

**DATES:** Comments must be received on or before August 14, 2000.

**ADDRESSES:** Written comments should be addressed to:

J. Elmer Bortzer, Chief, Regulation Development Section, Air Programs Branch (AR-18J), United States Environmental Protection Agency, 77 West Jackson Boulevard, Chicago, Illinois 60604; or,

Wayne Leidwanger, Chief, Air Planning and Development Branch, U.S. Environmental Protection Agency, 901 North 5th Street, Kansas City, Kansas, 66101.

Copies of the States' submittals and EPA's Technical Support Document, and other relevant materials, are available for public inspection during normal business hours at the following addresses:

United States Environmental Protection Agency, Region 5, Air and Radiation Division, 77 West Jackson Boulevard, Chicago, Illinois 60604 (please telephone Edward Doty at (312) 886-6057 before visiting the Region 5 office);

United States Protection Agency, Region 7, Air, Radiation, and Toxics Division, 901 North 5th Street, Kansas City, Kansas, 66101 (please telephone Aaron Worstell at (913) 551-7787 before visiting the Region 7 office).

**FOR FURTHER INFORMATION CONTACT:** Edward Doty, Regulation Development Section, Air Programs Branch (AR-18J), U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, Telephone Number (312) 886-6057, E-Mail Address: doty.edward@epamail.epa.gov; or, Aaron Worstell, Air Planning and Development Branch, U.S. Environmental Protection Agency, Region 7, 901 North 5th Street, Kansas City, Kansas 66101, Telephone Number (913) 551-7787, E-Mail Address: worstell.aaron@epa.gov.

Dated: July 24, 2000.

**Francis X. Lyons,**

*Regional Administrator, Region 5.*

[FR Doc. 00-19681 Filed 8-2-00; 8:45 am]

**BILLING CODE 6560-50-P**

## ENVIRONMENTAL PROTECTION AGENCY

### 40 CFR Parts 69, 80, and 86

[AMS-FRL-6845-4]

RIN 2060-AL69

#### Control of Air Pollution from New Motor Vehicles: Proposed Heavy-Duty Engine and Vehicle Standards and Highway Diesel Fuel Sulfur Control Requirements

**AGENCY:** Environmental Protection Agency.

**ACTION:** Proposed rule; document availability.

**SUMMARY:** On June 2, 2000, the U.S. Environmental Protection Agency (EPA or Agency) published a Notice of Proposed Rulemaking (NPRM) (see 65 FR 35430) proposing changes to standards for heavy-duty engines and sulfur fuel controls for highway diesel fuel. In the preamble of the June 2, 2000, NPRM we proposed to apply to heavy-duty highway engines and vehicles "not to exceed" (NTE) and supplemental steady state test provisions which were published as a proposed rule on October 29, 1999 (64 FR 58472) "Control of Emissions of Air Pollution from 2004 and Later Model Year Heavy-Duty Highway Engines and Vehicles; Revision of Light-Duty On-Board Diagnostics Requirements" (2004 Rule).

The 2004 Rule was recently signed on July 31, 2000 but has not yet been submitted for publication in the **Federal Register**. To allow commenters as much time as possible to comment on the June 2, 2000, NPRM before the end of the comment period, the Agency is making the signed version of the 2004 Rule available on an EPA website listed in **ADDRESSES**. The end of the comment period for the June 2, 2000, NPRM is August 14, 2000.

**DATES:** The comment period for the June 2, 2000, NPRM remains open until August 14, 2000, for any parties wishing to comment.

**ADDRESSES:** Comments must be submitted to Margaret Borushko, U.S. EPA, National Vehicle and Fuel Emissions Laboratory, 2000 Traverwood, Ann Arbor, MI 48105. Telephone (734) 214-4334, FAX (734) 214-4816, E-mail borushko.margaret@epa.gov.

The 2004 Rule is located in the EPA Office of Transportation and Air Quality (OTAQ) Website: <http://www.epa.gov/otaq/> (Look in "What's New" or under the "Heavy Trucks/Buses" topic.) and in the Air Docket, A-99-06.

Materials relevant to this rulemaking are contained in Docket No. A-99-06. The docket is located at The Air Docket (6102), Room M-1500, 401 M. St, SW., Washington, DC 20460, and may be viewed between 8 a.m. and 5:30 p.m., Monday through Friday except on government holidays. You can reach the Air Docket by telephone number at (202) 260-7548 and by facsimile at (202) 260-4400. We may charge a reasonable fee for copying docket material as provided in 40 CFR part 2.

#### FOR FURTHER INFORMATION CONTACT:

Margaret Borushko, U.S. EPA, National Vehicle and Fuel Emissions Laboratory, 2000 Traverwood, Ann Arbor, MI 48105. Telephone (734) 214-4334, FAX (734) 214-4816, E-mail borushko.margaret@epa.gov.

Dated: July 31, 2000.

**Robert Perciasepe,**

*Assistant Administrator for Air and Radiation.*

[FR Doc. 00-19784 Filed 8-2-00; 8:45 am]

**BILLING CODE 6560-50-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Health Care Financing Administration

#### 42 CFR Part 413

[HCFA-1143-P]

RIN 0938-AK25

#### Medicare Program; Prospective Payment System for Hospital Outpatient Services: Revision of the Provider-Based Location Criteria for Certain PPS-Exempt Facilities

**AGENCY:** Health Care Financing Administration (HCFA), HHS

**ACTION:** Proposed rule.

**SUMMARY:** This proposed rule would revise the criteria related to provider-based status requirements for hospitals excluded from the hospital inpatient prospective payment system (PPS) under section 4417 of the Balanced Budget Act of 1997 (BBA). We are proposing to require that satellites of a hospital that qualifies for a PPS exclusion under section 4417 of BBA must be located within the same Metropolitan Statistical Area as the hospital, instead of requiring that these satellites meet the existing requirement of location within the immediate vicinity of the hospital. The satellites of these excluded hospitals would still be required to comply with the other provider-based status criteria.

**DATES:** We will consider comments if we receive them at the appropriate

address, as provided below, no later than 5 p.m. on October 2, 2000.

**ADDRESSES:** Mail written comments (1 original and 3 copies) to the following address: Health Care Financing Administration, Department of Health and Human Services, Attention: HCFA-1143-P, P.O. Box 8013, Baltimore, MD 21244-8013.

To ensure that mailed comments are received in time for us to consider them, please allow for possible delays in delivering them.

If you prefer, you may deliver your written comments (1 original and 3 copies) to one of the following addresses: Room 445-G, Hubert H. Humphrey Building, 200 Independence Avenue, SW., Washington, DC 20201, or Room C5-16-03, 7500 Security Boulevard, Baltimore, MD 21244-8013.

Comments mailed to the above addresses may be delayed and received too late to be considered.

Because of staff and resource limitations, we cannot accept comments by facsimile (FAX) transmission. In commenting, please refer to file code HCFA-1143-P. Comments received timely will be available for public inspection as they are received, generally beginning approximately 3 weeks after publication of a document, in Room 445-G of the Department's office at 200 Independence Avenue, SW., Washington, DC, on Monday through Friday of each week from 8:30 to 5 p.m. (phone: (202) 690-7890).

**FOR FURTHER INFORMATION CONTACT:** Miechal Lefkowitz, (410) 786-5316.

**SUPPLEMENTARY INFORMATION:**

**I. Background**

*A. Provider-Based Status*

On April 7, 2000, we published a final rule specifying the criteria that must be met for a determination regarding provider-based status (65 FR 18504). Since the beginning of the Medicare program, some providers, which we refer to as "main providers," have owned and operated other facilities that were administered by the main provider. The subordinate facilities may or may not be located on the main provider's campus. To accommodate for the financial integration of the two facilities without creating an administrative burden, we have permitted the subordinate facility to be considered a provider-based facility. Furthermore, a portion of the costs incurred by the main provider may be allocated to a provider-based facility. This allocation can result in additional Medicare payments to the provider-based facility.

The regulations at § 413.65, effective October 10, 2000, define provider-based status as, "the relationship between a main provider and a provider-based entity or a department of a provider, remote location of a hospital, or satellite facility, that complies with the provisions of this section." Before a main provider may bill for services of a facility as if the facility were provider-based, or before it includes costs of those services on its cost report, the facility must meet the criteria listed in the regulations at § 413.65(d). Among these criteria are the requirements that the main provider and the facility must have common licensure (when appropriate), the facility must operate under the ownership and control of the main provider, and the facility must be located in the immediate vicinity of the main provider.

*B. Satellite Facilities*

A satellite facility is defined at § 412.22(h)(1) as, "a part of a hospital that provides inpatient services in a building also used by another hospital, or in one or more entire buildings located on the same campus as buildings used by another hospital." A satellite facility is a type of facility that may be considered provider-based if it meets the criteria under § 413.65(d). In some cases, a hospital may have several satellite locations.

*C. Long Term Care Hospitals and Satellite Facilities*

Satellite facilities are common among long term care hospitals (LTHs). A LTH, as defined under section 1886(d) of the Social Security Act (the Act), is a hospital with an average length of stay of greater than 25 days. These hospitals are excluded from the prospective payment system (PPS) and are paid on a reasonable cost basis subject to a per-discharge cost limit for inpatient hospital services. A LTH that has a satellite facility must comply with the regulations at § 412.22(h)(2). Section 412.22(h)(2)(i) requires that if the hospital (other than a children's hospital) was excluded from the PPS for the most recent cost reporting period beginning before October 1, 1997, the hospital's number of State-licensed and Medicare-certified beds, including those at the satellite facilities, must not exceed the hospital's number of State-licensed and Medicare-certified beds on the last day of the hospital's last cost reporting period beginning before October 1, 1997.

*D. Exception for Certain LTHs*

Although section 1886(d) of the Act defines a LTH as a hospital with an

average length of stay of greater than 25 days, under section 4417 of the Balanced Budget Act of 1997 (BBA) (Pub. L. 105-33), as implemented in the regulations at § 412.23(e)(2), the Congress extended the LTH exclusion to any hospital that first received payment under section 1886(d)(1)(B)(iv) of the Act in 1986, has an average length of stay of greater than 20 days, and had 80 percent or more of its annual Medicare inpatient discharges with a principal diagnosis of neoplastic disease in the 12-month cost reporting period ending in fiscal year 1997. On July 30, 1999, we published a final rule (64 FR 41490) at § 412.22(h)(2) specifying the criteria that a PPS exempt hospital with a remote inpatient satellite facility located within a PPS hospital must meet to qualify for payment as a PPS exempt hospital for services furnished at that satellite. We also stated in that final rule that, in view of the special status accorded to hospitals that qualify for LTH status under section 4417 of the BBA, we believed those hospitals should also be exempt from the requirements at § 412.22(h)(2), which are applicable to satellite facilities of PPS-excluded hospitals. Accordingly, at § 412.22(h)(3)(ii), we specified that the criteria at § 412.22(h)(2) do not apply to a hospital excluded from the PPS under § 412.23(e)(2).

**II. Provisions of This Proposed Rule**

Since the publication of the provider-based regulations on April 7, 2000, it has come to our attention that hospitals that qualify as LTHs under section 4417 of the BBA could be precluded from having a satellite facility under the revised provider-based regulations. Although those hospitals' satellites might meet all other criteria under § 413.65(d) for achieving provider-based status, they might not meet the requirement at § 413.65(d)(7) of being located in the immediate vicinity of the main provider. Under § 413.65(d)(7), to meet the provider-based criteria, the main provider must show that the satellite is located within its immediate vicinity by demonstrating that, either (A) at least 75 percent of the patients served by the satellite reside in the same zip code areas as at least 75 percent of the patients served by the main provider; or (B) at least 75 percent of the patients served by the facility or organization that required the type of care furnished by the main provider received that care from that provider (for example, at least 75 percent of the patients of a rural health clinic (RHC) seeking provider-based status received inpatient hospital services from the hospital that is the main provider); or

(C) if the facility or organization is unable to meet the criteria in § 413.65(d)(7)(i)(A) or § 413.65(d)(7)(i)(B) of this section because it was not in operation during all of the 12-month period described in the previous sentence, the facility or organization must be located in a zip code area included among those that, during all of the 12-month period described in the previous sentence, accounted for at least 75 percent of the patients served by the main provider.

In view of this concern, and in consideration of the special status accorded to hospitals under section 4417 of the BBA, and consistent with our earlier regulatory provision allowing for satellites for these hospitals, we believe it is also appropriate to revise the criteria in § 413.65(d)(7)(i) for hospitals excluded from the inpatient hospital PPS under section 4417 of the BBA. Specifically, we are proposing to require that satellites of a hospital that qualify for a PPS exclusion under § 412.23(e)(2) must be located within the same Metropolitan Statistical Area (MSA) as the hospital, instead of requiring that these satellites meet the existing requirement of determining that the satellite is located within the immediate vicinity of the hospital. Therefore, we are proposing to amend the regulations by adding subparagraph (iv) to existing § 413.65(d)(7) to allow for this revision to the provider-based rules. The satellites of these hospitals would still be required to comply with the other criteria in § 413.65.

### III. Collection of Information Requirements

This document does not impose information collection and recordkeeping requirements. Consequently, it need not be reviewed by the Office of Management and Budget under the authority of the Paperwork Reduction Act of 1995.

### IV. Response to Comments

Because of the large number of items of correspondence we normally receive on **Federal Register** documents published for comment, we are not able to acknowledge or respond to them individually. We will consider all

comments we receive by the date and time specified in the **DATES** section of this preamble, and, if we proceed with a subsequent document, we will respond to the major comments in the preamble to that document.

### V. Regulatory Impact

We have examined the impacts of this rule as required by Executive Order 12866 and the Regulatory Flexibility Act (RFA) (Pub. L. 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 proposed rule is not a major rule because we have determined that the economic impact will be negligible since we know of only one hospital that may qualify for the revisions related to provider-based satellite facilities (of hospitals that qualify for LTH status under § 412.23(e)(2)) that are located within the same MSA as the main provider.

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. For purposes of the RFA, hospitals with provider-based satellite facilities are considered to be small entities. Individuals and States are not included in the definition of a small entity.

In addition, section 1102(b) of the Act requires us to prepare a regulatory impact analysis for any final rule that may have a significant impact on the operations of a substantial number of small rural hospitals. Such an analysis must conform to the provisions of section 603 of the RFA. With the exception of hospitals located in certain

New England counties, for purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital with not more than 100 beds that is located outside of a Metropolitan Statistical Area (MSA) or New England County Metropolitan Area (NECMA). Section 601(g) of the Social Security Amendments of 1983 (Pub. L. 98–21) designated hospitals in certain New England counties as belonging to the adjacent NECMA. Thus, for purposes of the prospective payment system, we classify these hospitals as urban hospitals.

Section 202 of the Unfunded Mandates Reform Act of 1995 also requires that agencies assess anticipated costs and benefits before issuing any rule that may result in an expenditure in any one year by State, local, or tribal governments, in the aggregate, or by the private sector, of \$100 million. This proposed rule will not have a significant economic effect on these governments or the private sector.

Executive Order 13132 establishes certain requirements that an agency must meet when it promulgates a final rule that imposes substantial direct compliance costs on State and local governments, preempts State law, or otherwise has Federalism implications. This proposed rule will not have a substantial effect on States or local governments.

We are not preparing analyses for either the RFA or section 1102(b) of the Act because we have determined, and we certify, that this rule will not have a significant economic impact on a substantial number of small entities or a significant impact on the operations of a substantial number of small rural hospitals.

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

### List of Subjects in 42 CFR Part 413

Health facilities, Kidney diseases, Medicare, Puerto Rico, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, HCFA proposes to amend 42 CFR chapter IV as follows:

**PART 413—PRINCIPLES OF REASONABLE COST REIMBURSEMENT; PAYMENT FOR END-STAGE RENAL DISEASE SERVICES; PROSPECTIVELY DETERMINED PAYMENT RATES FOR SKILLED NURSING FACILITIES**

1. The authority citation for part 413 continues to read as follows:

**Authority:** Secs. 1102, 1812(d), 1814(b), 1815, 1833(a), (i), and (n), 1871, 1881, 1883, and 1886 of the Social Security Act (42 U.S.C. 1302, 1395f(b), 1395g, 1395l, 1395l(a), (i), and (n), 1395x(v), 1395hh, 1395rr, 1395tt, and 1395ww).

**Subpart E—Payments to Providers**

2. In § 413.65, paragraph (d)(7)(iv) is added to read as follows:

**§ 413.65 Requirements for a determination that a facility or an organization has provider-based status.**

\* \* \* \* \*

(d) *Requirements.* \* \* \*

(7) *Location in immediate vicinity.*

\* \* \*

(iv) A satellite facility that otherwise qualifies as a provider-based satellite of a main provider that is excluded from the prospective payment systems under § 412.23(e)(2) of this chapter, is considered to be located in the immediate vicinity of that main

provider if it is located within the same Metropolitan Statistical Area as the main provider.

\* \* \* \* \*

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

Dated: July 18, 2000.

Approved: July 27, 2000.

**Nancy-Ann Min DeParle,**

*Administrator, Health Care Financing Administration.*

**Donna E. Shalala,**

*Secretary.*

[FR Doc. 00–19669 Filed 7–31–00; 2:48 pm]

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