

This action is not subject to Executive Order 13045, entitled *Protection of Children from Environmental Health Risks and Safety Risks* (62 FR 19885, April 23, 1997), because this is not an economically significant regulatory action as defined by Executive Order 12866, and this action does not address environmental health or safety risks disproportionately affecting children.

This rule is not subject to Executive Order 13211, entitled *Actions Concerning Regulations That Significantly Affect Energy Supply, Distribution, or Use* (66 FR 28355, May 22, 2001), because this action is not expected to affect energy supply, distribution, or use.

In addition, since this action does not involve any technical standards, section 12(d) of the National Technology Transfer and Advancement Act of 1995 (NTTAA), Public Law 104-113, section 12(d) (15 U.S.C. 272 note), does not apply to this action.

This action does not involve special considerations of environmental justice related issues as required by Executive Order 12898, entitled *Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations* (59 FR 7629, February 16, 1994).

EPA has complied with Executive Order 12630, entitled *Governmental Actions and Interference with Constitutionally Protected Property Rights* (53 FR 8859, March 15, 1988), by examining the takings implications of this rule in accordance with the "Attorney General's Supplemental Guidelines for the Evaluation of Risk and Avoidance of Unanticipated Takings" issued under the Executive Order.

In issuing this rule, EPA has taken the necessary steps to eliminate drafting errors and ambiguity, minimize potential litigation, and provide a clear legal standard for affected conduct, as required by section 3 of Executive Order 12988, entitled *Civil Justice Reform* (61 FR 4729, February 7, 1996).

IV. Submission to Congress and the Comptroller General

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the Agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and the Comptroller General of the United States. EPA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives, and

the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. This rule is not a "major rule" as defined by 5 U.S.C. 804(2).

List of Subjects in 40 CFR Part 721

Environmental protection, Chemicals, Hazardous substances, Reporting and recordkeeping requirements.

Dated: September 5, 2002.

Charles M. Auer,

Director, Office of Pollution Prevention and Toxics.

Therefore, 40 CFR part 721 is amended as follows:

PART 721—[AMENDED]

1. The authority citation for part 721 continues to read as follows:

Authority: 15 U.S.C. 2604, 2607, and 2625(c).

§§ 721.3628, 721.5300, and 721.8170 [Removed]

2. By removing §§ 721.3628, 721.5300, and 721.8170.

[FR Doc. 02-24654 Filed 9-26-02; 8:45 am]

BILLING CODE 6560-50-S

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

42 CFR Part 408

[CMS-1221-F]

RIN 0938-AK42

Medicare Program; Supplementary Medical Insurance Premium Surcharge Agreements

AGENCY: Centers for Medicare & Medicaid Services (CMS), HHS.

ACTION: Final rule.

SUMMARY: This final rule implements legislation contained in section 1839(e) of the Social Security Act (the Act). That statute authorizes a Medicare premium payment arrangement whereby State and local government agencies can enter into an agreement with the Secretary to make periodic lump sum payments for the Supplementary Medical Insurance (SMI) late enrollment premium surcharge amounts due for a designated group of eligible enrollees. Under this rule, we define and set out the basic rules for the new SMI premium surcharge billing agreement. In order to give States additional time for implementation of the provisions of this

final rule, we are delaying the rule's effective date to six months from the date of its publication in the **Federal Register**.

EFFECTIVE DATE: This final rule is effective March 26, 2003.

FOR FURTHER INFORMATION CONTACT: Sandra Clarke, (410) 786-7451.

SUPPLEMENTARY INFORMATION:

I. Background

Section 1839(e) of the Social Security Act (the Act), as amended by section 144 of the Social Security Act Amendments of 1994 (Pub. L. 103-432, October 31, 1994), allows States to enter into agreements with us to pay a lump sum for the Part B premium late enrollment surcharge amounts due for a designated group of eligible enrollees. Section 4582 of the Balanced Budget Act of 1997 (Pub. L. 105-33) (BBA) amended the Act by adding language that allows local government agencies to also pay the surcharge. Under section 4582 of the BBA, any appropriate State or local government agency specified by the Secretary may enter into a Supplementary Medical Insurance (SMI) premium surcharge agreement.

This legislation was requested to enable State and local government agencies that are no longer offering a health benefits package to their retirees to pay the SMI late enrollment premium surcharge on a lump sum basis for their retirees who consequently enrolled or reenrolled in the Medicare program.

While covered by the State or local government agency health care plans, some retirees, who believed that these health plans would be sufficient to cover their health care needs, chose not to enroll in Medicare when they first became eligible, or enrolled and subsequently canceled their Medicare coverage. In some cases, these retirees were subsequently notified by their State or local government retirement offices that those agencies would no longer offer a health benefit package to their retirees. The agencies recommended that their retirees enroll or reenroll in Medicare. When they did so, some retirees learned that they would be subject to Medicare's late enrollment premium surcharge. Consequently, State and local government retirement offices contacted us and requested either a waiver of the surcharge or establishment of a special enrollment period for the affected retirees. We denied these requests and determined that the affected retirees were subject to the late enrollment premium surcharge. This prompted some State and local government retirement offices to offer to pay the

surcharge portion of the Supplemental Medical Insurance premium on behalf of their affected retirees. It also prompted a request from a local government agency to enter into a special billing and payment arrangement with us in order periodically to receive a single bill and pay a lump sum for the surcharge amounts due from a specified group of its retirees.

Since there was no law or regulation in place that would have allowed us to send a State or local government agency a single bill to pay a lump sum for the SMI premium surcharge portion for a group of enrollees, we initially denied the request. Subsequently, the Congress enacted legislation that allowed States to pay the Secretary, on a quarterly or other periodic basis, a lump sum for the total amount of the SMI premium surcharges for a group of Medicare enrollees (section 1839(e) of the Act, section 144 of the Social Security Act Amendments (Pub. L. 103-432)). Section 4582 of the BBA subsequently amended section 1839(e) of the Act by adding language that would also allow any appropriate State or local government agency specified by the Secretary to enter into an agreement to pay the SMI premium surcharges on a periodic lump sum basis. Because our third party billing system, which is used for billing and payment of these surcharge amounts, was developed to accommodate monthly billing and payments, all SMI premium surcharge amounts will be billed and paid on a monthly basis.

The election to make lump sum payments of SMI premium surcharges by a State or local government agency under an SMI premium surcharge agreement is strictly voluntary and is provided as a convenience to the State or local government agency.

II. Provisions of the Proposed Regulations

The proposed rule that we published in the **Federal Register** on October 26, 2001 (66 FR 54186) would implement section 1839(e) of the Act, section 144 of the Social Security Act Amendments of 1994 (Pub. L. 103-432), and section 4582 of the BBA. We proposed to make the following changes in 42 CFR part 408:

We would add a new subpart H to the regulations in part 408 (Premiums for Supplementary Medical Insurance). The new subpart would be entitled "Supplementary Medical Insurance Premium Surcharge Agreements".

Within the subpart, we would add a section that would contain the authority for allowing States and local

government agencies to enter into an agreement with us to pay, on a periodic basis, a lump sum for the total amount of the SMI premium surcharges for a group of eligible Medicare enrollees.

Since there are no existing regulations that prescribe the basic rules for making periodic lump sum payments of the SMI premium surcharge under a special billing arrangement, we would add sections entitled "Definitions", "Conditions for participation", "Application procedures", "Billing and payment procedures", and "Termination of SMI premium surcharge agreements". In the "Definitions" section, we would define SMI premium surcharge and SMI premium surcharge agreement. SMI premium surcharge would be defined as the amount that the standard monthly SMI premium would be increased for late enrollment and for reenrollment as specified in §§ 408.22 through 408.25. SMI premium surcharge agreement would be defined as an agreement entered into between a State or local government agency and us whereby the State or local government agency would agree to periodically pay a lump sum for the premium surcharge amounts due from a specified group of eligible enrollees.

The "Conditions for participation" section would identify individuals who could be included under an SMI premium surcharge agreement, identify individuals excluded from coverage under an agreement, and require the State or local government agency to secure the written consent of each enrollee covered under the agreement. This section would also state that as a condition for participation the State or local government agency would be required to establish an automated data exchange with us to electronically transmit addition, removal, and change records and make all monthly SMI premium surcharge payments via electronic funds transfer.

We would identify eligible individuals as those who, at the time they are added under the premium surcharge agreement, are enrolled under Medicare Part B (SMI) and are responsible for paying the SMI base premiums and surcharges either through direct remittance or benefit withholding. Eligible individuals may also be those who receive a Railroad Retirement Board or Civil Service annuity and are having the SMI premium and surcharge withheld.

We would identify individuals excluded from coverage under an SMI premium surcharge agreement as those who are not enrolled in SMI, those whose SMI premiums are being paid by

a State Welfare Agency under a State buy-in agreement, or those whose SMI premiums and surcharges are being paid under a group billing agreement.

In the "Application procedures" section, we described how the State or local government agency may contact its CMS regional office (RO), obtain an application, and return it for approval.

The "Billing and payment" section would state that the State or local government agency must pay the SMI premium surcharge for each eligible enrollee who is included in the agreement for the time period beginning with the month the enrollee is added and continuing through the month the State or local government agency notifies us that it is necessary to remove the enrollee, the month the enrollee's Part B coverage terminates, or the month of the enrollee's death, whichever comes first.

In the "Termination of SMI premium surcharge agreement" section, we proposed that a State or local government agency may voluntarily terminate an SMI premium surcharge agreement by notifying us, in writing, at least 30 days before the termination date.

We also proposed that we may terminate an SMI premium surcharge agreement with 30 days notice if the State or local government agency fails to comply with the terms of the agreement, is delinquent in payment 60 days or more, three times in any calendar year, or fails to comply with prescribed regulations or instructions. We proposed that we may terminate the agreement at any time if we find that the State or local government agency is not acting in the best interest of the enrollees, or us, or for any other reason. If an agreement is terminated by us, the State or local government agency must wait 3 years from the effective date of the termination before it can request to enter into another agreement.

III. Analysis and Responses to Public Comments

In response to the publication of the proposed rule on October 26, 2001 (66 FR 54186), we did not receive any public comments.

IV. Provisions of the Final Rule

With the exception of changes to proposed § 408.210(b); the addition of a six-month delay in the rule's effective date, to allow additional time for States and local governments to implement the provisions of this rule; and a change of the grace period for payment from 25 to 10 days (§ 408.207(b)), we are adopting the provisions of the proposed rule published on October 26, 2001 (66 FR

54186) as the provisions of this final rule.

In proposed § 408.210(b)(2), we subsequently decided that we may terminate the agreement with a State or local government agency with 30 days advance notice if the State or local government agency's payments are delinquent 30 days or more, rather than if the payments are delinquent 60 days or more, three times in any calendar year. This change was made because the proposed rule would have allowed a State or local government agency to be delinquent in its payments for almost one-half of a year before any corrective action was taken. Upon further reflection, we decided that this was too much time and that it would not be in the best interests of the State or local government agency, the beneficiaries, or us to allow the delinquent state to continue for so long a time. This section was also renumbered to become § 408.210(b)(1).

In proposed § 408.210(b)(1), we have added language in this final rule to clarify that we may terminate the agreement with a State or local government agency at any time if we find that it is not acting in the best interest of the enrollees, or us, or for any other reason other than delinquent payments or failure to comply with the terms of the agreement or procedures promulgated by us. This section was renumbered to become § 408.210(b)(3).

In § 408.27(b)(2), we are revising the grace period to 10 days from the 25 days suggested in the proposed rule because we believe that the 10-day period allows ample opportunity for States and local agencies to send us their payments and more accurately reflects typical business practices.

We are retaining all other language of the proposed regulation because we did not receive any public comments.

V. Collection of Information Requirements

Under the Paperwork Reduction Act of 1995 (PRA 1995), we are required to provide 60 days notice in the **Federal Register** and solicit public comment before a collection of information requirement is submitted to the Office of Management and Budget (OMB) for review and approval. In order to fairly evaluate whether an information collection should be approved by OMB, section 3506(c)(2)(A) of the PRA 1995 requires that we solicit comment on the following issues:

- The need for the information collection and its usefulness in carrying out the proper functions of our agency.
- The accuracy of our estimate of the information collection burden.

- The quality, utility, and clarity of the information to be collected.
- The minimization of the information collection burden on the affected public, including automated collection techniques.

Section 408.202 Conditions for Participation

In the October 26, 2001 proposed rule (66 FR 54186), under this section, a State or local government retirement agency would secure from each Medicare enrollee for whom the surcharge will be paid a written, signed, statement that would authorize us to send billing notices directly to the State or local government agency and to release any information required under the SMI premium surcharge agreement. As stated in the proposed rule, the burden associated with this requirement is the time and effort for the enrollee to sign the required authorization statement. We estimated that for the two States affected by this requirement, each State will obtain an average of 1,175 authorizations. Since this requirement will be standardized and incorporated into the enrollment process, we anticipated that it would take each enrollee 5 minutes to provide the necessary authorization. Therefore, in the proposed rule we projected that the total burden associated with this requirement is 196 hours (5 minutes × 1,175 enrollees × 2 retirement agencies = 196 total hours).

This section also requires that the State or local government agency maintain the authorization statement for each enrollee in its files as long as the enrollee is covered by the agreement.

Lastly, this section requires a State or local government agency to certify to us, in writing, that an authorization statement is on file for each enrollee covered under the SMI premium surcharge agreement. Only one certification is necessary for the entire group of covered enrollees. Given that this requirement affects only two entities, it is not subject to the PRA under 5 CFR 1320.3(c).

Section 408.205 Application Procedures

In the October 26, 2001 proposed rule (66 FR 54186), under this section, a State interested in entering into an agreement would return to the CMS Regional Office (RO) two completed copies of the application materials.

As stated in the proposed rule, we estimate that two States/agencies will apply for an agreement. Thus, this requirement is not subject to the PRA in accordance with 5 CFR 1320.3(c).

Section 408.207 Billing and Payment Procedures

In the proposed rule, under paragraph (a) of this section, the State or local government agency must transmit electronically an input file to us containing addition and removal records at least once each calendar month, but may transmit this information as often as once a day.

Under paragraph (d) of this section, if a State or local government agency disagrees with the amount assessed in a billing statement or interest charge, it must notify us as required under this section. Given that this activity is conducted as part of an administrative action, audit, and/or investigation, this requirement is exempt from the PRA under 5 CFR 1320.4.

Section 408.210 Termination of SMI Premium Surcharge Agreement

In the October 26, 2001 proposed rule (66 FR 54186), under paragraph (a), if the State or local government agency voluntarily terminates its agreement with us, it must notify us, in writing, at least 30 days before the effective date of the termination.

As stated in the proposed rule, we estimate that two States/agencies will be subject to the provisions of this section. Thus, this requirement is not subject to the PRA in accordance with 5 CFR 1320.3(c).

The total burden associated with this rule is 196 annual hours.

We have submitted a copy of this final rule to OMB for its review of the information collection requirement in § 408.202. These requirements are not effective until they have been approved by the OMB.

VI. Regulatory Impact Statement

A. Overall Impact

We have examined the impacts of this final rule as required by Executive Order 12866 (September 1993, Regulatory Planning and Review) and the Regulatory Flexibility Act (RFA) (September 19, 1980, Public Law 96-354). Executive Order 12866 directs agencies to assess all costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects; distributive impacts; and equity). A regulatory impact analysis (RIA) must be prepared for major rules with economically significant effects (\$100 million or more annually). This is not a major rule. It has no significant economic impact, on either costs or savings, because either

the enrollee or the State or local government agency would remit the same amount to us whether or not there is an SMI premium surcharge agreement in effect. The only difference is that under this rule, the State or local government agency is allowed to voluntarily elect to remit SMI premium surcharge amounts in a lump sum payment on behalf of eligible Medicare enrollees.

The RFA requires agencies to analyze options for regulatory relief of small businesses. For purposes of the RFA, small entities include small businesses, nonprofit organizations, and government agencies. Most hospitals and most other providers and suppliers are small entities, either by nonprofit status or by having revenues of \$5 million or less annually. Individuals and States are not included in the definition of small entities. Therefore, we have determined, and we certify, that this final regulation does not result in a significant impact on a substantial number of small entities.

In addition, section 1102(b) of the Social Security Act (the Act) requires us to prepare a regulatory impact analysis if a rule may have a significant impact on the operations of a substantial number of small rural hospitals. This analysis must conform to the provisions of section 604 of the RFA. For purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital located outside of a Metropolitan Statistical Area with fewer than 100 beds. This rule has no impact on any small rural hospitals. Therefore, we have determined, and we certify, that this final regulation does not have a significant effect on the operations of a substantial number of small rural hospitals.

B. *The Unfunded Mandates Act*

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA, Pub. L. 104-4) requires that agencies assess anticipated costs and benefits before issuing any rule that may result in an annual expenditure by State, local, or tribal governments, in the aggregate, or by the private sector, of \$110 million. This rule has no effect on the annual expenditures of any State, local, or tribal government, or the private sector. Participation in an SMI premium surcharge agreement is strictly voluntary and does not change the total amount of SMI premium surcharges paid by a State or local government agency. Therefore, we have determined, and we certify, that this final regulation does not result in an annual expenditure by State, local, or tribal governments, in

the aggregate, or by the private sector, of \$110 million.

C. *Federalism*

We have reviewed this final rule under the threshold criteria of Executive Order 13132, Federalism, and we have determined that it does not significantly affect the rights, roles, and responsibilities of States. This rule is in response to a specific request from a State/local government and is an example of regulatory flexibility and cooperation with States. Also, in order to give States additional time to implement the rule's provisions, we have delayed the effective date of the rule to six months from the date of publication in the **Federal Register**.

In accordance with the provisions of Executive Order 12866, this final rule was reviewed by the Office of Management and Budget. This final rule is not a major rule as defined at 5 U.S.C. 804(2).

List of Subjects in 42 CFR Part 408

Medicare.

Accordingly, the Centers for Medicare & Medicaid Services amends 42 CFR chapter IV, part 408 as follows:

PART 408—PREMIUMS FOR SUPPLEMENTAL MEDICAL INSURANCE

1. The authority citation for part 408 continues to read as follows:

Authority: Secs. 1102 and 1871 of the Social Security Act (42 U.S.C. 1302 and 1395hh).

2. Add a new subpart H, consisting of §§ 408.200 through 408.210, to part 408, to read as follows:

Subpart H—Supplementary Medical Insurance Premium Surcharge Agreements

Sec.	408.200	Statutory basis.
	408.201	Definitions.
	408.202	Conditions for participation.
	408.205	Application procedures.
	408.207	Billing and payment procedures.
	408.210	Termination of SMI premium surcharge agreement.

Subpart H—Supplementary Medical Insurance Premium Surcharge Agreements

§ 408.200 Statutory basis.

This subpart implements provisions of section 1839(e) of the Social Security Act that allow State or local government agencies to enter into an agreement with the Secretary to pay, on a quarterly or other periodic basis, a lump sum for the total of the SMI premium late

enrollment surcharge amounts due for a group of eligible enrollees.

§ 408.201 Definitions.

For purposes of this subpart, the following definitions apply:

SMI premium surcharge means the amount that the standard monthly SMI premium is increased for late enrollment or for reenrollment as specified in §§ 408.22 through 408.25.

SMI premium surcharge agreement means a written arrangement between the Secretary and a State or local government agency to pay, on a quarterly, monthly, or other periodic basis, a lump sum for the SMI premium surcharge amounts due for a designated group of eligible enrollees.

§ 408.202 Conditions for participation.

(a) A State or local government agency may apply to CMS to enter into an SMI premium surcharge agreement if the following conditions are met:

(1) Each individual designated for coverage under the premium surcharge agreement must be enrolled in Medicare Part B at the time the individual is added to the premium surcharge account.

(2) Each enrollee designated for coverage under the agreement must, at the time the individual is added to the premium surcharge account, be responsible for paying the base premium and surcharge through direct remittance or benefit withholding from Social Security or Railroad Retirement benefits or a Civil Service annuity.

(3) Each enrollee designated for coverage under the agreement must, at the time the individual is added to the premium surcharge account, not have premiums paid by a State Welfare Agency under a State buy-in agreement as described in § 407.40 of this chapter or under a group billing arrangement as described in § 408.80.

(b) The State or local government agency must secure from each enrollee a signed, written statement authorizing CMS to send billing notices directly to the State or local government agency, and to release to the State or local government agency information required under the SMI premium surcharge agreement.

(c) The authorization statement for each enrollee must be retained in the State or local government agency files for as long as the enrollee is covered by the agreement. These authorization statements need not be forwarded to CMS.

(d) The State or local government agency must certify to CMS, in writing, that an authorization statement is on file for each enrollee covered under the SMI

premium surcharge agreement. Only one certification is necessary for the entire group of covered enrollees.

(e) A State or local government agency must establish an automated data exchange with CMS using the Third Party Premium Collection System, in order to transmit electronically an input file that will be used to add or remove enrollees from the billing system.

§ 408.205 Application procedures.

(a) A State or local government agency must contact its CMS regional office (RO) to request application materials.

(b) If interested in entering into an agreement, the State or local government agency must return to the RO two copies of the completed application materials.

(c) CMS reviews the application materials, and, when they are approved, notifies the State or local government agency, and the RO.

§ 408.207 Billing and payment procedures.

(a) *Adding and removing enrollees.* The State or local government agency must transmit an input file containing addition and removal records electronically to CMS as follows:

(1) Input files must be transmitted at least once each calendar month, but may be transmitted as often as once a day.

(2) CMS will not add or remove enrollees retroactively, except for removals upon the death of an enrollee.

(3) The State or local government agency must pay the SMI premium surcharge for each eligible enrollee who is included in the agreement for the time period beginning with the month the enrollee is added and continuing through the month the State or local government agency informs CMS that the enrollee is to be removed, the month the enrollee's Part B coverage terminates, or the month of the enrollee's death, whichever comes first.

(b) *Payment and grace period.* Payment must be made to CMS as follows:

(1) Payment to CMS must be received by CMS by the first day of each month.

(2) There is a 10-day grace period for receipt of payment.

(3) Payment must be made to CMS via electronic funds transfer.

(c) *Late payment penalties.* CMS may assess interest for any payment it does not receive by the first day of the month as follows:

(1) Interest will be assessed at the SMI trust fund rate as computed for new investments in accordance with section 1841(c) of the Act.

(2) Interest will be waived if the full payment is received by the 10th day of the month in which it is due.

(3) Interest will be calculated and assessed in 30-day increments.

(4) Interest will be assessed on the balance of the amount billed that remains unpaid at the expiration of the grace period and unpaid balances from prior periods.

(5) Interest will continue to accrue on unpaid amounts until the balance is paid in full.

(d) *Disagreement over billing amounts or interest.* If the State or local government agency disagrees with the amount assessed in a billing statement or interest charge, it must notify CMS as follows:

(1) The State or local government agency must provide evidence suitable to CMS to substantiate its claim.

(2) The State or local government agency must continue to make full payment while CMS evaluates the evidence provided.

(3) Credit for payment amounts or interest that CMS determines to be due to the State or local government agency will be reflected as an adjustment in subsequent bills, effective on the date the corrected amount would have been due.

§ 408.210 Termination of SMI premium surcharge agreement.

(a) *Termination by the State or local government agency.* The State or local government agency may voluntarily terminate its agreement with CMS as follows:

(1) The State or local government agency must notify CMS, in writing, at least 30 days before the effective date of the termination.

(2) The State or local government agency must pay any unpaid premium surcharge amounts and interest due within 30 days after the effective date of the termination.

(3) Interest will continue to accrue until all amounts due are paid in full.

(b) *Termination by CMS.* CMS may terminate the agreement with a State or local government agency as follows:

(1) If a State or local government agency's payments are delinquent 30 days or more, CMS may terminate the agreement with 30 days advance notice.

(2) If the State or local government agency fails to comply with the terms of the agreement or procedures promulgated by CMS, CMS may terminate the agreement with 30 days advance notice.

(3) If CMS finds that the State or local government agency is not acting in the best interest of the enrollees, or CMS, or for any reason other than those in paragraphs (b)(1) and (b)(2) of this section, CMS may terminate the agreement at any time.

(4) The State or local government agency must pay all outstanding premium surcharge and any interest amounts due within 30 days after the effective date of the termination.

(5) Interest will continue to accrue until all amounts due are paid in full.

(6) After the agreement is terminated, CMS will resume collection of the premium surcharge from the enrollees covered under the terminated agreement.

(7) If an agreement is terminated by CMS, the State or local government agency must wait 3 years from the effective date of the termination before it can request to enter into another SMI premium surcharge agreement.

(Catalog of Federal Domestic Assistance Program No. 93.773, Medicare—Hospital Insurance; and Program No. 93.774, Medicare—Supplementary Medical Insurance Program)

Dated: April 18, 2002.

Thomas A. Scully,
Administrator, Centers for Medicare & Medicaid Services.

Dated: June 13, 2002.

Tommy G. Thompson,
Secretary.

[FR Doc. 02-23845 Filed 9-26-02; 8:45 am]

BILLING CODE 4120-01-P

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

45 CFR Part 2551

RIN 3045-AA29

Senior Companion Program; Amendments

AGENCY: Corporation for National and Community Service.

ACTION: Final rule.

SUMMARY: These amendments to the Final Regulation governing the Senior Companion Program include: improving access of persons with limited English speaking proficiency; clarifying what income should be counted for purposes of determining income eligibility of an applicant to become a stipended Senior Companion; providing increased flexibility to sponsors to determine the hours of service of Senior Companions; reducing restrictions on sponsors serving as volunteer stations; and providing for Senior Companions to serve as volunteer leaders.

DATES: These amendments are effective October 28, 2002.

FOR FURTHER INFORMATION CONTACT: Peter L. Boynton, 202-606-5000, ext. 499.