beneficiaries who meet the criteria to participate in existing demonstrations or CCIP.

Organizations may be paid a monthly fee per participant or participate under a gain-sharing arrangement based on Medicare savings; however, fee and gain-sharing payments will be contingent on improvements in clinical quality of care, beneficiary and provider satisfaction, and savings to Medicare in the intervention groups compared to control groups.

II. Provisions of This Notice

This demonstration is intended to test models of care management for high-cost beneficiaries under the Medicare FFS program, incorporating relevant features from traditional disease management programs, but allowing sufficient flexibility for us and the awardees to adapt the design of CMHCB programs to meet the unique needs of the high-cost Medicare population. For some beneficiaries with high-cost conditions, the restructuring of the care management plan to integrate provider services in the program and to deliver those services in non-acute care locations such as the beneficiary's home could significantly improve the beneficiary's quality of life while simultaneously reducing costs. Under the CMHCB demonstration, we hope to test a variety of models such as intensive case management, increased provider availability, structured chronic care programs, restructured physician practices, and expanded flexibility in care settings to deliver care to high-cost beneficiaries with multiple conditions.

The organization(s) that are awarded the demonstration project will be required to agree to assume financial risk in the event of failure to meet agreed upon performance guarantees for clinical quality, beneficiary and provider satisfaction and savings targets. That financial risk will include all fees and gain-sharing payments.

Organizations eligible to apply to implement and operate care management programs under CMHCB include—

- Physician groups;
- Hospitals; or
- Integrated delivery systems.

Other organizations may apply, but only as part of a consortium that includes physician groups, hospitals, or integrated delivery systems that would play a major role in the operation of the proposed CMHCB demonstration. Eligible organizations must be capable of providing ambulatory health care services.

We plan to make approximately four to six awards. Interested parties can obtain complete solicitation and supporting information on the CMS Web site at *http://www.cms.hhs.gov/researchers/demos/cmhcb.asp.* Paper copies can be obtained by writing to Cynthia Mason at the address listed in the **ADDRESSES** section of this notice.

III. Collection of Information Requirements

This information collection requirement is subject to the Paperwork Reduction Act of 1995 (PRA); however, the collection is currently approved under OMB control number 0938–0880 entitled ''Medicare Demonstration Waiver Application'' with a current expiration date of 7/31/2006.

Authority: Section 402(a)(1)(B) and (a)(2) of the Social Security Amendments of 1967, Pub. L. 90–248, as amended, 42 U.S.C. 1395b–1(a)(1)(B) and (a)(2).

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

Dated: September 15, 2004.

Mark B. McClellan,

Administrator, Centers for Medicare & Medicaid Services.

[FR Doc. 04–22459 Filed 10–1–04; 4:00 pm]

BILLING CODE 4120–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

Notice of Hearing: Reconsideration of Disapproval of New Hampshire State Plan Amendment (04–001A)

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

ACTION: Notice of hearing.

SUMMARY: This notice announces an administrative hearing on November 19, 2004, at 10 a.m., JFK Federal Building, Room E275A, Boston, Massachusetts 02203–0003, to reconsider the decision to disapprove New Hampshire State Plan Amendment (SPA) 04–001A.

DATES: Requests to participate in the hearing as a party must be received by the presiding officer by October 21, 2004.

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

SUPPLEMENTARY INFORMATION: This notice announces an administrative hearing to reconsider the decision to disapprove New Hampshire State Plan Amendment (SPA) 04–001A, which New Hampshire submitted on March 31, 2004. SPA 04–001A sought to reduce the Estimated Acquisition Cost (EAC) for prescription drugs from Average Wholesale Price (AWP) minus 12 percent to AWP minus 16 percent and the dispensing fee from $2.50 to $1.75 per prescription, effective for the period from January 12, 2004, to March 11, 2004. The CMS reviewed this proposal and for the reasons set forth below, was unable to approve SPA 04–001A as submitted.

At issue is whether the requested effective date of January 12, 2004, is consistent with statutory and regulatory requirements. In a separate action, CMS approved SPA 04–001B, which made the same changes in the EAC and dispensing fee calculations, effective March 12, 2004. Section 1902(a)(30) of the Social Security Act (the Act) requires a state's Medicaid state plan to provide such methods and procedures as may be necessary to ensure that payments are consistent with efficiency, economy, and quality of care. Under that authority, the Secretary has issued regulations prescribing state rate-setting procedures. Federal regulations at 42 CFR 447.205(d) require public notice to be issued prior to the effective date of a significant change in any methods and standards for setting payment rates for services. The state did not issue a public notice for the proposed changes in payment methodology until March 11, 2004. Therefore, the earliest that such changes could be effective is March 12, 2004.

Based on the above, and after consultation with the Secretary as required under 42 CFR 430.15(c)(2), CMS disapproved New Hampshire SPA 04–001A.

Section 1116 of the Act and 42 CFR part 430 establish Departmental procedures that provide an administrative hearing for reconsideration of a disapproval of a State plan or plan amendment. The 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 also will publish that notice.

Any interested 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 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 New Hampshire announcing an administrative hearing to reconsider the disapproval of its SPA reads as follows: Mr. John A. Stephen, Commissioner, Department of Health and Human Services, 129 Pleasant Street, Concord, NH 03301–3857

Dear Mr. Stephen: I am responding to your request for reconsideration of the decision to disapprove New Hampshire State Plan Amendment (SPA) 04–001A, which the State submitted on March 31, 2004. The SPA 04–001A sought to reduce the Estimated Acquisition Cost (EAC) for prescription drugs from Average Wholesale Price (AWP) minus 12 percent to AWP minus 16 percent and the dispensing fee from $2.50 to $1.75 per prescription, effective for the period from January 12, 2004, to March 11, 2004. The Centers for Medicare & Medicaid Services (CMS) reviewed this proposal, and for the reasons set forth below, was unable to approve SPA 04–001A as submitted.

At issue is whether the requested effective date of January 12, 2004, is consistent with statutory and regulatory requirements. In a separate action, CMS approved SPA 04–001B, which made the same changes in the EAC and dispensing fee calculations, effective March 12, 2004. Section 1902(a)(30) of the Social Security Act (the Act) requires a state's Medicaid state plan to provide such methods and procedures as may be necessary to ensure that payments are consistent with efficiency, economy, and quality of care. Under that authority, the Secretary has issued regulations prescribing state rate-setting procedures. Federal regulations at 42 CFR 447.205(d) require public notice to be issued prior to the effective date of a significant change in any methods and standards for setting payment rates for services. The State did not issue a public notice for the proposed changes in payment methodology until March 11, 2004. Therefore, the earliest that such changes could be effective is March 12, 2004. Based on the above, and after consultation with the Secretary as required under 42 CFR 430.15(c)(2), CMS disapproved New Hampshire SPA 04–001A.

I am scheduling a hearing for November 19, 2004, at 10 a.m., JFK Federal Building, Room E275A, Boston, Massachusetts 02203–0003, to reconsider the decision to disapprove SPA 04–001A. 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 that 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. The presiding officer may be reached at (410) 786–2055.

Sincerely,
Mark B. McClellan, M.D., PhD.

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)

Dated: September 27, 2004.

Mark B. McClellan,

Administrator, Centers for Medicare & Medicaid Services.

[FR Doc. 04–22419 Filed 10–5–04; 8:45 am]

BILLING CODE 4120–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

SES Performance Review Board

ACTION: Notice.

SUMMARY: Notice is hereby given of the appointment of members of the CMS Senior Executive Service (SES) Performance Review Board.

DATES: Effective September 30, 2004.

FOR FURTHER INFORMATION CONTACT: Donna Mueller, Executive Resources Management Team, Baltimore Human Resources Center, Department of Health and Human Services, C2–12–16, 7500 Security Boulevard, Baltimore, MD 21244–1850, (410) 786–5554.

SUPPLEMENTARY INFORMATION: Section 4314(c)(1) through (5) of Title 5, U.S.C., requires each agency to establish, in accordance with regulations prescribed by the Office of Personnel Management, one or more SES performance review boards. The purpose of the board is to provide fair and impartial review of the initial appraisal prepared by the senior executive's immediate supervisor; to make recommendations to the appointing authority regarding the performance of the senior executive; and to make recommendations for monetary performance awards. Composition of the specific PRB will be determined on an *ad hoc* basis from among the individuals listed below:

Gale Arden, Director, Disabled and Elderly Health Program Group.
Gary Bailey, Deputy Director for Health Plans, Center for Beneficiary Choices.
Dara Bendavid, Director, Program Integrity Group.
Judith Berek, Senior Advisor on National Policy Implementation.
Charlene Brown, Deputy Director, Center for Medicaid and State Operations.
Glenn Chaney, Director, Accounting Management Group.
Rose Crum-Johnson, Atlanta Regional Administrator.
Robert Donnelly, Director, Health Plan Policy Group.
John Dyer, Chief Operating Officer.
James Farris, Dallas Regional Administrator.
Jeffrey Flick, San Francisco Regional Administrator.
Robert Foreman, Director, Office of Legislation.
Richard Foster, Chief Actuary/Director Office of the Actuary.
Wallace Fung, Deputy Director (Technology).
Jacqueline Garner, Chicago Regional Administrator.
Edward Gendron, Director, Financial Systems Budget Group.
Thomas Gustafson, Deputy Director, Center for Medicare Management.
Stuart Guterman, Director, Office of Research, Development and Information.
Thomas Hamilton, Director, Office of Survey and Certification.
Kathleen Harrington, Director, Office of External Affairs.
Timothy B. Hill, Director, Office of Financial Management.
Gary Kavanagh, Director, Business Systems Operations Group.
Carmen Keller, Director, Office of Medicare Adjudication.
James Kerr, New York Regional Administrator.
Thomas Kickham, Director, Partnership and Promotion Group.
Herb Kuhn, Director, Center for Medicare Management.
Mary Laureno, Director, Beneficiary Information Services Group.
Timothy Love, Director, Office of Information Services.
Gail McGrath, Director, Center for Beneficiary Choices.
Michael McMullan, Deputy Director, Center for Beneficiary Choices.
Regina McPhillips, Director, Beneficiary Education and Analysis Group.
Solomon Mussey, Director, Office of Medicare and Medicaid Cost Estimates Group.
Leslie V. Norwalk, Deputy Administrator, Chair.
Kevin Piper, Director, Medicare Reform Implementation.
Elizabeth Richter, Director, Hospital and Ambulatory Policy Group.
Roy Ruff, Seattle Regional Administrator.
Jean Sheil, Director, Family and Children's Health Program Group.