

§ 505.9

(g) *Interest rate and monthly payment charges.* CMS calculates interest charges and payments consistent with § 405.378 of this chapter.

(h) *Loan recipient's right to prepay.* A loan recipient has the right to make payments of principal at any time before they are due. A loan recipient may make full prepayment or partial prepayment without paying any prepayment charge. If a prepayment is made, the loan recipient must provide written notice to CMS at CMS, Division of Accounting Operations, P.O. Box 75120, Baltimore, MD 21207-0520.

§ 505.9 State and local permits.

With respect to an eligible project, the provision of a loan under this part shall not—

(a) Relieve the recipient of the loan or any obligation to obtain any required State or local permit or approval with respect to the project.

(b) Limit the right of any unit of State or local government to approve or regulate any rate of return on private equity invested in the project.

(c) Supersede any State or local law (including any regulation) applicable to the construction or operation of the project.

§ 505.11 Loan application requirements and procedures.

(a) The loan application must be received by CMS no later than 5 p.m. e.d.t. on December 29, 2005.

(b) The requested information must be typed or clearly printed in ink and the loan recipient must mail or deliver an original copy of the loan to CMS. The loan application must contain the following information:

(1) Qualifying hospital's name and street address.

(2) Qualifying hospital's Medicare provider number.

(3) Name, title, and telephone number of a contact person submitting the application.

(4) Provide all appropriate supporting documentation for each answer made on the loan application.

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Subpart B—Forgiveness of Indebtedness

SOURCE: 71 FR 48144, Aug. 18, 2006, unless otherwise noted.

§ 505.13 Conditions for loan forgiveness.

The Secretary may forgive a loan provided under this part if the qualifying hospital—

(a) Has been selected to participate in the loan program specified in § 505.5(c).

(b) Has established the following in accordance with a plan that meets the criteria specified in § 505.15:

(1) An outreach program for cancer prevention, early diagnosis, and treatment that provides services to a substantial majority of the residents of a State or region, including residents of rural areas;

(2) An outreach program for cancer prevention, early diagnosis, and treatment that provides services to multiple Indian tribes; and

(3) Unique research resources (such as population databases) or an affiliation with an entity that has unique research resources.

(c) Submits to CMS, within the time-frame specified by the Secretary, a—

(1) Written request for loan forgiveness; and

(2) Loan forgiveness plan that meets the criteria specified in § 505.15 of this subpart.

§ 505.15 Plan criteria for meeting the conditions for loan forgiveness.

The qualifying hospital requesting loan forgiveness must submit to CMS a plan specifying how it will develop, implement, or maintain an existing outreach program for cancer prevention, early diagnosis, and treatment for a substantial majority of the residents of a State or region, including residents of rural areas and for multiple Indian tribes and specifying how the qualifying hospital will establish or maintain existing unique research resources or an affiliation with an entity that has unique research resources.

(a) *Outreach programs.* The initial plan must specify how the hospital will establish or develop, implement, or

maintain existing outreach programs. The plan must—

(1) Address cancer prevention for cancers that are prevalent in the designated populations or cancers that are targeted by the qualifying hospital, interventions, and goals for decreasing the targeted cancer rates during the loan deferment program; and

(2) Address early diagnosis of cancers that are prevalent in the designated populations or cancers that are targeted by the qualifying hospital, interventions, and goals for improving early diagnosis rates for the targeted cancer(s) during the loan deferment period;

(3) Address cancer treatment for cancers that are prevalent in the designated populations or cancers that are targeted by the qualifying hospital, interventions, and goals for improving cancer treatment rates for the targeted cancer(s) during the loan deferment; and

(4) Identify the measures that will be used to determine the qualifying hospital's annual progress in meeting the initial goals specified in paragraphs (a)(1) through (a)(3) of this section.

(b) *Unique research resources.* The plan must specify how the qualifying hospital will establish or maintain existing unique research resources or an affiliation with an entity that has unique research resources.

§ 505.17 Reporting requirements for meeting the conditions for loan forgiveness.

(a) *Annual reporting requirements.* On an annual basis, beginning one year from the date that CMS notified the qualifying hospital of the loan award, the qualifying hospital must submit a report to CMS that updates the plan specified in § 505.15 by—

(1) Describing the qualifying hospital's progress in meeting its initial plan goals;

(2) Describing any changes to the qualifying hospital's initial plan goals; and

(3) Including at least one measure used to track the qualifying hospital's progress in meeting its plan goals.

(b) *Review of annual reports.* CMS will review each qualifying hospital's annual report to provide the hospital with feedback regarding its loan forgiveness status. If CMS determines that the annual report shows that the qualifying hospital has fulfilled the conditions, plan criteria, and reporting requirements for loan forgiveness specified in §§ 505.13, 505.15, and § 505.17, CMS will notify the qualifying hospital in writing that the loan is forgiven.

(c) *Final annual reporting requirements.* A qualifying hospital must submit its final report to CMS at least 6 months before the end of the loan deferment period specified in § 505.7(b).

§ 505.19 Approval or denial of loan forgiveness.

(a) *Approval of loan forgiveness.* If CMS determines that a qualifying hospital has met the conditions, plan criteria, and reporting requirements for loan forgiveness specified in § 505.13, § 505.15, and § 505.17, CMS will send a written notification of approval for loan forgiveness to the qualifying hospital by the earlier of—

(1) 30 days from the date of receipt of the annual report that shows the qualifying hospital has satisfied the requirements for loan forgiveness; or

(2) 90 days before the end of the loan deferment period defined in § 505.7(b).

(b) *Denial of loan forgiveness.* If CMS determines that a qualifying hospital has not met the conditions, plan criteria, or reporting requirements for loan forgiveness specified in § 505.13, § 505.15, or § 505.17 of this part, CMS will send a written notification of denial of loan forgiveness to the qualifying hospital at least 30 days before the end of the loan deferment period defined in § 505.7(b).