200 C St. SW., Washington, DC 20204, 202–418–3080.

SUPPLEMENTARY INFORMATION: In a notice published in the **Federal Register** of June 14, 1990 (55 FR 24158), FDA announced that a food additive petition (FAP 8B4095) had been filed by Allied Colloids Ltd., P.O. Box 38, Low Moor, Bradford, West Yorkshire, England, BD–12–OJZ. The petition proposed to amend the food additive regulations to provide for the safe use of the copolymer of dimethylamine, epichlorohydrin and diethylenetriamine as a retention and drainage aid in the manufacture of paper and paperboard.

Allied Colloids Ltd. has now withdrawn the petition without prejudice to a future filing (21 CFR 171.7).

Dated: August 18, 1995.

George H. Pauli,

Acting Director, Office of Premarket Approval, Center for Food Safety and Applied Nutrition.

[FR Doc. 95–22370 Filed 9–7–95; 8:45 am]

BILLING CODE 4160–01–F

Health Care Financing Administration

[MB–094–N]

RIN 0938–AG61

Medicaid Program; Limitations on Aggregate Payments to Disproportionate Share Hospitals: Federal Fiscal Year 1995

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

ACTION: Notice.

SUMMARY: This notice announces the final Federal fiscal year (FFY) 1995 national target and individual State allotments for Medicaid payment adjustments made to hospitals that serve a disproportionate number of Medicaid recipients and low-income patients with special needs. We are publishing this notice in accordance with the provisions of section 1923(f)(1)(C) of the Social Security Act (the Act) and implementing regulations at 42 CFR 447.297 through 447.299. The final FFY 1995 State disproportionate share hospital (DSH) allotments published in this notice supersede the preliminary FFY 1995 DSH allotments that were published in the **Federal Register** on January 13, 1995 (60 FR 3250).

EFFECTIVE DATE: The final DSH payment adjustment expenditure limits included in this notice apply to Medicaid DSH payment adjustments that are applicable to FFY 1995.

FOR FURTHER INFORMATION CONTACT: Richard Strauss, (410) 966–2019.

SUPPLEMENTARY INFORMATION:

I. Background

Section 1902(a)(13)(A) of the Act requires States to ensure that their Medicaid payment rates include payment adjustments for Medicaid-participating hospitals that serve a large number of Medicaid recipients and other low-income individuals with special needs (referred to as disproportionate share hospitals (DSH)). The payment adjustments are calculated on the basis of formulas specified in section 1923 of the Act.

Section 1923(f) of the Act and implementing Medicaid regulations at 42 CFR 447.297 through 447.299 require us to estimate and publish in the **Federal Register** the national target and each State's allotment for DSH payments for each Federal fiscal year (FFY). The implementing regulations provide that the national aggregate DSH limit for a FFY specified in the Act is a target rather than an absolute cap when determining the amount that can be allocated for DSH payments. The national DSH target is 12 percent of the total amount of medical assistance expenditures (excluding total administrative costs) that are projected to be made under approved Medicaid State plans during the FFY. (Note: Whenever the phrases ''total medical assistance expenditures'' or ''total administrative costs'' are used in this notice, they mean both the State and Federal share of expenditures or costs.)

In addition to the national DSH target, there is a specific State DSH limit for each State for each FFY. The State DSH limit is a specified amount of DSH payment adjustments applicable to a FFY above which FFP will not be available. This is called the ''State DSH allotment''.

Each State's DSH allotment for FFY 1995 is calculated by first determining whether the State is a ''high-DSH State,'' or a ''low-DSH State.'' This is determined by using the State's ''base allotment.'' A State's base allotment is the greater of the following amounts: (1) The total amount of the State's actual and projected DSH payment adjustments made under the State's approved State plan applicable to FFY 1992, as adjusted by HCFA; or (2) $1,000,000.

A State whose base allotment exceeds 12 percent of the State's total medical assistance expenditures (excluding administrative costs) projected to be made in FFY 1995 is referred to as a ''high-DSH State.'' The FFY 1995 State DSH allotment for a high-DSH State is limited to the State's base allotment.

A State whose base allotment is equal to or less than 12 percent of the State's total medical assistance expenditures (excluding administrative costs) projected to be made in FFY 1995 is referred to as a ''low-DSH State.'' The FFY 1995 State DSH allotment for a low-DSH State is equal to the State's DSH allotment for FFY 1994 increased by growth amounts and supplemental amounts, if any. However, the FFY 1995 DSH allotment for a low-DSH State cannot exceed 12 percent of the State's total medical assistance expenditures for FFY 1995 (excluding administrative costs).

The growth amount for FFY 1995 is equal to the projected percentage increase (the growth factor) in a low-DSH State's total Medicaid program expenditures between FFY 1994 and FFY 1995 multiplied by the State's final DSH allotment for FFY 1994. Because the national DSH limit is considered a target, low-DSH States whose programs grow from one year to the next can receive a growth amount that would not be permitted if the national limit was viewed as an absolute cap.

There is no growth factor and no growth amount for any low-DSH State whose Medicaid program does not grow (that is, stayed the same or declined) between FFY 1994 and FFY 1995. Furthermore, because a low-DSH State's FFY 1995 DSH allotment cannot exceed 12 percent of the State's total medical assistance expenditures, it is possible for its FFY 1995 DSH allotment to be lower than its FFY 1994 DSH allotment. This occurs when the State experiences a decrease in its program expenditures between years and its prior FFY DSH allotment is greater than 12 percent of the total projected medical assistance expenditures for the current FFY. This is the case for the State of Indiana for FFY 1995.

There is no supplemental amount available for redistribution for FFY 1995. The supplemental amount, if any, is equal to a low-DSH State's proportional share of a pool of funds (the redistribution pool). The redistribution pool is equal to the national 12 percent DSH target reduced by the total of the base allotments for high-DSH States, the total of the State DSH allotments for the previous FFY for low-DSH States, and the total of the low-DSH State growth amounts. Since the sum of these amounts is above the projected FFY 1995 national 12 percent DSH target, there is no redistribution pool and, therefore, no supplemental amounts for FFY 1995.

As prescribed in the law and regulations, no State's DSH allotment will be below a minimum of $1,000,000.

As an exception to the above requirements, under section 1923(f)(1)(A)(i)(II) of the Act and regulations at 42 CFR 447.296(b)(5) and 447.298(f), a State may make DSH payments for a FFY in accordance with the minimum payment adjustments required by Medicare methodology described in section 1923(c)(1) of the Act. The State of Nebraska's final State DSH allotment has been determined in accordance with this exception.

We are publishing in this notice the final FFY 1995 national DSH target and State DSH allotments based on the best available data we received to date from the States, as adjusted by HCFA. These data are taken from each State's actual Medicaid expenditures for FFY 1994 as reported on the State's quarterly expenditure report Form HCFA–64 submissions and the FFY 1995 projected Medicaid expenditures as reported on the February 1995 Form HCFA–37 submission. All data are adjusted as necessary.

II. Calculations of the Final FFY 1995 DSH Limits

The total of the final State DSH allotments for FFY 1995 is equal to the sum of the base allotments for all high-DSH States, the FFY 1994 State DSH allotments for all low-DSH States, and the growth amounts for all low-DSH States. A State-by-State breakdown is presented in section III of this notice.

We classified States as high-DSH or low-DSH States. If a State's base allotment exceeded 12 percent of its total unadjusted medical assistance expenditures (excluding administrative costs) projected to be made under the State's approved plan in FFY 1995, we classified that State as a ''high-DSH'' State. If a State's base allotment was 12 percent or less of its total unadjusted medical assistance expenditures projected to be made under the State's approved State plan under title XIX of the Act in FFY 1995, we classified that State as a ''low-DSH'' State. Based on this classification, there are 34 low-DSH States and 16 high-DSH States for FFY 1995.

Using the most recent data from the States' February 1995 budget projections (Form HCFA–37), we estimate the States' FFY 1995 national total medical assistance expenditures to be $152,830,147,000. Thus, the overall final national FFY 1995 DSH expenditure target is $18,339,618,000 (12 percent of $152,830,147,000).

In the final FFY 1995 State DSH allotments, we provide a total of $644,305,000 ($356,788,000 Federal share) in growth amounts for the 34 low-DSH States. The growth factor percentage for each of the low-DSH States was determined by calculating the Medicaid program growth percentage for each low-DSH State between FFY 1994 and FFY 1995. To compute this percentage, we first ascertained each low-DSH State's total FFY 1994 medical assistance and administrative expenditures as reported on the State's quarterly expenditure reports (Form HCFA–64) for FFY 1994. Next, we compared the FFY 1994 reported expenditures to each low-DSH State's total estimated unadjusted FFY 1995 medical assistance and administrative expenditures as reported to HCFA on the State's February 1995 Form HCFA–37 submission.

The growth factor percentage was multiplied by the low-DSH State's final FFY 1994 DSH allotment amount to establish the State's final growth amount for FFY 1995.

Since the sum of the total of the base allotments for high-DSH States, the total of the State DSH allotments for the previous FFY for low-DSH States, and the growth for low DSH States ($19,084,239,000) is greater than the final FFY 1995 national target ($18,339,618,000), there is no final FFY 1995 redistribution pool.

The low-DSH State's growth amount was then added to the low-DSH State's final FFY 1994 DSH allotment amount to establish the final total low-DSH State DSH allotment for FFY 1995. If a State's growth amount, when added to its final FFY 1994 DSH allotment amount, exceeds 12 percent of its FFY 1995 estimated medical assistance expenditures, the State only receives a partial growth amount that, when added to its final FFY 1994 allotment, limits its total State DSH allotment for FFY 1995 to 12 percent of its estimated FFY 1995 medical assistance expenditures. For this reason, nine of the low-DSH States received partial growth amounts.

As explained above, Indiana's final FFY 1995 DSH allotment is lower than its final FFY 1994 DSH allotment. Also, in accordance with the minimum payment adjustments required by Medicare methodology, Nebraska's FFY 1995 State DSH allotment is $11,000,000.

In summary, the total of all final State DSH allotments for FFY 1995 is $19,084,239,000 ($10,886,177,000 Federal share). This total is composed of the prior FFY's final State DSH allotments ($18,490,099,000) plus growth amounts for all low-DSH States ($644,305,000), minus the amount of reduction in Indiana's FFY 1995 DSH allotment ($50,165,000), plus supplemental amounts for low-DSH States ($0). The total of all final FFY 1995 State DSH allotments is 12.5 percent of the total medical assistance expenditures (excluding administrative costs) projected to be made by these States in FFY 1995. The total of all final DSH allotments for FFY 1995 is $744,621,000 over the FFY 1995 national target amount of $18,339,618,000.

Each State should monitor and make any necessary adjustments to its DSH spending during FFY 1995 to ensure that its actual FFY 1995 DSH payment adjustment expenditures do not exceed its final State DSH allotment for FFY 1995 published in this notice. As the ongoing reconciliation between actual FFY 1995 DSH payment adjustment expenditures and the final FFY 1995 DSH allotments takes place, each State should amend its plan as may be necessary to make any adjustments to its FFY 1995 DSH payment adjustment expenditure patterns so that the State will not exceed its final FFY 1995 DSH allotment.

The FFY 1995 reconciliation of DSH allotments to actual expenditures will take place on an ongoing basis as States file expenditure reports with HCFA for DSH payment adjustment expenditures applicable to FFY 1995. Additional DSH payment adjustment expenditures made in succeeding FFYs that are applicable to FFY 1995 will continue to be reconciled with each State's final FFY 1995 DSH allotment as additional expenditure reports are submitted to ensure that the final FFY 1995 DSH allotment is not exceeded. As a result, any DSH payment adjustment expenditures in excess of the final DSH allotment will be disallowed; and therefore, subject to the normal Medicaid disallowance procedures.

III. Final FFY 1995 DSH Allotments Under Public Law 102–234

Key to Chart

Column	Description
Column A = ...	Name of State.
Column B = ...	Final FFY 1994 DSH Allotments for All States. For a high-DSH State, this is the State's base allotment, which is the greater of the State's FFY 1992 allowable DSH payment adjustment expenditures applicable to FFY 1992, or $1,000,000. For a low-DSH State, this is equal to the final DSH allotment for FFY 1994, which was published in the **Federal Register** on May 2, 1994.

Column	Description
Column C = ...	Growth Amounts for Low-DSH States. This is an increase in a low-DSH State's final FFY 1994 DSH allotment to the extent that the State's Medicaid program grew between FFY 1994 and FFY 1995.
Column D = ...	Final FFY 1995 State DSH Allotments. For high-DSH States, this is equal to the base allotment from column B. For low-DSH States, this is equal to the final State DSH allotments for FFY 1994 from column B plus the growth amounts from column C and the supplemental amounts, if any, from column D.
Column E = ...	High or Low DSH State Designation for FFY 1995. ''High'' indicates the State is a high-DSH State and ''Low'' indicates the State is a low-DSH State, after calculation of the final State DSH allotments.

FINAL FEDERAL FISCAL YEAR 1995 DISPROPORTIONATE SHARE HOSPITAL ALLOTMENTS UNDER PUBLIC LAW 102–234

[Amounts are state and Federal shares; dollars are in thousands (000)]

State	Final FFY 94 DSH allotments for all states	Growth amounts for low DSH states[1]	Final FFY95 state DSH allotments	High or low DSH state designation
A	B	C	D	E
AL	$417,458	Not applicable	$417,458	High.
AK	19,589	1,011	20,600	Low.
AR	3,039	300	3,338	Low.
CA	2,191,451	Not applicable	2,191,451	High.
CO	302,014	Not applicable	302,014	High.
CT	408,933	Not applicable	408,933	High.
DE	5,924	1,145	7,069	Low.
DC	41,039	5,466	46,505	Low.
FL	286,478	47,706	334,183	Low.
GA	382,344	26,799	409,142	Low.
HI	64,078	18,608	82,686	Low.
ID	1,985	100	2,085	Low.
IL	394,993	57,178	452,172	Low.
IN[2]	336,799	Not applicable	286,634	Low.
IA	5,497	623	6,121	Low.
KS	188,935	Not applicable	188,935	High.
KY	264,289	Not applicable	264,289	High.
LA	1,217,636	Not applicable	1,217,636	High.
ME	165,317	Not applicable	165,317	High.
MD	129,543	13,557	143,100	Low.
MA	567,128	8,162	575,289	Low.
MI	617,700	56,305	674,005	Low.
MN	55,394	6,004	61,398	Low.
MS	158,464	24,736	183,200	Low.
MO	731,894	Not applicable	731,894	High.
MT	1,300	42	1,342	Low.
NE[3]	11,000	Not applicable	11,000	Low.
NV	73,560	Not applicable	73,560	High.
NH	392,006	Not applicable	392,006	High.
NJ	1,094,113	Not applicable	1,094,113	High.
NM	15,757	1,546	17,303	Low.
NY	2,831,864	192,007	3,023,871	Low.
NC	389,266	40,840	430,106	Low.
ND	1,155	48	1,203	Low.
OH	566,925	62,999	629,925	Low.
OK	23,568	658	24,225	Low.
OR	25,058	6,356	31,413	Low.
PA	967,407	Not applicable	967,407	High.
RI	94,432	16,470	110,901	Low.
SC	439,759	Not applicable	439,759	High.
SD	1,302	140	1,443	Low.
TN	430,611	Not applicable	430,611	High.
TX	1,513,029	Not applicable	1,513,029	High.

FINAL FEDERAL FISCAL YEAR 1995 DISPROPORTIONATE SHARE HOSPITAL ALLOTMENTS UNDER PUBLIC LAW 102–234—Continued

[Amounts are state and Federal shares; dollars are in thousands (000)]

State	Final FFY 94 DSH allotments for all states	Growth amounts for low DSH states[1]	Final FFY95 state DSH allotments	High or low DSH state designation
A	B	C	D	E
UT	5,514	429	5,943	Low.
VT	26,662	2,419	29,081	Low.
VA	185,746	19,051	204,798	Low.
WA	307,993	28,535	336,527	Low.
WV	121,883	4,211	126,094	Low.
WI	10,881	724	11,605	Low.
WY	1,389	131	1,520	Low.
Total	$18,490,099	$644,305	$19,084,239	

Notes
[1] There was 1 low DSH state which had negative growth and 9 low DSH states which got partial growth up to 12% of FFY 95 MAP.
[2] Due to negative growth, allotment limited to 12% of FFY 95 MAP.
[3] Allotment based upon minimum payment adjustment amount.

IV. Regulatory Impact Statement

We generally prepare a regulatory flexibility analysis that is consistent with the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 through 612), unless the Secretary certifies that a notice would not have a significant economic impact on a substantial number of small entities. For purposes of a RFA, States and individuals are not considered small entities. However, providers are considered small entities. Additionally, section 1102(b) of the Act requires the Secretary to prepare a regulatory impact analysis if a notice 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 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 50 beds.

This notice sets forth no changes in our regulations; rather, it reflects the DSH allotments for each State as determined in accordance with §§ 447.297 through 447.299.

We have discussed the method of calculating the final FFY 1995 national aggregate DSH target and the final FFY 1995 individual State DSH allotments in the previous sections of this preamble. These calculations should have a positive impact on payments to DSHs. Allotments will not be reduced for high-DSH States since we interpret the 12 percent limit as a target. Low-DSH States will get their prior FFY DSH allotments plus their growth amounts.

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

(Catalog of Federal Assistance Program No. 93.778, Medical Assistance Program)

Dated: June 26, 1995.

Bruce C. Vladeck,

Administrator, Health Care Financing Administration.

[FR Doc. 95–22170 Filed 9–7–95; 8:45 am]

BILLING CODE 4120–01–P

Public Health Service

Announcement of Cooperative Agreement With the American School Health Association

AGENCY: Office of the Assistant Secretary for Health, Office of Disease Prevention and Health Promotion.

ACTION: Final notice.

SUMMARY: The Office of Disease Prevention and Health promotion (ODPHP) on behalf of the Interagency Committee on School Health announces the availability of fiscal year (FY) 1995 funds for a sole source cooperative agreement with the American School Health Association (ASHA) to review and synthesize the health and educational effects of school health programs and to set forth the research agenda. Approximately $100,000 will be available in FY 1995 to support this project. This award will begin on or about September 1, 1995, for a 12 month budget period within a project period of up to 2 years. Funding estimates may vary and are subject to change. Continuation awards within the project period will be made on the basis of satisfactory progress and the availability of funds.

EFFECTIVE DATE: September 30, 1995.

FOR FURTHER INFORMATION CONTACT: Kristine I. McCoy, M.P.H., School Health Coordinator, Office of Disease Prevention and Health Promotion, Office of the Assistant Secretary for Health, PHS U.S. Department of Health and Human Services, 330 C Street, SW, Room 2132, Washington, DC 20201, Phone: 202–205–8180.

SUPPLEMENTARY INFORMATION: The ODPHP will assist in identifying programs and procedures relevant to the project objectives; collaborate in developing, analyzing, and reviewing material for dissemination; and take responsibility for publication of final products.

The Public Health service (PHS) is committed to achieving the health promotion and disease prevention objectives of ''Healthy People 2000,'' a PHS-led national activity to reduce morbidity and mortality and improve the quality of life. This announcement us related to objectives in nearly all priority areas, particularly those pertaining to school-aged children and youth. (To order a copy of ''Healthy People 2000,'' see the section, ''Where to Obtain Additional Information.'')

Authority

This program is authorized under the Public Health Service Act, section 1701(a)(11).

Smoke-Free Workplace

The PHS strongly encourages all grant recipients to provide a smoke-free workplace and promote the non-use of all tobacco products and Public Law 103–227, the Pro-Children's Act of 1994, prohibits smoking in certain facilities that receive Federal funds in which