Foster Care; 93.659: Adoption Assistance; 93.090: Guardianship Assistance)

Dated: May 26, 2011.

**Kathleen Sebelius,**  
*Secretary.*

#### ARRA ADJUSTMENTS TO Q2 FY11

State	Hold harmless FY11 FMAP with 3.2% pt increase	State share	Adjusted state share	Hold harmless FY11 unemployment tier	Unemployment adjustment Q2 FY11	2nd Quarter FY11 FMAP unemployment adjustment
Alabama	71.74	31.46	29.86	11.5	3.43	75.17
Alaska*	55.68	47.52	45.92	8.5	3.90	59.58
Arizona	69.40	33.80	32.20	11.5	3.70	73.10
Arkansas	76.14	27.06	25.46	8.5	2.16	78.30
California	53.20	50.00	48.40	11.5	5.57	58.77
Colorado	53.20	50.00	48.40	11.5	5.57	58.77
Connecticut	53.20	50.00	48.40	11.5	5.57	58.77
Delaware	56.35	46.85	45.25	11.5	5.20	61.55
Dist of Columbia	73.20	30.00	28.40	11.5	3.27	76.47
Florida	60.03	43.17	41.57	11.5	4.78	64.81
Georgia	68.53	34.67	33.07	11.5	3.80	72.33
Hawaii	59.70	43.50	41.90	11.5	4.82	64.52
Idaho	73.07	30.13	28.53	11.5	3.28	76.35
Illinois	53.52	49.68	48.08	11.5	5.53	59.05
Indiana	69.72	33.48	31.88	11.5	3.67	73.39
Iowa	66.71	36.49	34.89	8.5	2.97	69.68
Kansas	63.58	39.62	38.02	8.5	3.23	66.81
Kentucky	74.69	28.51	26.91	11.5	3.09	77.78
Louisiana	75.67	27.53	25.93	11.5	2.98	78.65
Maine	68.19	35.01	33.41	11.5	3.84	72.03
Maryland	53.20	50.00	48.40	11.5	5.57	58.77
Massachusetts	53.20	50.00	48.40	11.5	5.57	58.77
Michigan	68.99	34.21	32.61	11.5	3.75	72.74
Minnesota	53.20	50.00	48.40	11.5	5.57	58.77
Mississippi	79.49	23.71	22.11	11.5	2.54	82.03
Missouri	67.71	35.49	33.89	11.5	3.90	71.61
Montana	71.73	31.47	29.87	11.5	3.44	75.17
Nebraska	63.76	39.44	37.84	5.5	2.08	65.84
Nevada	55.84	47.36	45.76	11.5	5.26	61.10
New Hampshire*	53.20	50.00	48.40	11.5	5.57	58.77
New Jersey	53.20	50.00	48.40	11.5	5.57	58.77
New Mexico	74.55	28.65	27.05	11.5	3.11	77.66
New York	53.20	50.00	48.40	11.5	5.57	58.77
North Carolina	68.33	34.87	33.27	11.5	3.83	72.16
North Dakota	66.95	36.25	34.65	0	0.00	66.95
Ohio	66.89	36.31	34.71	11.5	3.99	70.88
Oklahoma	70.30	32.90	31.30	11.5	3.60	73.90
Oregon	66.05	37.15	35.55	11.5	4.09	70.14
Pennsylvania	58.84	44.36	42.76	11.5	4.92	63.76
Rhode Island	56.17	47.03	45.43	11.5	5.22	61.39
South Carolina	73.52	29.68	28.08	11.5	3.23	76.75
South Dakota	65.92	37.28	35.68	8.5	3.03	68.95
Tennessee	69.05	34.15	32.55	11.5	3.74	72.79
Texas	63.76	39.44	37.84	11.5	4.35	68.11
Utah	74.88	28.32	26.72	11.5	3.07	77.95
Vermont*	62.65	40.55	38.95	11.5	4.48	67.13
Virginia	53.20	50.00	48.40	11.5	5.57	58.77
Washington	54.72	48.48	46.88	11.5	5.39	60.11
West Virginia	77.45	25.75	24.15	11.5	2.78	80.23
Wisconsin	63.41	39.79	38.19	11.5	4.39	67.80
Wyoming	53.20	50.00	48.40	11.5	5.57	58.77

\*The unemployment tier for these States decreased but the Department was not able to satisfy the 60 day notice requirement so their unemployment tier was held harmless.

## ARRA ADJUSTMENTS TO Q3 FY11

State	Hold harmless FY11 FMAP with 1.2% pt increase	State share	Adjusted state share	Hold harmless FY11 unemployment tier	Unemployment adjustment Q3 FY11	Third quarter FY11 FMAP unemployment adjustment
Alabama .....	69.74	31.46	30.86	11.5	3.55	73.29
Alaska* .....	53.68	47.52	46.92	8.5	3.99	57.67
Arizona .....	67.40	33.80	33.20	11.5	3.82	71.22
Arkansas .....	74.14	27.06	26.46	8.5	2.25	76.39
California .....	51.20	50.00	49.40	11.5	5.68	56.88
Colorado .....	51.20	50.00	49.40	11.5	5.68	56.88
Connecticut .....	51.20	50.00	49.40	11.5	5.68	56.88
Delaware .....	54.35	46.85	46.25	11.5	5.32	59.67
Dist of Columbia .....	71.20	30.00	29.40	11.5	3.38	74.58
Florida .....	58.03	43.17	42.57	11.5	4.90	62.93
Georgia .....	66.53	34.67	34.07	11.5	3.92	70.45
Hawaii .....	57.70	43.50	42.90	11.5	4.93	62.63
Idaho .....	71.07	30.13	29.53	11.5	3.40	74.47
Illinois .....	51.52	49.68	49.08	11.5	5.64	57.16
Indiana .....	67.72	33.48	32.88	11.5	3.78	71.50
Iowa .....	64.71	36.49	35.89	8.5	3.05	67.76
Kansas .....	61.58	39.62	39.02	8.5	3.32	64.90
Kentucky .....	72.69	28.51	27.91	11.5	3.21	75.90
Louisiana .....	73.67	27.53	26.93	11.5	3.10	76.77
Maine .....	66.19	35.01	34.41	11.5	3.96	70.15
Maryland .....	51.20	50.00	49.40	11.5	5.68	56.88
Massachusetts .....	51.20	50.00	49.40	11.5	5.68	56.88
Michigan .....	66.99	34.21	33.61	11.5	3.87	70.86
Minnesota .....	51.20	50.00	49.40	11.5	5.68	56.88
Mississippi .....	77.49	23.71	23.11	11.5	2.66	80.15
Missouri .....	65.71	35.49	34.89	11.5	4.01	69.72
Montana .....	69.73	31.47	30.87	11.5	3.55	73.28
Nebraska .....	61.76	39.44	38.84	5.5	2.14	63.90
Nevada .....	53.84	47.36	46.76	11.5	5.38	59.22
New Hampshire* .....	51.20	50.00	49.40	11.5	5.68	56.88
New Jersey .....	51.20	50.00	49.40	11.5	5.68	56.88
New Mexico .....	72.55	28.65	28.05	11.5	3.23	75.78
New York .....	51.20	50.00	49.40	11.5	5.68	56.88
North Carolina .....	66.33	34.87	34.27	11.5	3.94	70.27
North Dakota .....	64.95	36.25	35.65	0	0.00	64.95
Ohio .....	64.89	36.31	35.71	11.5	4.11	69.00
Oklahoma .....	68.30	32.90	32.30	11.5	3.71	72.01
Oregon .....	64.05	37.15	36.55	11.5	4.20	68.25
Pennsylvania .....	56.84	44.36	43.76	11.5	5.03	61.87
Rhode Island .....	54.17	47.03	46.43	11.5	5.34	59.51
South Carolina .....	71.52	29.68	29.08	11.5	3.34	74.86
South Dakota .....	63.92	37.28	36.68	8.5	3.12	67.04
Tennessee .....	67.05	34.15	33.55	11.5	3.86	70.91
Texas .....	61.76	39.44	38.84	11.5	4.47	66.23
Utah .....	72.88	28.32	27.72	11.5	3.19	76.07
Vermont* .....	60.65	40.55	39.95	11.5	4.59	65.24
Virginia .....	51.20	50.00	49.40	11.5	5.68	56.88
Washington .....	52.72	48.48	47.88	11.5	5.51	58.23
West Virginia .....	75.45	25.75	25.15	11.5	2.89	78.34
Wisconsin .....	61.41	39.79	39.19	11.5	4.51	65.92
Wyoming .....	51.20	50.00	49.40	11.5	5.68	56.88

\*The unemployment tier for these States decreased but the Department was not able to satisfy the 60 day notice requirement so their unemployment tier was held harmless.

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**DEPARTMENT OF HEALTH AND  
HUMAN SERVICES**

**Agency for Healthcare Research and  
Quality**

**Agency Information Collection  
Activities; Proposed Collection;  
Comment Request**

**AGENCY:** Agency for Healthcare Research  
and Quality, HHS.

**ACTION:** Notice.

**SUMMARY:** This notice announces the  
intention of the Agency for Healthcare  
Research and Quality (AHRQ) to request  
that the Office of Management and  
Budget (OMB) approve the proposed  
information collection project: "Barriers  
to Meaningful Use in Medicaid." In  
accordance with the Paperwork  
Reduction Act, 44 U.S.C. 3501-3521,