

technology to minimize the information collection burden.

**DATES:** Comments on the collection(s) of information must be received by the OMB desk officer by December 16, 2015.

**ADDRESSES:** When commenting on the proposed information collections, please reference the document identifier or OMB control number. To be assured consideration, comments and recommendations must be received by the OMB desk officer via one of the following transmissions: OMB, Office of Information and Regulatory Affairs, Attention: CMS Desk Officer, Fax Number: (202) 395-5806 OR Email: [OIRA\\_submission@omb.eop.gov](mailto:OIRA_submission@omb.eop.gov).

To obtain copies of a supporting statement and any related forms for the proposed collection(s) summarized in this notice, you may make your request using one of following:

1. Access CMS' Web site address at <http://www.cms.hhs.gov/PaperworkReductionActof1995>.

2. Email your request, including your address, phone number, OMB number, and CMS document identifier, to [Paperwork@cms.hhs.gov](mailto:Paperwork@cms.hhs.gov).

3. Call the Reports Clearance Office at (410) 786-1326.

**FOR FURTHER INFORMATION CONTACT:** Reports Clearance Office at (410) 786-1326.

**SUPPLEMENTARY INFORMATION:** Under the Paperwork Reduction Act of 1995 (PRA) (44 U.S.C. 3501-3520), federal agencies must obtain approval from the Office of Management and Budget (OMB) for each collection of information they conduct or sponsor. The term "collection of information" is defined in 44 U.S.C. 3502(3) and 5 CFR 1320.3(c) and includes agency requests or requirements that members of the public submit reports, keep records, or provide information to a third party. Section 3506(c)(2)(A) of the PRA (44 U.S.C. 3506(c)(2)(A)) requires federal agencies to publish a 30-day notice in the **Federal Register** concerning each proposed collection of information, including each proposed extension or reinstatement of an existing collection of information, before submitting the collection to OMB for approval. To comply with this requirement, CMS is publishing this notice that summarizes the following proposed collection(s) of information for public comment:

1. *Type of Information Collection Request:* Extension without change of a currently approved collection; *Title of Information Collection:* Statement of Deficiencies and Plan of Correction Supporting Regulations; *Use:* Section 1864(a) of the Social Security Act requires that the Secretary use state

survey agencies to conduct surveys to determine whether health care facilities meet Medicare and Clinical Laboratory Improvement Amendments participation requirements. The Form CMS-2567 is the means by which the survey findings are documented. This section of the law further requires that compliance findings resulting from these surveys be made available to the public within 90 days of such surveys. The Form CMS-2567 is the vehicle for this disclosure. The form is also used by health care facilities to document their plan of correction and by CMS, the states, facilities, purchasers, consumers, advocacy groups, and the public as a source of information about quality of care and facility compliance. The regulations at 42 CFR 488.18 require that state survey agencies document all deficiency findings on a statement of deficiencies and plan of correction, which is the CMS-2567. Sections 488.26 and 488.28 further delineate how compliance findings must be recorded and that CMS prescribed forms must be used. *Form Number:* CMS-2567 (OMB Control Number: 0938-0391); *Frequency:* Yearly and occasionally; *Affected Public:* Private Sector (Business or other for-profit and Not-for-profit institutions); *Number of Respondents:* 64,500; *Total Annual Responses:* 64,500; *Total Annual Hours:* 128,083. (For policy questions regarding this collection contact Karen Tritz at 410-786-8021.)

2. *Type of Information Collection Request:* Revision of a currently approved collection; *Title of Information Collection:* Monthly File of Medicaid/Medicare Dual Eligible Enrollees; *Use:* The monthly data file is provided to CMS by states on dually eligible Medicaid and Medicare beneficiaries, listing the individuals on the Medicaid eligibility file, their Medicare status and other information needed to establish subsidy level, such as income and institutional status. The file is used to count the exact number of individuals who should be included in the phased-down state contribution calculation that month. We merge the data with other data files and establishes Part D enrollment for those individuals on the file. The file may be used by CMS partners to obtain accurate counts of duals on a current basis. *Form Number:* CMS-10143 (OMB Control Number: 0938-0958); *Frequency:* Monthly; *Affected Public:* State, Local, or Tribal Governments; *Number of Respondents:* 51; *Total Annual Responses:* 612; *Total Annual Hours:* 6,120. (For policy questions regarding

this collection contact Vasanthi Kandasamy at 410-786-0433).

Dated: November 10, 2015.

**William N. Parham, III,**

*Director, Paperwork Reduction Staff, Office of Strategic Operations and Regulatory Affairs.*

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## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Centers for Medicare & Medicaid Services

[CMS-8061-N]

RIN 0938-AS38

#### Medicare Program; Medicare Part B Monthly Actuarial Rates, Premium Rate, and Annual Deductible Beginning January 1, 2016

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

**ACTION:** Notice.

**SUMMARY:** This notice announces the monthly actuarial rates for aged (age 65 and over) and disabled (under age 65) beneficiaries enrolled in Part B of the Medicare Supplementary Medical Insurance (SMI) program beginning January 1, 2016. In addition, this notice announces the monthly premium for aged and disabled beneficiaries, the deductible for 2016, the income-related monthly adjustment amounts to be paid by beneficiaries with modified adjusted gross income above certain threshold amounts, and the transfer amount equal to the reduction in premiums payable as a result of amendments made by the Bipartisan Budget Act of 2015. The monthly actuarial rates for 2016 are \$237.60 for aged enrollees and \$282.60 for disabled enrollees. The standard monthly Part B premium rate for all enrollees for 2016 is \$121.80, which is equal to 50 percent of the monthly actuarial rate for aged enrollees (or approximately 25 percent of the expected average total cost of Part B coverage for aged enrollees) plus \$3.00. (The 2015 standard premium rate was \$104.90.) The Part B deductible for 2016 is \$166.00 for all Part B beneficiaries. If a beneficiary has to pay an income-related monthly adjustment, they will have to pay a total monthly premium of about 35, 50, 65, or 80 percent of the total cost of Part B coverage plus \$4.20, \$6.00, \$7.80, or \$9.60. Section 1844(d) of the Social Security Act, as added by section 601(b) of the Bipartisan Budget Act of 2015, provides for a transfer from the general fund to the Part B account

of the SMI Trust Fund. This transfer of \$7,440,648,000 consists of \$5,237,880,000 in reduced premium revenue for enrollees age 65 and older, and \$2,202,768,000 in reduced premium revenue for enrollees under age 65.

**DATES:** *Effective Date:* January 1, 2016.

**FOR FURTHER INFORMATION CONTACT:** M. Kent Clemens, (410) 786-6391.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

Part B is the voluntary portion of the Medicare program that pays all or part of the costs for physicians' services, outpatient hospital services, certain home health services, services furnished by rural health clinics, ambulatory surgical centers, comprehensive outpatient rehabilitation facilities, and certain other medical and health services not covered by Medicare Part A, Hospital Insurance. Medicare Part B is available to individuals who are entitled to Medicare Part A, as well as to U.S. residents who have attained age 65 and are citizens, and aliens who were lawfully admitted for permanent residence and have resided in the United States for 5 consecutive years. Part B requires enrollment and payment of monthly premiums, as described in 42 CFR part 407, subpart B, and part 408, respectively. The premiums paid by (or on behalf of) all enrollees fund approximately one-fourth of the total incurred costs, and transfers from the general fund of the Treasury pay approximately three-fourths of these costs.

The Secretary of the Department of Health and Human Services (the Secretary) is required by section 1839 of the Social Security Act (the Act) to announce the Part B monthly actuarial rates for aged and disabled beneficiaries as well as the monthly Part B premium. The Part B annual deductible is included because its determination is directly linked to the aged actuarial rate.

The monthly actuarial rates for aged and disabled enrollees are used to determine the correct amount of general revenue financing per beneficiary each month. These amounts, according to actuarial estimates, will equal, respectively, one-half of the expected average monthly cost of Part B for each aged enrollee (age 65 or over) and one-half of the expected average monthly cost of Part B for each disabled enrollee (under age 65).

The Part B deductible to be paid by enrollees is also announced. Prior to the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) (Pub. L. 108-173), the Part B deductible was set in statute. After

setting the 2005 deductible amount at \$110, section 629 of the MMA (amending section 1833(b) of the Act) requires that the Part B deductible be indexed beginning in 2006. The inflation factor to be used each year is the annual percentage increase in the Part B actuarial rate for enrollees age 65 and over. Specifically, the 2016 Part B deductible is calculated by multiplying the 2015 deductible by the ratio of the 2016 aged actuarial rate to the 2015 aged actuarial rate. The amount determined under this formula is then rounded to the nearest \$1.

The monthly Part B premium rate to be paid by aged and disabled enrollees is also announced. (Although the costs to the program per disabled enrollee are different than for the aged, the statute provides that they pay the same premium amount.) Beginning with the passage of section 203 of the Social Security Amendments of 1972 (Pub. L. 92-603), the premium rate, which was determined on a fiscal year basis, was limited to the lesser of the actuarial rate for aged enrollees, or the current monthly premium rate increased by the same percentage as the most recent general increase in monthly Title II social security benefits.

However, the passage of section 124 of the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) (Pub. L. 97-248) suspended this premium determination process. Section 124 of TEFRA changed the premium basis to 50 percent of the monthly actuarial rate for aged enrollees (that is, 25 percent of program costs for aged enrollees). Section 606 of the Social Security Amendments of 1983 (Pub. L. 98-21), section 2302 of the Deficit Reduction Act of 1984 (DEFRA 84) (Pub. L. 98-369), section 9313 of the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA 85) (Pub. L. 99-272), section 4080 of the Omnibus Budget Reconciliation Act of 1987 (OBRA 87) (Pub. L. 100-203), and section 6301 of the Omnibus Budget Reconciliation Act of 1989 (OBRA 89) (Pub. L. 101-239) extended the provision that the premium be based on 50 percent of the monthly actuarial rate for aged enrollees (that is, 25 percent of program costs for aged enrollees). This extension expired at the end of 1990.

The premium rate for 1991 through 1995 was legislated by section 1839(e)(1)(B) of the Act, as added by section 4301 of the Omnibus Budget Reconciliation Act of 1990 (OBRA 90) (Pub. L. 101-508). In January 1996, the premium determination basis would have reverted to the method established by the 1972 Social Security Act Amendments. However, section 13571

of the Omnibus Budget Reconciliation Act of 1993 (OBRA 93) (Pub. L. 103-66) changed the premium basis to 50 percent of the monthly actuarial rate for aged enrollees (that is, 25 percent of program costs for aged enrollees) for 1996 through 1998.

Section 4571 of the Balanced Budget Act of 1997 (BBA) (Pub. L. 105-33) permanently extended the provision that the premium be based on 50 percent of the monthly actuarial rate for aged enrollees (that is, 25 percent of program costs for aged enrollees).

The BBA included a further provision affecting the calculation of the Part B actuarial rates and premiums for 1998 through 2003. Section 4611 of the BBA modified the home health benefit payable under Part A for individuals enrolled in Part B. Under this section, beginning in 1998, expenditures for home health services not considered "post-institutional" are payable under Part B rather than Part A. However, section 4611(e)(1) of the BBA required that there be a transition from 1998 through 2002 for the aggregate amount of the expenditures transferred from Part A to Part B. Section 4611(e)(2) of the BBA also provided a specific yearly proportion for the transferred funds. The proportions were 1/6 for 1998, 1/3 for 1999, 1/2 for 2000, 2/3 for 2001, and 5/6 for 2002. For the purpose of determining the correct amount of financing from general revenues of the Federal Government, it was necessary to include only these transitional amounts in the monthly actuarial rates for both aged and disabled enrollees, rather than the total cost of the home health services being transferred.

Section 4611(e)(3) of the BBA also specified, for the purpose of determining the premium, that the monthly actuarial rate for enrollees age 65 and over be computed as though the transition would occur for 1998 through 2003 and that 1/7 of the cost be transferred in 1998, 2/7 in 1999, 3/7 in 2000, 4/7 in 2001, 5/7 in 2002, and 6/7 in 2003. Therefore, the transition period for incorporating this home health transfer into the premium was 7 years while the transition period for including these services in the actuarial rate was 6 years.

Section 811 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Pub. L. 108-173, also known as the Medicare Modernization Act, or MMA), which amended section 1839 of the Act, requires that, starting on January 1, 2007, the Part B premium a beneficiary pays each month be based on their annual income. Specifically, if a beneficiary's "modified adjusted gross

income” is greater than the legislated threshold amounts (for 2016, \$85,000 for a beneficiary filing an individual income tax return, and \$170,000 for a beneficiary filing a joint tax return) the beneficiary is responsible for a larger portion of the estimated total cost of Part B benefit coverage. In addition to the standard 25 percent premium, these beneficiaries now have to pay an income-related monthly adjustment amount. The MMA made no change to the actuarial rate calculation, and the standard premium, which will continue to be paid by beneficiaries whose modified adjusted gross income is below the applicable thresholds, still represents 25 percent of the estimated total cost to the program of Part B coverage for an aged enrollee. However, depending on income and tax filing status, a beneficiary can now be responsible for 35, 50, 65, or 80 percent of the estimated total cost of Part B coverage, rather than 25 percent. (For 2018 and subsequent years, the income thresholds are lower for the two highest income ranges, as a result of the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) (Pub. L. 114–10).) The end result of the higher premium is that the Part B premium subsidy is reduced and less general revenue financing is required for beneficiaries with higher income because they are paying a larger share of the total cost with their premium. That is, the premium subsidy continues to be approximately 75 percent for beneficiaries with income below the applicable income thresholds, but will be reduced for beneficiaries with income above these thresholds. The MMA specified that there be a 5-year transition to full implementation of this provision. However, section 5111 of the Deficit Reduction Act of 2005 (DRA) (Pub. L. 109–171) modified the transition to a 3-year period.

Section 4732(c) of the BBA added section 1933(c) of the Act, which required the Secretary to allocate money from the Part B trust fund to the State Medicaid programs for the purpose of providing Medicare Part B premium assistance from 1998 through 2002 for the low-income Medicaid beneficiaries who qualify under section 1933 of the Act. This allocation, while not a benefit expenditure, was an expenditure of the trust fund and was included in calculating the Part B actuarial rates through 2002. For 2003 through 2015, the expenditure was made from the trust fund because the allocation was temporarily extended. However, because the extension occurred after the financing was determined, the

allocation was not included in the calculation of the financing rates for these years. Section 211 of MACRA permanently extended this expenditure, which is included in the calculation of the Part B actuarial rates for 2016 and subsequent years.

Another provision affecting the calculation of the Part B premium is section 1839(f) of the Act, as amended by section 211 of the Medicare Catastrophic Coverage Act of 1988 (MCCA 88) (Pub. L. 100–360). (The Medicare Catastrophic Coverage Repeal Act of 1989 (Pub. L. 101–234) did not repeal the revisions to section 1839(f) of the Act made by MCCA 88.) Section 1839(f) of the Act, referred to as the “hold-harmless” provision, provides that if an individual is entitled to benefits under section 202 or 223 of the Act (the Old-Age and Survivors Insurance Benefit and the Disability Insurance Benefit, respectively) and has the Part B premium deducted from these benefit payments, the premium increase will be reduced, if necessary, to avoid causing a decrease in the individual’s net monthly payment. This decrease in payment occurs if the increase in the individual’s social security benefit due to the cost-of-living adjustment under section 215(i) of the Act is less than the increase in the premium. Specifically, the reduction in the premium amount applies if the individual is entitled to benefits under section 202 or 223 of the Act for November and December of a particular year and the individual’s Part B premiums for December and the following January are deducted from the respective month’s section 202 or 223 benefits. The “hold-harmless” provision does not apply to beneficiaries who are required to pay an income-related monthly adjustment amount.

A check for benefits under section 202 or 223 of the Act is received in the month following the month for which the benefits are due. The Part B premium that is deducted from a particular check is the Part B payment for the month in which the check is received. Therefore, a benefit check for November is not received until December, but has December’s Part B premium deducted from it.

Generally, if a beneficiary qualifies for hold-harmless protection, the reduced premium for the individual for that January and for each of the succeeding 11 months is the greater of either—

- The monthly premium for January reduced as necessary to make the December monthly benefits, after the deduction of the Part B premium for January, at least equal to the preceding November’s monthly benefits, after the

deduction of the Part B premium for December; or

- The monthly premium for that individual for that December.

In determining the premium limitations under section 1839(f) of the Act, the monthly benefits to which an individual is entitled under section 202 or 223 of the Act do not include retroactive adjustments or payments and deductions on account of work. Also, once the monthly premium amount is established under section 1839(f) of the Act, it will not be changed during the year even if there are retroactive adjustments or payments and deductions on account of work that apply to the individual’s monthly benefits.

Individuals who have enrolled in Part B late or who have re-enrolled after the termination of a coverage period are subject to an increased premium under section 1839(b) of the Act. The increase is a percentage of the premium and is based on the new premium rate before any reductions under section 1839(f) of the Act are made.

For 2016, social security benefits will receive no cost-of-living adjustment under section 215(i) of the Act. As a result, the majority of Part B enrollees can pay no increase in their monthly premium. The Bipartisan Budget Act of 2015 helps to ensure the financial adequacy of the Part B account of the SMI Trust Fund without transferring the financial burden of the entire increase in 2016 premium requirements to the minority of enrollees who are not held harmless.

Section 1839 of the Social Security Act, as amended by section 601(a) of the Bipartisan Budget Act of 2015 (Pub. L. 114–74), specifies that the 2016 actuarial rate for enrollees age 65 and older be determined as if the hold-harmless provision does not apply. The premium revenue that is lost by using the resulting lower premium (excluding the foregone income-related premium revenue) is to be replaced by a transfer of general revenue from the Treasury, which will be repaid over time to the general fund. The transfer amount will be \$7,440,648,000, consisting of \$5,237,880,000 for the lost aged premium revenue and \$2,202,768,000 for the lost disabled premium revenue.

Starting in 2016, in order to repay the balance due (which is to include the transfer amount and the foregone income-related premium revenue), the Part B premium otherwise determined will be increased by \$3.00. These repayment amounts will be added to the Part B premium otherwise determined each year and paid back to the general fund of the Treasury.

High-income enrollees will pay an additional \$1.20, \$3.00, \$4.80, or \$6.60 as part of the income-related monthly adjustment amount (IRMAA) premium dollars, which reduce (dollar for dollar) the amount of general revenue received by Part B from the general fund of the Treasury. Because of this general revenue offset, the repayment IRMAA premium dollars are not included in the direct repayments made to the general fund of the Treasury from Part B in order to avoid a double repayment. (Only the \$3.00 monthly repayment amounts are included in the direct repayments).

These repayment amounts will continue until the total amount collected is equal to the beginning

balance due. (In the final year of the repayment, the additional amounts may be modified in order to avoid an overpayment.) The repayment amounts (excluding the repayment amounts for high-income enrollees) are subject to the hold harmless provision. The beginning balance due is \$9,066,409,000, consisting of the transfer amount plus \$1,625,761,000 in foregone income-related premium revenue.

**II. Provisions of the Notice**

*A. Notice of Medicare Part B Monthly Actuarial Rates, Monthly Premium Rates, Annual Deductible, and Transfer Amount*

The Medicare Part B monthly actuarial rates applicable for 2016 are

\$237.60 for enrollees age 65 and over and \$282.60 for disabled enrollees under age 65. In section II.B. of this notice, we present the actuarial assumptions and bases from which these rates are derived. The Part B standard monthly premium rate for all enrollees for 2016 is \$121.80. The following are the 2016 Part B monthly premium rates to be paid by beneficiaries who file an individual tax return (including those who are single, head of household, qualifying widow(er) with dependent child, or married filing separately who lived apart from their spouse for the entire taxable year), or a joint tax return.

Beneficiaries who file an individual tax return with income:	Beneficiaries who file a joint tax return with income:	Income-related monthly adjustment amount	Total monthly premium amount
Less than or equal to \$85,000 .....	Less than or equal to \$170,000 .....	\$0.00	\$121.80
Greater than \$85,000 and less than or equal to \$107,000.	Greater than \$170,000 and less than or equal to \$214,000.	48.70	170.50
Greater than \$107,000 and less than or equal to \$160,000.	Greater than \$214,000 and less than or equal to \$320,000.	121.80	243.60
Greater than \$160,000 and less than or equal to \$214,000.	Greater than \$320,000 and less than or equal to \$428,000.	194.90	316.70
Greater than \$214,000 .....	Greater than \$428,000 .....	268.00	389.80

In addition, the monthly premium rates to be paid by beneficiaries who are married and lived with their spouse at any time during the taxable year, but file a separate tax return from their spouse, are as follows:

Beneficiaries who are married and lived with their spouse at any time during the year, but file a separate tax return from their spouse:	Income-related monthly adjustment amount	Total monthly premium amount
Less than or equal to \$85,000 .....	\$0.00	\$121.80
Greater than \$85,000 and less than or equal to \$129,000 .....	194.90	316.70
Greater than \$129,000 .....	268.00	389.80

The Part B annual deductible for 2016 is \$166.00 for all beneficiaries.

The transfer amount is the estimate by the Chief Actuary of the aggregate reduction in premiums payable, separately for enrollees age 65 and older and for enrollees under age 65, as a result of the amendments made by the Bipartisan Budget Act of 2015 (excluding the reduction in the income-related monthly adjustment amounts). The 2016 actuarial rate for enrollees age 65 and older is \$237.60, and the actuarial rate portion of the 2016 premium is \$118.80. If the only change to the 2016 actuarial rate for enrollees age 65 and older was the absence of the Bipartisan Budget Act amendments, then the 2016 actuarial rate for enrollees age 65 and older would be \$318.00, and the actuarial rate portion of the 2016 premium would be \$159.00.

The reduction in premiums payable as a result of the Bipartisan Budget Act amendments is estimated separately for—(1) enrollees held harmless; (2) enrollees not held harmless who are age 65 or older; and (3) enrollees not held harmless who are under age 65. All enrollees that are subject to the hold harmless provision will have no reduction in their premiums payable in 2016 as a result of these amendments. (The 2016 monthly premium for enrollees subject to the hold harmless provision in 2016 will be the same as their 2015 monthly premium.) An estimated 11.8 million enrollees age 65 and older (with 10.8 million enrollee years of premium payments) will not be held harmless and will have a reduction in monthly premiums payable from \$159.00 to \$118.80. Based on this difference in premiums payable and

adjusting for the additional premiums payable by individuals subject to the late enrollment penalty (assuming a historical average penalty), the transfer amount for enrollees age 65 and older is \$5,237,880,000. An estimated 4.9 million enrollees under age 65 (with 4.6 million enrollee years of premium payments) will not be held harmless and will have a reduction in monthly premiums payable from \$159.00 to \$118.80. Based on this difference in premiums payable and adjusting for the additional premiums payable by individuals subject to the late enrollment penalty (assuming a historical average penalty), the transfer amount for enrollees under age 65 is \$2,202,768,000. The total transfer amount will be \$7,440,648,000.

*B. Statement of Actuarial Assumptions and Bases Employed in Determining the Monthly Actuarial Rates and the Monthly Premium Rate for Part B Beginning January 2016*

Except where noted, the actuarial assumptions and bases used to determine the monthly actuarial rates and the monthly premium rates for Part B are established by the Centers for Medicare & Medicaid Services Office of the Actuary. The estimates underlying these determinations are prepared by actuaries meeting the qualification standards and following the actuarial standards of practice established by the Actuarial Standards Board.

1. Actuarial Status of the Part B Account in the Supplementary Medical Insurance Trust Fund

Under section 1839 of the Act, the starting point for determining the standard monthly premium is the

amount that would be necessary to finance Part B on an incurred basis. This is the amount of income that would be sufficient to pay for services furnished during that year (including associated administrative costs) even though payment for some of these services will not be made until after the close of the year. The portion of income required to cover benefits not paid until after the close of the year is added to the trust fund and used when needed.

The premium rates are established prospectively and are, therefore, subject to projection error. Additionally, legislation enacted after the financing was established, but effective for the period in which the financing is set, may affect program costs. As a result, the income to the program may not equal incurred costs. Therefore, trust fund assets must be maintained at a level that is adequate to cover an appropriate degree of variation between

actual and projected costs, and the amount of incurred, but unpaid, expenses. Numerous factors determine what level of assets is appropriate to cover variation between actual and projected costs. The three most important of these factors are the: (1) Difference from prior years between the actual performance of the program and estimates made at the time financing was established; (2) likelihood and potential magnitude of expenditure changes resulting from enactment of legislation affecting Part B costs in a year subsequent to the establishment of financing for that year; and (3) expected relationship between incurred and cash expenditures. These factors are analyzed on an ongoing basis, as the trends can vary over time.

Table 1 summarizes the estimated actuarial status of the trust fund as of the end of the financing period for 2014 and 2015.

TABLE 1—ESTIMATED ACTUARIAL STATUS OF THE PART B ACCOUNT IN THE SUPPLEMENTARY MEDICAL INSURANCE TRUST FUND AS OF THE END OF THE FINANCING PERIOD

Financing period ending	Assets (\$ in millions)	Liabilities (\$ in millions)	Assets less liabilities (\$ in millions)
December 31, 2014 .....	68,074	23,716	44,358
December 31, 2015 .....	58,261	23,292	34,969

2. Monthly Actuarial Rate for Enrollees Age 65 and Older

The monthly actuarial rate for enrollees age 65 and older is one-half of the sum of monthly amounts for: (1) The projected cost of benefits; and (2) administrative expenses for each enrollee age 65 and older, after adjustments to this sum to allow for interest earnings on assets in the trust fund and an adequate contingency margin. The contingency margin is an amount appropriate to provide for possible variation between actual and projected costs and to amortize any surplus assets or unfunded liabilities.

The monthly actuarial rate for enrollees age 65 and older for 2016 is determined by first establishing per-enrollee cost by type of service from program data through 2015 and then projecting these costs for subsequent years. The projection factors used for financing periods from January 1, 2013 through December 31, 2016 are shown in Table 2.

As indicated in Table 3, the projected per-enrollee amount required to pay for one-half of the total of benefits and administrative costs for enrollees age 65 and over for 2016 is \$227.86. Based on current estimates, the assets at the end

of 2015 are not sufficient to cover the amount of incurred, but unpaid, expenses and to provide for a significant degree of variation between actual and projected costs. Thus, a positive contingency margin is needed to increase assets to a more appropriate level. The monthly actuarial rate of \$237.60 provides an adjustment of \$11.61 for a contingency margin (determined as if the hold harmless provision did not apply for 2016, as required by the Bipartisan Budget Act of 2015) and –\$1.87 for interest earnings.

Two other factors affect the contingency margin for 2016. Starting in 2011, manufacturers and importers of brand-name prescription drugs have paid a fee that is allocated to the Part B account of the SMI trust. For 2016, the total of these brand-name drug fees is estimated to be \$3.0 billion. The contingency margin has been reduced to account for this additional revenue.

Another factor impacting the contingency margin comes from the requirement that certain payment incentives, to encourage the development and use of health information technology (HIT) by Medicare physicians, are to be excluded from the premium determination. HIT positive incentive payments or penalties

will be directly offset through transfers with the general fund of the Treasury. The monthly actuarial rate includes an adjustment of –\$0.36 for HIT positive incentive payments in 2016.

The traditional goal for the Part B reserve has been that assets minus liabilities at the end of a year should represent between 15 and 20 percent of the following year's total incurred expenditures. To accomplish this goal, a 17 percent reserve ratio has been the normal target used to calculate the Part B premium.

The contingency margin included in establishing the 2016 actuarial rate of \$237.60 per month for aged beneficiaries, as announced in this notice, is projected to fully restore the Part B assets under the projection assumptions listed in Table 2.

3. Monthly Actuarial Rate for Disabled Enrollees

Disabled enrollees are those persons under age 65 who are enrolled in Part B because of entitlement to Social Security disability benefits for more than 24 months or because of entitlement to Medicare under the end-stage renal disease (ESRD) program. Projected monthly costs for disabled enrollees (other than those with ESRD)

are prepared in a fashion parallel to the projection for the aged using appropriate actuarial assumptions (see Table 2). Costs for the ESRD program are projected differently because of the different nature of services offered by the program.

As shown in Table 4, the projected per-enrollee amount required to pay for one-half of the total of benefits and administrative costs for disabled enrollees for 2016 is \$272.94. The monthly actuarial rate of \$282.60 also provides an adjustment of –\$2.86 for interest earnings and \$12.52 for a contingency margin, reflecting the same factors described previously for the aged actuarial rate at magnitudes appropriate to the disabled rate determination. Based on current estimates, the assets associated with the disabled Medicare beneficiaries at the end of 2015 are not sufficient to cover the amount of incurred, but unpaid, expenses and to provide for a significant degree of variation between actual and projected costs. Thus, a positive contingency margin is needed to increase assets to an appropriate level.

The actuarial rate of \$282.60 per month for disabled beneficiaries, as announced in this notice for 2016, reflects the combined net effect of the

factors described previously for aged beneficiaries and the projection assumptions listed in Table 2.

4. Sensitivity Testing

Several factors contribute to uncertainty about future trends in medical care costs. It is appropriate to test the adequacy of the rates using alternative cost growth rate assumptions. The results of those assumptions are shown in Table 5. One set represents increases that are higher and, therefore, more pessimistic than the current estimate. The other set represents increases that are lower and, therefore, more optimistic than the current estimate. The values for the alternative assumptions were determined from a statistical analysis of the historical variation in the respective increase factors.

As indicated in Table 5, the monthly actuarial rates would result in an excess of assets over liabilities of \$53,052 million by the end of December 2016 under the cost growth rate assumptions shown in Table 2 and assuming that the provisions of current law are fully implemented. This amounts to 17.0 percent of the estimated total incurred expenditures for the following year.

Assumptions that are somewhat more pessimistic (and that therefore test the

adequacy of the assets to accommodate projection errors) produce a surplus of \$8,962 million by the end of December 2016 under current law, which amounts to 2.5 percent of the estimated total incurred expenditures for the following year. Under fairly optimistic assumptions, the monthly actuarial rates would result in a surplus of \$94,727 million by the end of December 2016, or 34.9 percent of the estimated total incurred expenditures for the following year.

The sensitivity analysis indicates that the premium and general revenue financing established for 2016, together with existing Part B account assets would be adequate to cover estimated Part B costs for 2016 under current law, even if actual costs prove to be somewhat greater than expected.

5. Premium Rates and Deductible

As determined in accordance with section 1839 of the Act, listed are the 2016 Part B monthly premium rates to be paid by beneficiaries who file an individual tax return (including those who are single, head of household, qualifying widow(er) with dependent child, or married filing separately who lived apart from their spouse for the entire taxable year), or a joint tax return.

Beneficiaries who file an individual tax return with income:	Beneficiaries who file a joint tax return with income:	Income-related monthly adjustment amount	Total monthly premium amount
Less than or equal to \$85,000 .....	Less than or equal to \$170,000 .....	\$0.00	\$121.80
Greater than \$85,000 and less than or equal to \$107,000.	Greater than \$170,000 and less than or equal to \$214,000.	48.70	170.50
Greater than \$107,000 and less than or equal to \$160,000.	Greater than \$214,000 and less than or equal to \$320,000.	121.80	243.60
Greater than \$160,000 and less than or equal to \$214,000.	Greater than \$320,000 and less than or equal to \$428,000.	194.90	316.70
Greater than \$214,000 .....	Greater than \$428,000 .....	268.00	389.80

In addition, the monthly premium rates to be paid by beneficiaries who are married and lived with their spouse at any time during the taxable year, but file a separate tax return from their spouse, are listed as follows:

Beneficiaries who are married and lived with their spouse at any time during the year, but file a separate tax return from their spouse:	Income-related monthly adjustment amount	Total monthly premium amount
Less than or equal to \$85,000 .....	\$0.00	\$121.80
Greater than \$85,000 and less than or equal to \$129,000 .....	194.90	316.70
Greater than \$129,000 .....	268.00	389.80

TABLE 2—PROJECTION FACTORS<sup>1</sup> 12-MONTH PERIODS ENDING DECEMBER 31 OF 2013–2016 [In percent]

Calendar year	Physicians' services		Durable medical equipment	Carrier lab <sup>4</sup>	Other carrier services <sup>5</sup>	Outpatient hospital	Home health agency	Hospital lab <sup>6</sup>	Other inter-medial services <sup>7</sup>	Managed care
	Fees <sup>2</sup>	Residual <sup>3</sup>								
Aged:										
2013 .....	–0.1	0.2	–10.3	0.1	2.6	7.4	–0.7	–0.7	–0.6	1.4

TABLE 2—PROJECTION FACTORS<sup>1</sup> 12-MONTH PERIODS ENDING DECEMBER 31 OF 2013–2016—Continued  
[In percent]

Calendar year	Physicians' services		Durable medical equipment	Carrier lab <sup>4</sup>	Other carrier services <sup>5</sup>	Outpatient hospital	Home health agency	Hospital lab <sup>6</sup>	Other intermediary services <sup>7</sup>	Managed care
	Fees <sup>2</sup>	Residual <sup>3</sup>								
2014 .....	0.5	0.8	-14.4	6.6	2.8	12.7	-1.3	-28.8	4.7	7.0
2015 .....	-0.4	-0.6	4.8	4.4	3.9	5.2	-0.3	4.1	5.7	2.2
2016 .....	0.1	1.2	-5.8	4.6	1.6	4.1	1.6	3.9	4.8	2.8
Disabled:										
2013 .....	-0.1	1.4	-9.2	10.8	1.1	7.0	3.9	-1.8	1.7	4.0
2014 .....	0.5	2.5	-10.8	14.0	4.6	14.4	-1.1	-35.4	8.3	9.2
2015 .....	-0.4	-0.8	4.4	6.5	4.8	5.6	-0.3	2.9	7.8	0.7
2016 .....	0.1	1.3	-5.7	4.7	1.4	4.1	2.0	3.9	5.1	2.6

<sup>1</sup> All values for services other than managed care are per fee-for-service enrollee. Managed care values are per managed care enrollee.

<sup>2</sup> As recognized for payment under the program.

<sup>3</sup> Increase in the number of services received per enrollee and greater relative use of more expensive services.

<sup>4</sup> Includes services paid under the lab fee schedule furnished in the physician's office or an independent lab.

<sup>5</sup> Includes physician-administered drugs, ambulatory surgical center facility costs, ambulance services, parenteral and enteral drug costs, supplies, etc.

<sup>6</sup> Includes services paid under the lab fee schedule furnished in the outpatient department of a hospital.

<sup>7</sup> Includes services furnished in dialysis facilities, rural health clinics, Federally qualified health centers, rehabilitation, and psychiatric hospitals, etc.

TABLE 3—DERIVATION OF MONTHLY ACTUARIAL RATE FOR ENROLLEES AGE 65 AND OVER FOR FINANCING PERIODS ENDING DECEMBER 31, 2013 THROUGH DECEMBER 31, 2016

[In dollars]

	CY 2013	CY 2014	CY 2015	CY 2016
Covered services (at level recognized):				
Physician fee schedule .....	78.23	77.10	74.44	74.40
Durable medical equipment .....	7.29	6.07	6.21	5.77
Carrier lab <sup>1</sup> .....	4.21	4.37	4.45	4.60
Other carrier services <sup>2</sup> .....	22.07	22.06	22.36	22.43
Outpatient hospital .....	37.87	41.49	42.57	43.74
Home health .....	10.15	9.75	9.47	9.50
Hospital lab <sup>3</sup> .....	3.27	2.26	2.30	2.36
Other intermediary services <sup>4</sup> .....	16.53	16.83	17.35	17.95
Managed care .....	65.60	74.26	79.49	83.65
Total services .....	245.22	254.20	258.64	264.39
Cost sharing:				
Deductible .....	-5.63	-5.63	-5.64	-6.36
Coinsurance .....	-29.17	-28.38	-28.84	-28.26
Sequestration of benefits .....	-3.17	-4.40	-4.48	-4.59
HIT payment incentives .....	-2.04	-2.40	-0.43	-0.36
Total benefits .....	205.20	213.38	219.25	224.82
Administrative expenses .....	2.77	3.49	3.00	3.05
Incurred expenditures .....	207.97	216.87	222.25	227.86
Value of interest .....	-1.80	-1.93	-1.73	-1.87
Contingency margin for projection error and to amortize the surplus or deficit .....	3.63	-5.14	-10.72	11.61
Monthly actuarial rate .....	209.80	209.80	209.80	237.60

<sup>1</sup> Includes services paid under the lab fee schedule furnished in the physician's office or an independent lab.

<sup>2</sup> Includes physician-administered drugs, ambulatory surgical center facility costs, ambulance services, parenteral and enteral drug costs, supplies, etc.

<sup>3</sup> Includes services paid under the lab fee schedule furnished in the outpatient department of a hospital.

<sup>4</sup> Includes services furnished in dialysis facilities, rural health clinics, Federally qualified health centers, rehabilitation and psychiatric hospitals, etc.

TABLE 4—DERIVATION OF MONTHLY ACTUARIAL RATE FOR DISABLED ENROLLEES FOR FINANCING PERIODS ENDING DECEMBER 31, 2013 THROUGH DECEMBER 31, 2016

[In dollars]

	CY 2013	CY 2014	CY 2015	CY 2016
Covered services (at level recognized):				
Physician fee schedule .....	83.88	83.87	80.07	79.56
Durable medical equipment .....	13.88	11.99	12.08	11.15
Carrier lab <sup>1</sup> .....	6.54	7.21	7.42	7.61
Other carrier services <sup>2</sup> .....	25.26	25.43	25.55	25.42
Outpatient hospital .....	54.25	60.32	61.47	62.72
Home health .....	9.18	8.79	8.45	8.43

TABLE 4—DERIVATION OF MONTHLY ACTUARIAL RATE FOR DISABLED ENROLLEES FOR FINANCING PERIODS ENDING DECEMBER 31, 2013 THROUGH DECEMBER 31, 2016—Continued

[In dollars]

	CY 2013	CY 2014	CY 2015	CY 2016
Hospital lab <sup>3</sup> .....	4.64	2.87	2.86	2.91
Other intermediary services <sup>4</sup> .....	44.34	44.87	45.36	46.37
Managed care .....	55.05	65.50	72.71	78.31
<b>Total services</b> .....	<b>297.03</b>	<b>310.86</b>	<b>315.95</b>	<b>322.46</b>
<b>Cost sharing:</b>				
Deductible .....	-5.29	-5.29	-5.30	-5.97
Coinsurance .....	-44.36	-43.31	-42.74	-41.32
Sequestration of benefits .....	-3.73	-5.24	-5.36	-5.50
HIT payment incentives .....	-2.13	-2.58	-0.45	-0.39
<b>Total benefits</b> .....	<b>241.52</b>	<b>254.43</b>	<b>262.10</b>	<b>269.28</b>
Administrative expenses .....	3.26	4.16	3.59	3.65
<b>Incurred expenditures</b> .....	<b>244.78</b>	<b>258.59</b>	<b>265.69</b>	<b>272.94</b>
Value of interest .....	-3.47	-2.50	-1.88	-2.86
Contingency margin for projection error and to amortize the surplus or deficit .....	-5.81	-37.19	-9.01	12.52
<b>Monthly actuarial rate</b> .....	<b>235.50</b>	<b>218.90</b>	<b>254.80</b>	<b>282.60</b>

<sup>1</sup> Includes services paid under the lab fee schedule furnished in the physician's office or an independent lab.

<sup>2</sup> Includes physician-administered drugs, ambulatory surgical center facility costs, ambulance services, parenteral and enteral drug costs, supplies, etc.

<sup>3</sup> Includes services paid under the lab fee schedule furnished in the outpatient department of a hospital.

<sup>4</sup> Includes services furnished in dialysis facilities, rural health clinics, Federally qualified health centers, rehabilitation and psychiatric hospitals, etc.

TABLE 5—ACTUARIAL STATUS OF THE PART B ACCOUNT IN THE SMI TRUST FUND UNDER THREE SETS OF ASSUMPTIONS FOR FINANCING PERIODS THROUGH DECEMBER 31, 2016

As of December 31,	2014	2015	2016
<b>Actuarial status (in \$ millions):</b>			
Assets .....	68,074	58,261	76,806
Liabilities .....	23,716	23,292	23,754
<b>Assets less liabilities</b> .....	<b>44,358</b>	<b>34,969</b>	<b>53,052</b>
Ratio (in percent) <sup>1</sup> .....	15.9	11.9	17.0
<b>Low cost projection:</b>			
<b>Actuarial status (in \$ millions):</b>			
Assets .....	68,074	73,027	117,319
Liabilities .....	23,716	21,651	22,592
<b>Assets less liabilities</b> .....	<b>44,358</b>	<b>51,376</b>	<b>94,727</b>
Ratio (in percent) <sup>1</sup> .....	16.9	19.3	34.9
<b>High cost projection:</b>			
<b>Actuarial status (in \$ millions):</b>			
Assets .....	68,074	43,044	34,020
Liabilities .....	23,716	24,982	25,058
<b>Assets less liabilities</b> .....	<b>44,358</b>	<b>18,062</b>	<b>8,962</b>
Ratio (in percent) <sup>1</sup> .....	15.0	5.6	2.5

<sup>1</sup> Ratio of assets less liabilities at the end of the year to the total incurred expenditures during the following year, expressed as a percent.

### III. Collection of Information Requirements

This document does not impose information collection requirements, that is, reporting, recordkeeping or third-party disclosure requirements. Consequently, there is no need for review by the Office of Management and Budget under the authority of the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

### IV. Regulatory Impact Analysis

#### A. Statement of Need

Section 1839 of the Act requires us to annually announce (that is by September 30th of each year) the Part B monthly actuarial rates for aged and disabled beneficiaries as well as the monthly Part B premium. We also announce the Part B annual deductible because its determination is directly linked to the aged actuarial rate.

#### B. Overall Impact

We have examined the impacts of this rule as required by Executive Order 12866 on Regulatory Planning and Review (September 30, 1993), Executive Order 13563 on Improving Regulation and Regulatory Review (January 18, 2011), the Regulatory Flexibility Act (RFA) (September 19, 1980, Public Law 96-354), section 1102(b) of the Social Security Act, section 202 of the



Unfunded Mandates Reform Act of 1995 (March 22, 1995, Public Law 104-4), Executive Order 13132 on Federalism (August 4, 1999) and the Congressional Review Act (5 U.S.C. 804(2)).

Executive Orders 12866 and 13563 direct 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

notices with economically significant effects (\$100 million or more in any 1 year). For 2016 approximately 70 percent of Part B enrollees will be held harmless and pay no increase in their Part B premium, but the standard Part B premium rate, the Part B income-related premium rates, and the Part B deductible are higher than the respective amounts for 2015 and have an annual effect on the economy of \$100 million or more. As a result, this notice is economically significant under section 3(f)(1) of Executive Order 12866 and is a major action as defined under

the Congressional Review Act (5 U.S.C. 804(2)).

As discussed earlier, this notice announces that the monthly actuarial rates applicable for 2016 are \$237.60 for enrollees age 65 and over and \$282.60 for disabled enrollees under age 65. It also announces the 2016 monthly Part B premium rates to be paid by beneficiaries who file an individual tax return (including those who are single, head of household, qualifying widow(er) with a dependent child, or married filing separately who lived apart from their spouse for the entire taxable year), or a joint tax return.

Beneficiaries who file an individual tax return with income:	Beneficiaries who file a joint tax return with income:	Income-related monthly adjustment amount	Total monthly premium amount
Less than or equal to \$85,000 .....	Less than or equal to \$170,000 .....	\$0.00	\$121.80
Greater than \$85,000 and less than or equal to \$107,000.	Greater than \$170,000 and less than or equal to \$214,000.	48.70	170.50
Greater than \$107,000 and less than or equal to \$160,000.	Greater than \$214,000 and less than or equal to \$320,000.	121.80	243.60
Greater than \$160,000 and less than or equal to \$214,000.	Greater than \$320,000 and less than or equal to \$428,000.	194.90	316.70
Greater than \$214,000 .....	Greater than \$428,000 .....	268.00	389.80

In addition, the monthly premium rates to be paid by beneficiaries who are married and lived with their spouse at

any time during the taxable year, but file a separate tax return from their spouse,

are also announced and listed in the following chart:

Beneficiaries who are married and lived with their spouse at any time during the year, but file a separate tax return from their spouse:	Income-related monthly adjustment amount	Total monthly premium amount
Less than or equal to \$85,000 .....	\$0.00 .....	\$121.80
Greater than \$85,000 and less than or equal to \$129,000 .....	194.90 .....	316.70
Greater than \$129,000 .....	268.00 .....	389.80

The RFA requires agencies to analyze options for regulatory relief of small businesses, if a rule has a significant impact on a substantial number of small entities. For purposes of the RFA, small entities include small businesses, nonprofit organizations, and small governmental jurisdictions. Individuals and States are not included in the definition of a small entity. This notice announces the monthly actuarial rates for aged (age 65 and over) and disabled (under 65) beneficiaries enrolled in Part B of the Medicare SMI program beginning January 1, 2016. Also, this notice announces the monthly premium for aged and disabled beneficiaries as well as the income-related monthly adjustment amounts to be paid by beneficiaries with modified adjusted gross income above certain threshold amounts. As a result, we are not preparing an analysis for the RFA because the Secretary has determined

that this notice will not have a significant economic impact on a substantial number of small entities.

In addition, section 1102(b) of 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 that is located outside of a Metropolitan Statistical Area and has fewer than 100 beds. As we discussed previously, we are not preparing an analysis for section 1102(b) of the Act because the Secretary has determined that this notice will not have a significant effect on a substantial number of small rural hospitals.

Section 202 of the Unfunded Mandates Reform Act of 1995 (UMRA) also requires that agencies assess

anticipated costs and benefits before issuing any rule whose mandates require spending in any 1-year of \$100 million in 1995 dollars, updated annually for inflation. In 2015, that threshold is approximately \$144 million. Part B enrollees who are also enrolled in Medicaid have their monthly Part B premiums paid by Medicaid. The 2016 premium increase is estimated to be a cost to the state Medicaid programs that is less than \$144 million per state. This notice does not impose mandates that will have a consequential effect of \$144 million or more on State, local, or tribal governments or on the private sector.

Executive Order 13132 establishes certain requirements that an agency must meet when it publishes a proposed rule (and subsequent final rule) that imposes substantial direct compliance costs on State and local governments, preempts State law, or otherwise has

Federalism implications. We have determined that this notice does not significantly affect the rights, roles, and responsibilities of States. Accordingly, the requirements of Executive Order 13132 do not apply to this notice.

In accordance with the provisions of Executive Order 12866, this notice was reviewed by the Office of Management and Budget.

#### V. Waiver of Proposed Notice

The Medicare statute requires the publication of the monthly actuarial rates and the Part B premium amounts in September. We ordinarily use general notices, rather than notice and comment rulemaking procedures, to make such announcements. In doing so, we note that, under the Administrative Procedure Act, interpretive rules, general statements of policy, and rules of agency organization, procedure, or practice are excepted from the requirements of notice and comment rulemaking.

We considered publishing a proposed notice to provide a period for public comment. However, we may waive that procedure if we find, for good cause, that prior notice and comment are impracticable, unnecessary, or contrary to the public interest. The statute establishes the time period for which the premium rates will apply, and delaying publication of the Part B premium rate such that it would not be published before that time would be contrary to the public interest. Moreover, we find that notice and comment are unnecessary because the formulas used to calculate the Part B premiums are statutorily directed. Therefore, we find good cause to waive publication of a proposed notice and solicitation of public comments.

Dated: November 6, 2015.

**Andrew M. Slavitt,**

*Acting Administrator, Centers for Medicare & Medicaid Services.*

Dated: November 9, 2015.

**Sylvia M. Burwell,**

*Secretary, Department of Health and Human Services.*

[FR Doc. 2015-29181 Filed 11-10-15; 4:15 pm]

**BILLING CODE 4120-01-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Food and Drug Administration

[Docket No. FDA-2015-N-3972]

#### Eighth Annual Sentinel Initiative; Public Workshop; Request for Comments

**AGENCY:** Food and Drug Administration, HHS.

**ACTION:** Notice of public workshop; request for comments.

**SUMMARY:** The Food and Drug Administration (FDA) is announcing a public workshop entitled “Eighth Annual Sentinel Initiative Public Workshop.” Convened by the Center for Health Policy at the Brookings Institution and supported by a cooperative agreement with FDA, this 1-day workshop will bring the stakeholder community together to discuss a variety of topics on active medical product surveillance. Topics will include an update on the state of FDA’s Sentinel Initiative, including an overview of the transition from the Mini-Sentinel pilot to the full Sentinel System, and key activities and uses of the Sentinel System accomplished in 2015. In addition, panelists will discuss the future of the Sentinel System and opportunities to expand its medical product surveillance capabilities. This workshop will also engage stakeholders to discuss current and emerging Sentinel projects.

**DATES:** The public workshop will be held on February 3, 2016, from 9 a.m. to 4 p.m., Eastern Standard Time (EST).

**Location:** The public workshop will be held at the Renaissance Washington, DC Dupont Circle Hotel, 1143 New Hampshire Ave. NW., Washington, DC 20037. For additional travel and hotel information, please refer to <http://www.eventbrite.com/e/sentinel-public-event-2016-tickets-19294863456>. (FDA has verified the Web site addresses throughout this notice, but FDA is not responsible for subsequent changes to the Web sites after this document publishes in the **Federal Register**.)

There will also be a live webcast for those unable to attend the meeting in person (see *Streaming Webcast of the Public Workshop*).

**ADDRESSES:** You may submit comments as follows:

#### Electronic Submissions

Submit electronic comments in the following way:

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments.

Comments submitted electronically, including attachments, to <http://www.regulations.gov> will be posted to the docket unchanged. Because your comment will be made public, you are solely responsible for ensuring that your comment does not include any confidential information that you or a third party may not wish to be posted, such as medical information, your or anyone else’s Social Security number, or confidential business information, such as a manufacturing process. Please note that if you include your name, contact information, or other information that identifies you in the body of your comments, that information will be posted on <http://www.regulations.gov>.

- If you want to submit a comment with confidential information that you do not wish to be made available to the public, submit the comment as a written/paper submission and in the manner detailed (see “Written/Paper Submissions” and “Instructions”).

#### Written/Paper Submissions

Submit written/paper submissions as follows:

- Mail/Hand delivery/Courier (for written/paper submissions): Division of Dockets Management (HFA-305), Food and Drug Administration, 5630 Fishers Lane, Rm. 1061, Rockville, MD 20852.
- For written/paper comments submitted to the Division of Dockets Management, FDA will post your comment, as well as any attachments, except for information submitted, marked and identified, as confidential, if submitted as detailed in “Instructions.”

**Instructions:** All submissions received must include the Docket No. FDA-2015-N-3972 for “Eighth Annual Sentinel Initiative; Public Workshop.” Received comments will be placed in the docket and, except for those submitted as “Confidential Submissions,” publicly viewable at <http://www.regulations.gov> or at the Division of Dockets Management between 9 a.m. and 4 p.m., Monday through Friday.

- Confidential Submissions—To submit a comment with confidential information that you do not wish to be made publicly available, submit your comments only as a written/paper submission. You should submit two copies total. One copy will include the information you claim to be confidential with a heading or cover note that states “THIS DOCUMENT CONTAINS CONFIDENTIAL INFORMATION.” The Agency will review this copy, including the claimed confidential information, in its consideration of comments. The second copy, which will have the