

	As of December 31,			As of December 31,			As of December 31,		
	1994	1995	1996	1994	1995	1996	1994	1995	1996
Liabilities	4.049	4.876	5.631	1.886	2.567	3.105	6.245	7.229	8.231
Assets less liabilities	15.373	13.655	13.696	17.536	19.453	26.240	13.177	7.625	0.268
Ratio of assets less liabilities to expenditures (in percent) ³	22.2	17.6	15.9	26.7	27.2	33.7	18.1	9.0	0.3

¹ As recognized for payment under the program.

² Increase in the number of services received per enrollee and greater relative use of more expensive services.

³ Ratio of assets less liabilities at the end of the year to total incurred expenditures during the following year, expressed as a percent.

IV. Cost to Beneficiaries

The monthly SMI premium rate of \$42.50 for all enrollees during 1996 is 7.8 percent lower than the \$46.10 monthly premium amount for the previous financing period. The estimated savings of this reduction from the current premium to the approximately 36 million SMI enrollees will be about \$1.565 billion for 1996.

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

(Section 1839 of the Social Security Act; 42 U.S.C. 1395r)

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

Dated: September 15, 1995.

Bruce C. Vladeck,

Administrator, Health Care Financing Administration.

Dated: September 27, 1995.

Donna E. Shalala,

Secretary.

[FR Doc. 95-25519 Filed 10-13-95; 8:45 am]

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[OACT-051-N]

RIN 0938-AH06

Medicare Program; Part A Premium for 1996 for the Uninsured Aged and for Certain Disabled Individuals Who Have Exhausted Other Entitlement

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

ACTION: Notice.

SUMMARY: This notice announces the hospital insurance premium for calendar year 1996 under Medicare's hospital insurance program (Part A) for the uninsured aged and for certain disabled individuals who have exhausted other entitlement. The monthly Medicare Part A premium for the 12 months beginning January 1, 1996 for these individuals is \$289. The reduced premium for certain other individuals as described in this notice is

\$188. Section 1818(d) of the Social Security Act specifies the method to be used to determine these amounts.

EFFECTIVE DATE: This notice is effective on January 1, 1996.

FOR FURTHER INFORMATION CONTACT: John Wandishin, (410) 786-6389.

SUPPLEMENTARY INFORMATION:

I. Background

Section 1818 of the Social Security Act (the Act) provides for voluntary enrollment in the Medicare hospital insurance program (Medicare Part A), subject to payment of a monthly premium, of certain persons who are age 65 and older, uninsured for social security or railroad retirement benefits, and do not otherwise meet the requirements for entitlement to Medicare Part A. (Persons insured under the Social Security or Railroad Retirement Acts need not pay premiums for hospital insurance.)

Section 1818(d) of the Act requires us to estimate, on an average per capita basis, the amount to be paid from the Federal Hospital Insurance Trust Fund for services performed and for related administrative costs incurred in the following year with respect to individuals age 65 and over who will be entitled to benefits under Medicare Part A. We must then, during September of each year, determine the monthly actuarial rate (the per capita amount estimated above divided by 12) and publish the dollar amount to be applicable for the monthly premium in the succeeding year. If the premium is not a multiple of \$1, the premium is rounded to the nearest multiple of \$1 (or, if it is a multiple of 50 cents but not of \$1, it is rounded to the next highest \$1). The 1995 premium under this method was \$261 and was effective January 1995. (See 59 FR 61626, December 1, 1994.)

Section 1818(d)(2) of the Act requires us to determine and publish, during September of each calendar year, the amount of the monthly premium for the following calendar year for persons who voluntarily enroll in Medicare Part A.

Section 1818A of the Act provides for voluntary enrollment in Medicare Part A, subject to payment of a monthly premium, of certain disabled individuals who have exhausted other entitlement. These individuals are those not now entitled but who have been entitled under section 226(b) of the Act, continue to have the disabling impairment upon which their entitlement was based, and whose entitlement ended solely because they had earnings that exceeded the substantial gainful activity amount (as defined in section 223(d)(4) of the Act).

Section 1818A(d)(2) of the Act specifies that the premium determined under section 1818(d)(2) of the Act for the aged will also apply to certain disabled individuals as described above.

In addition, section 1818(d) of the Act provides for a reduction in the monthly premium amount for certain voluntary enrollees. The reduction applies for individuals who are not eligible for social security or railroad retirement benefits but who:

- Had at least 30 quarters of coverage under title II of the Act;
- Were married and had been married for the previous 1-year period to an individual who had at least 30 quarters of coverage;
- Had been married to an individual for at least 1 year at the time of the individual's death and the individual had at least 30 quarters of coverage; or
- Are divorced from an individual who at the time of divorce had at least 30 quarters of coverage and the marriage lasted at least 10 years.

For calendar year 1996, section 1818(d)(4)(A) of the Act specifies that the monthly premium that these individuals will pay for calendar year 1996 will be equal to the monthly premium for aged voluntary enrollees reduced by 35 percent.

II. Premium Amount for 1996

Under the authority of sections 1818(d)(2) and 1818A(d)(2) of the Act, we have determined that the monthly Medicare Part A hospital insurance premium for the uninsured aged and for

certain disabled individuals who have exhausted other entitlement for the 12 months beginning January 1, 1996 is \$289.

The monthly premium for those individuals entitled to a 35 percent reduction in the monthly premium for the 12-month period beginning January 1, 1996 is \$188.

III. Statement of Actuarial Assumptions and Bases Employed in Determining the Monthly Premium Rate

As discussed in section I of this notice, the monthly Medicare Part A premium for 1996 is equal to the estimated monthly actuarial rate for 1996 rounded to the nearest multiple of \$1. The monthly actuarial rate is defined to be one-twelfth of the average per capita amount that the Secretary estimates will be paid from the Federal Hospital Insurance Trust Fund for services performed and related administrative costs incurred in 1996 for individuals age 65 and over who will be entitled to benefits under the hospital insurance program. Thus, the number of individuals age 65 and over who will be entitled to hospital insurance benefits and the costs incurred on behalf of these beneficiaries must be projected to determine the premium rate.

The principal steps involved in projecting the future costs of the hospital insurance program are (a) establishing the present cost of services furnished to beneficiaries, by type of service, to serve as a projection base; (b) projecting increases in payment amounts for each of the various service types; and (c) projecting increases in administrative costs. Establishing historical Medicare Part A enrollment and projecting future enrollment, by type of beneficiary, is part of this process.

We have completed all of the above steps, basing our projections for 1996 on (a) current historical data and (b) projection assumptions under current law from the Midsession Review of the President's Fiscal Year 1996 Budget. It is estimated that in calendar year 1996, 32.496 million people age 65 and over will be entitled to Medicare Part A benefits (without premium payment), and that these individuals will, in 1996, incur \$112.688 billion of benefits for services performed and related administrative costs. Thus, the estimated monthly average per capita amount is \$288.98 and the monthly premium is \$289. The monthly premium for those individuals eligible to pay this premium reduced by 35 percent is \$188.

IV. Costs to Beneficiaries

The 1996 Medicare Part A premium is about 11 percent higher than the \$261 monthly premium amount for the 12-month period beginning January 1, 1995.

We estimate that there will be, in calendar year 1996, approximately 304,000 enrollees who will voluntarily enroll in Medicare Part A by paying the full premium and who do not otherwise meet the requirements for entitlement. An additional 5,000 enrollees will be paying the reduced premium. The estimated overall effect of the changes in the premium will be a cost to these voluntary enrollees of about \$100 million.

V. Impact Statement

This notice merely announces amounts required by statute. This notice is not a proposed rule or a final rule issued after a proposal, and it does not alter any regulation or policy. Therefore, we have determined, and certify, that no analyses are required under the Regulatory Flexibility Act (5 U.S.C 601 through 612) or section 1102(b) of the Act.

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

Authority: Sections 1818(d)(2) and 1818A(d)(2) of the Social Security Act (42 U.S.C. 1395i-2(d)(2) and 1395i-2a(d)(2)). (Catalog of Federal Domestic Assistance Program No. 93.773, Medicare—Hospital Insurance)

Dated: September 26, 1995.

Bruce C. Vladeck,
Administrator, Health Care Financing Administration.

Dated: September 29, 1995.

Donna E. Shalala,
Secretary.

[FR Doc. 95-25520 Filed 10-13-95; 8:45 am]

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Health Resources and Services Administration

Advisory Council; Notice of Meeting

In accordance with section 10(a)(2) of the Federal Advisory Committee Act (Public Law 92-463), announcement is made of the following National Advisory bodies scheduled to meet during the month of November 1995:

Name: National Advisory Council on Migrant Health

Date and Time: November 3-4, 1995, 8 a.m.

Place: Westchester Marriott Hotel, 670 White Plains Road, Tarrytown, New York, 914/631-2200.

The meeting is open to the public.

Agenda: The agenda includes an overview of Council general business activities and priorities; the discussion of current and development of future National Advisory Council on Migrant Health Recommendations. A Public Hearing for Section 329 grantees and other organizations is scheduled for Friday, November 3, 3 p.m. to 6 p.m., and a Farmworker Public Hearing is scheduled for Saturday, November 4, 8 a.m. to 12 p.m. at the above hotel.

The Council is soliciting oral and written comments for testimony; specific to migrant/seasonal farmworker health and migrant health program issues.

Anyone requiring information regarding the subject Council should contact Susan Hagler, Migrant Health Program, Staff Support to the National Advisory Council on Migrant Health, Bureau of Primary Care, Health Resources and Services Administration, 4350 East West Highway, Room 7-A51, Rockville, Maryland 20857, Telephone (301) 594-4302.

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Name: Maternal and Child Health Research Grants Review Committee

Date and Time: November 6-8, 1995, 9 a.m.

Place: Ramada Inn at Congressional Park, 1775 Rockville Pike, Rockville, Maryland 20852.

Open on November 6, 1995, 9 a.m.-10 a.m.
Closed for remainder of meeting.

Agenda: The open portion of the meeting will cover opening remarks by the Director, Division of Science, Education and Analysis, Maternal and Child Health Bureau, who will report on program issues, congressional activities and other topics of interest to the field of maternal and child health. The meeting will be closed to the public on November 6 at 10 a.m. for the remainder of the meeting for the review of grant applications. The closing is in accordance with the provisions set forth in section 552b(c)(6), Title 5 U.S.C., and the Determination by the Associate Administrator for Policy Coordination, Health Resources and Services Administration, pursuant to Public Law 92-463.

Anyone requiring information regarding the subject Council should contact Gontran Lamberty, Dr.P.H., Executive Secretary, Maternal and Child Health Research Grants Review Committee, Room 18A-55, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857, Telephone (301) 443-2190.

Agenda Items are subject to change as priorities dictate.

Dated: October 9, 1995.

Jackie E. Baum,

*Advisory Committee Management Officer,
HRSA.*

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