

mailed and/or faxed to the designees referenced below by May 25, 2004:  
Centers for Medicare & Medicaid Services, Office of Strategic Operations and Regulatory Affairs, Division of Regulations Development and Issuances, Attention: Dawn Willingham, CMS-10113, Room C5-14-03, 7500 Security Boulevard, Baltimore, Maryland 21244-1850; and, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 10235, New Executive Office Building, Washington, DC 20503, Attn.: Brenda Aguilar, Desk Officer, Fax # 202-395-6974.

Dated: May 7, 2004.

**John P. Burke, III,**

*Reports Clearance Officer, Office of Strategic Operations and Strategic Affairs, Division of Regulations Development and Issuances.*

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**BILLING CODE 4120-03-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Centers for Medicare & Medicaid Services

#### Notice of Hearing: Reconsideration of Disapproval of Connecticut's Medicaid State Plan Amendment 03-002A

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

**ACTION:** Notice of hearing.

**SUMMARY:** This notice announces an administrative hearing to be held on June 8, 2004, at 10 a.m., JFK Federal Building, Room 2325, Boston, Massachusetts 02203-0003, to reconsider CMS' decision to disapprove Connecticut's Medicaid State Plan Amendment (SPA) 03-002A.

**DATES:** *Closing Date:* Requests to participate in the hearing as a party must be received by the presiding officer by June 3, 2004.

**FOR FURTHER INFORMATION CONTACT:** Kathleen Scully-Hayes, Presiding Officer CMS, Lord Baltimore Drive, Mail Stop LB-23-20, Baltimore, Maryland 21244, Telephone: (410) 786-2055.

**SUPPLEMENTARY INFORMATION:** This notice announces an administrative hearing to reconsider the CMS' decision to disapprove Connecticut's Medicaid State Plan Amendment (SPA) 03-002A.

Connecticut submitted SPA 03-002A on February 13, 2003, which proposes to establish new pharmacy reimbursement rates for the period January 1, 2003, through February 4, 2003. The CMS reviewed this proposal and for the reasons set forth below, the

Agency was unable to approve SPA 03-002A as submitted.

The sole issue is whether the requested effective date is consistent with statutory and regulatory requirements. In a separate action, CMS approved SPA 03-002B, which made the requested changes to pharmacy reimbursement rates for a subsequent period. Under section 1902(a)(30)(A) of the Social Security Act (the Act), states are required to have methods and procedures to ensure that rates are consistent with efficiency, economy, and quality of care. Under that authority, the Secretary has issued regulations prescribing state rate-setting procedures. One of those requirements, set forth at 42 CFR 447.205(d), is issuance of public notice prior to the effective date of a significant change in any methods and standards for setting payment rates for services. While the State indicated that a legislative hearing was held in February 2002, and that other activities occurred in the Connecticut General Assembly, the required public notice was not published in the Connecticut Law Journal until February 4, 2003. The regulations at 42 CFR 447.205(d) are quite specific that in order to meet the public notice requirements, a notice must be published in one of the following publications: (1) A state register similar to the **Federal Register**; (2) the newspaper of widest circulation in each city with a population of 50,000 or more; or (3) the newspaper of widest circulation in the state, if there is not a city with a population of 50,000 or more. Hearings and activities before a state legislature are not included in the regulation as meeting the requirements of public notice. Therefore, the change in pharmacy reimbursement rates contained in SPA 03-002A could not be effective until February 5, 2003.

Therefore, based on the reasoning set forth above, and after consultation with the Secretary as required under 42 CFR 430.15(c)(2), CMS disapproved Connecticut SPA 03-002A.

Section 1116 of the Act and 42 CFR part 430 establish Department procedures that provide an administrative hearing for reconsideration of a disapproval of a state plan or plan amendment. CMS is required to publish a copy of the notice to a State Medicaid agency that informs the agency of the time and place of the hearing and the issues to be considered.

If we subsequently notify the agency of additional issues that will be considered at the hearing, we will also publish that notice.

Any individual or group that wants to participate in the hearing as a party

must petition the presiding officer within 15 days after publication of this notice, in accordance with the requirements contained at 42 CFR 430.76(b)(2). Any interested person or organization that wants to participate as *amicus curiae* must petition the presiding officer before the hearing begins in accordance with the requirements contained at 42 CFR 430.76(c). If the hearing is later rescheduled, the presiding officer will notify all participants.

The notice to Connecticut announcing an administrative hearing to reconsider the disapproval of its SPA reads as follows: Mr. Michael Starkowski, Deputy Commissioner, State of Connecticut, Department of Social Services, 25 Sigourney Street, Hartford, CT 06106-5033.

Dear Mr. Starkowski:

I am responding to your request for reconsideration of the decision to disapprove State Plan Amendment (SPA) 03-002A.

Connecticut submitted SPA 03-002A on February 13, 2003, which proposes to establish new pharmacy reimbursement rates for the period January 1, 2003, through February 4, 2003. The Centers for Medicare & Medicaid Services (CMS) reviewed this proposal and for the reasons set forth below, the Agency was unable to approve SPA 03-002A as submitted.

The sole issue is whether the requested effective date is consistent with statutory and regulatory requirements. In a separate action, CMS approved SPA 03-002B, which made the requested changes to pharmacy reimbursement rates for a subsequent period. Under section 1902(a)(30)(A) of the Social Security Act, states are required to have methods and procedures to ensure that rates are consistent with efficiency, economy, and quality of care. Under that authority, the Secretary has issued regulations prescribing state rate-setting procedures. One of those requirements, set forth at 42 CFR 447.205(d), is issuance of public notice prior to the effective date of a significant change in any methods and standards for setting payment rates for services. While the State indicated that a legislative hearing was held in February 2002, and that other activities occurred in the Connecticut General Assembly, the required public notice was not published in the Connecticut Law Journal until February 4, 2003. The regulations at 42 CFR 447.205(d) are quite specific that in order to meet the public notice requirements, a notice must be published in one of the following publications: (1) A state register similar to the **Federal Register**; (2) the newspaper of widest circulation in each city with a population of 50,000 or more; or (3) the newspaper of widest circulation in the state, if there is not a city with a population of 50,000 or more. Hearings and activities before a state legislature are not included in the regulation as meeting the requirements of public notice. Therefore, the change in pharmacy reimbursement rates contained in SPA 03-002A could not be effective until February 5, 2003.

Therefore, based on the reasoning set forth above, and after consultation with the Secretary as required under 42 CFR 430.15(c)(2), CMS disapproved Connecticut SPA 02-003A.

I am scheduling a hearing on your request for reconsideration to be held on June 8, 2004, at 10 a.m., JFK Federal Building, Room 2325, Boston, Massachusetts 02203-0003. If this date is not acceptable, we would be glad to set another date that is mutually agreeable to the parties. The hearing will be governed by the procedures prescribed at 42 CFR part 430.

I am designating Ms. Kathleen Scully-Hayes as the presiding officer. If these arrangements present any problems, please contact the presiding officer. In order to facilitate any communication which may be necessary between the parties to the hearing, please notify the presiding officer to indicate acceptability of the hearing date that has been scheduled and provide names of the individuals who will represent the State at the hearing. Ms. Kathleen Scully-Hayes may be reached at (410) 786-2055.

Sincerely,

Mark B. McClellan, M.D., Ph.D.

**Authority:** Section 1116 of the Social Security Act (42 U.S.C. 1316; 42 CFR 430.18). (Catalog of Federal Domestic Assistance Program No. 13.714, Medicaid Assistance Program)

**Mark B. McClellan,**

*Administrator, Centers for Medicare & Medicaid Services.*

[FR Doc. 04-11268 Filed 5-18-04; 8:45 am]

**BILLING CODE 4120-03-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Administration for Children and Families

#### Office of Planning, Research and Evaluation; Grant to Institute for American Values

**AGENCY:** Office of Planning, Research and Evaluation, ACF, HHS.

**ACTION:** Award announcement.

**SUMMARY:** Notice is hereby given that the Office of Planning, Research and Evaluation will award grant funds without competition to the Institute for American Values. This grant is being awarded for an unsolicited proposal that conforms to the applicable program objectives, is within the legislative authorities and proposes activities that may be lawfully supported through grant mechanisms. This application is of outstanding merit and will have significant impact in focusing new public policy initiatives related to healthy marriage and contribute to better scholarly and public understanding of the issues, particularly related to the benefits of marriage for

African Americans. The systematic review of academic findings published since 1990 will include studies with substantial rigor in order to address the existing inconclusive and often contradictory evidence presented in the current social science literature regarding the benefits of marriage for African Americans. The proposal presents a unique approach and includes a research team comprised of nationally recognized experts who will draw on the experience and knowledge of other nationally recognized experts in identifying the universe of scholarly publications to be considered and providing recommendations regarding variables to be considered and approaches for analysis.

The Institute for American Values is a nonpartisan organization devoted to contributing intellectually to the renewal of marriage and family life and the sources of competence, character, and citizenship.

The grant will support a 16-month project at a cost of \$48,852 in federal support. The project is also being supported through non-federal funding sources.

**FOR FURTHER INFORMATION CONTACT:** K.A. Jagannathan, Administration for Children and Families, Office of Planning, Research and Evaluation, 370 L'Enfant Promenade, SW., Washington, DC 20447, Phone: 202-205-4829.

Dated: May 13, 2004.

**Naomi Goldstein,**

*Acting Director, Office of Planning, Research and Evaluation.*

[FR Doc. 04-11239 Filed 5-18-04; 8:45 am]

**BILLING CODE 4184-01-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Administration for Children and Families

#### Grants and Cooperative Agreements; Availability, etc: American Indian and Native Alaskan Incremental Development Projects; Community Services Block Grant Program

*Program Office Name:* Office of Community Services.

*Funding Opportunity Title:* The Community Services Block Grant Program Community Economic Development Discretionary Grant Program—Priority Area: Incremental Development Projects—American Indian and Native Alaskan.

*Announcement Type:* Initial.

*Funding Opportunity Number:* HHS-2004-ACF-OCS-ID-0023.

*CFDA Number:* 93.570.

*Due Dates for Applications:* The due date for receipt of applications is July 19, 2004.

### I. Funding Opportunity Description

The Community Services Block Grant (CSBG) Act of 1981, as amended, (Section 680 of the Community Opportunities, Accountability, and Training and Educational Services Act of 1998), authorizes the Secretary of the U.S. Department of Health and Human Services to make grants to provide technical and financial assistance for economic development activities designed to address the economic needs of low-income individuals and families by creating employment and business development opportunities. Low-income beneficiaries include those who are determined to be living in poverty as determined by the HHS Guidelines on Poverty (See Appendix A), are unemployed, on public assistance, including Temporary Assistance for Needy Families (TANF), are at risk teenagers, custodial and non-custodial parents, public housing residents, persons with disabilities and persons who are homeless. Under this priority area, the Office of Community Services (OCS) is particularly interested in receiving applications from urban and tribal American Indian and Alaskan Village community development corporations and other community development corporations (CDC) including faith-based ones.

### Definitions of Terms

The following definitions apply:

*Beneficiaries*—Low-income individuals (as defined in the most recent annual revision of the Poverty Income Guidelines published by the U.S. Department of Health and Human Services) who receive direct benefits and low-income communities that receive direct benefits.

*Budget Period*—The time interval into which a grant period is divided for budgetary and funding purposes.

*Business Start-up Period*—Time interval when the grantee completes preliminary project tasks. These tasks include but are not limited to assembling key staff, executing contracts, administering lease out or build-out of space for occupancy, purchasing plant and equipment and other similar activities. The Business Start-Up Period typically entails three to six months from when OCS awards the grant or cooperative agreement.

*Cash contributions*—The recipient's cash outlay, including the outlay of money contributed to the recipient by the third parties.