

conduct patient assessments and other required activities as they normally would under the Medicare conditions of participation except that they would be able to offer Medicare home health patients the opportunity to receive a portion of their care in a MADCF. During the initial and follow-up patient assessments, HHAs will have the opportunity to identify beneficiaries who might benefit from adult day-care services. Demonstration participants are those beneficiaries who agree to participate in the demonstration and receive part of their home health services at the MADCF. Those who agree should also be informed that they will be contacted in the future by the demonstration support and evaluation contractor(s).

Participation by Medicare beneficiaries is completely voluntary and participating beneficiaries have the option of withdrawing from participation at any time. Up to 15,000 beneficiaries across the five sites may participate in the demonstration at any given time. Sites will be provided with enrollment limits proportional to their capacity prorated against the combined total of 15,000 enrollees at any one time. This will be done to ensure that smaller sites will have an opportunity to enroll a fair portion of the total enrollment allowed under the demonstration.

#### V. Payment

Under the demonstration, the participating HHAs will be paid 95 percent of the prospective payment system (PPS) amount that otherwise would have been paid for the home health episode of care had all services been delivered in the beneficiary's home. Current provisions related to case-mix group assignment and payment adjustments are not affected by the demonstration. Payment will be provided directly to the HHA for all services delivered during the home health episode of care whether provided at home or in the adult day health facility. Under section 703(b)(1) of the MMA, the beneficiary may not be separately charged for medical adult-day care services furnished as part of the home health plan of care.

The statute requires the Secretary to monitor the demonstration to ensure that the provision of services in the demonstration does not result in a net increase in total spending, and provides the authority to make payment adjustments to ensure that budget neutrality is maintained.

#### VI. Collection of Information Requirements

The information collection requirements associated with this notice are subject to the Paperwork Reduction Act of 1995 (PRA); however, the collection is currently approved under OMB control number 0938-0880 entitled "Medicare Demonstration Waiver Application" with a current expiration date of July 31, 2006.

**Authority:** Section 703 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA), Pub. L. 108-173.

Dated: April 29, 2005.

**Mark B. McClellan,**

*Administrator, Centers for Medicare & Medicaid Services.*

[FR Doc. 05-12524 Filed 6-23-05; 8:45 am]

**BILLING CODE 4121-01-P**

#### DEPARTMENT OF HEALTH AND HUMAN SERVICES

##### Centers for Medicare & Medicaid Services

[CMS-2219-N]

RIN 0938-ZA17

#### State Children's Health Insurance Program; Final Allotments to States, the District of Columbia, and U.S. Territories and Commonwealths for Fiscal Year 2006

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

**ACTION:** Notice.

**SUMMARY:** Title XXI of the Social Security Act (the Act) authorizes payment of Federal matching funds to States, the District of Columbia, and U.S. Territories and Commonwealths to initiate and expand health insurance coverage to uninsured, low-income children under the State Children's Health Insurance Program (SCHIP). This notice sets forth the final allotments of Federal funding available to each State, the District of Columbia, and each U.S. Territory and Commonwealth for fiscal year 2006.

**DATES:** *Effective Date:* This notice is effective on July 25, 2005. Final allotments are available for expenditures after October 1, 2005.

**FOR FURTHER INFORMATION CONTACT:** Richard Strauss, (410) 786-2019.

**SUPPLEMENTARY INFORMATION:**

#### I. Purpose of This Notice

This notice sets forth the allotments available to each State, the District of Columbia, and each U.S. Territory and

Commonwealth for fiscal year (FY) 2006 under title XXI of the Social Security Act (the Act). Final allotments for a fiscal year are available to match expenditures under an approved State child health plan for 3 fiscal years, including the year for which the final allotment was provided. The FY 2006 allotments will be available to States for FY 2006, and unexpended amounts may be carried over to FY 2007 and FY 2008. Federal funds appropriated for title XXI are limited, and the law specifies a formula to divide the total annual appropriation into individual allotments available for each State, the District of Columbia, and each U.S. Territory and Commonwealth with an approved child health plan.

Section 2104(b)(1) and (c)(3) of the Act requires States, the District of Columbia, and U.S. Territories and Commonwealths to have an approved child health plan for the fiscal year in order for the Secretary to provide an allotment for that fiscal year. All States, the District of Columbia, and U.S. Territories and Commonwealths have approved plans for FY 2006. Therefore, the FY 2006 allotments contained in this notice pertain to all States, the District of Columbia, and U.S. Territories and Commonwealths.

#### II. Methodology for Determining Final Allotments for States, the District of Columbia, and U.S. Territories and Commonwealths

Section 2104(a) of the Act provides that, for purposes of providing allotments to the States, the District of Columbia, and U.S. Territories and Commonwealths, the following amounts are appropriated: \$4,295,000,000 for FY 1998; \$4,275,000,000 for each FY 1999 through FY 2001; \$3,150,000,000 for each FY 2002 through FY 2004; \$4,050,000,000 for each FY 2005 through FY 2006; and \$5,000,000,000 for FY 2007.

This notice specifies, in the Table under section III, the final FY 2006 allotments available to individual States, the District of Columbia, and U.S. Territories and Commonwealths for either child health assistance expenditures under approved State child health plans or for claiming an enhanced Federal medical assistance percentage rate for certain SCHIP-related Medicaid expenditures. As discussed below, the FY 2006 final allotments have been calculated to reflect the methodology for determining an allotment amount for each State, the District of Columbia, and each U.S. Territory and Commonwealth as prescribed by section 2104(b) and (c) of the Act.

### Allotments to the U.S. Territories and Commonwealths

Under section 2104(c) of the Act, 0.25 percent of the total amount appropriated each year is available for allotment to the U.S. Territories and Commonwealths of Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Northern Mariana Islands. For FY 2006, this amount is \$10,125,000 (0.25 percent of the FY 2006 appropriation of \$4,050,000,000).

Section 2104(c)(4)(B) of the Act provides for additional amounts for allotment to the U.S. Territories and Commonwealths: \$32,000,000 for FY 1999; \$34,200,000 for each FY 2000 through FY 2001; \$25,200,000 for each FY 2002 through FY 2004; \$32,400,000 for each FY 2005 through FY 2006; and \$40,000,000 for FY 2007. Since, for FY 2006, title XXI of the Act provides an additional \$32,400,000 for allotment to the U.S. Territories and Commonwealths, the total amount available for allotment to the U.S. Territories and Commonwealths in FY 2006 is \$42,525,000; that is, \$32,400,000 plus \$10,125,000. This amount then is allotted to the U.S. Territories and Commonwealths according to the following percentages, as specified in section 2104(c)(2) of the Act: Puerto Rico, 91.6 percent; Guam, 3.5 percent; the Virgin Islands, 2.6 percent; American Samoa, 1.2 percent; and the Northern Mariana Islands, 1.1 percent.

### Allotments to the 50 States and the District of Columbia

#### Total Allotment Available

The total amount available nationally for allotment for the 50 States and the District of Columbia for FY 2006 is determined in accordance with the following formula:

$$A_T = S_{2104(a)} - T_{2104(c)},$$

where

$A_T$  = Total amount available for allotment to the 50 States and the District of Columbia for the fiscal year.

$S_{2104(a)}$  = Total appropriation for the fiscal year indicated in section 2104(a) of the Act. For FY 2006, this is \$4,050,000,000.

$T_{2104(c)}$  = Total amount available for allotment for the U.S. Territories and Commonwealths; determined under section 2104(c) of the Act as 0.25 percent of the total appropriation for the 50 States and the District of Columbia. For FY 2006, this is:  $.0025 \times \$4,050,000,000 = \$10,125,000$ .

Therefore, for FY 2006, the total amount available for allotment to the 50

States and the District of Columbia is \$4,039,875,000. This was determined as follows:

$$A_T (\$4,039,875,000) = S_{2104(a)} (\$4,050,000,000) - T_{2104(c)} (\$10,125,000)$$

For purposes of the following discussion, the term "State," as defined in section 2104(b)(4)(D)(ii) of the Act, "means one of the 50 States or the District of Columbia."

#### Allotments to Each State

Under section 2104(b)(4) of the Act, each State is allotted a "proportion" of the total amount available for allotment to the States. The term "proportion" is defined in section 2104(b)(4)(D)(i) of the Act and refers to a State's share of the total amount available for allotment for any given fiscal year. The sum of the proportions for all States must exactly equal one. Under the statutory definition, a State's proportion for a fiscal year is equal to the State's allotment for the fiscal year divided by the total amount available for allotment for the fiscal year. In general, a State's allotment for a fiscal year is calculated by multiplying the State's proportion for the fiscal year by the total amount available for allotment for that fiscal year in accordance with the following formula:

$$SA_i = P_i \times A_T, \text{ where}$$

$SA_i$  = Allotment for a State for a fiscal year.

$P_i$  = Proportion for a State for a fiscal year.

$A_T$  = Total amount available for allotment to the States for the fiscal year. For FY 2006, this is \$4,039,875,000.

In accordance with the statutory formula for determining allotments, the State proportions are determined under two steps, which are described below in further detail.

Under the first step, the preadjusted proportions for each State are determined. Each State's proportion is calculated by multiplying the State's Number of Children, as described below, and the State Cost Factor, as described below, to determine a "product" for each State. The products for all States are then summed. Finally, the product for a State is divided by the sum of the products for all States, thereby yielding the State's preadjusted proportion. Under the second step, the preadjusted proportions are subject to the application of proportion floors, ceilings, and a reconciliation process as appropriate, as described below.

#### Preadjusted Proportions

1. *Number of Children.* For FY 2006, as specified by section 2104(b)(2)(A)(iii)

of the Act, the number of children for a State is calculated as the sum of 50 percent of the number of low-income, uninsured children in the State and 50 percent of the number of low-income children in the State. Under section 2104(b)(2)(B) of the Act, the determination of the number of children applied in calculating the SCHIP allotment for a particular fiscal year is based on the arithmetic average of the number of such children, as reported and defined in the three most recent March supplements to the Current Population Survey (CPS) of the Bureau of the Census officially available before the beginning of the calendar year in which the fiscal year begins. As part of a continuing formal process between the Centers for Medicare & Medicaid Services (CMS) and the Bureau of the Census, each fiscal year we obtain the number of children data officially from the Bureau of the Census, based on the standard methodology used to determine official poverty status and uninsured status in the annual CPS on these topics. Since FY 2006 begins on October 1, 2005 (that is, in calendar year 2005), in determining the FY 2006 SCHIP allotments, we are using the most recent official data from the Bureau of the Census available before January 1 of calendar year 2005 (that is, through the end of December 31, 2004). Through December 31, 2004, the most recent official data available from the Bureau of the Census on the numbers of children were data from the three March CPSs conducted in March 2002, 2003, and 2004 (representing data for years 2001, 2002, and 2003).

2. *State Cost Factor.* The State cost factor is based on annual average wages in the health services industry in the State. Under section 2104(b)(3)(A) of the Act, the State cost factor for a State is equal to the sum of: 0.15 and 0.85 multiplied by the ratio of the annual average wages in the health industry per employee for the State to the annual average wages per employee in the health industry for the States.

Under section 2104(b)(3)(B) of the Act, the State cost factor for each State for a fiscal year is calculated based on the average of the annual wages for employees in the health industry for each State using data for each of the most recent 3 years as reported by the Bureau of Labor Statistics (BLS) in the Department of Labor and available before the beginning of the calendar year in which the fiscal year begins. Since FY 2006 begins on October 1, 2005 (that is, in calendar year 2005), in determining the FY 2006 SCHIP allotments, we are using the most recent 3 years of reported BLS data before

January 1, 2005 (that is, through the end of December 31, 2004). Accordingly, we used the State cost factor data available from BLS for 2001, 2002, and 2003 in calculating the FY 2006 final allotments. As part of a continuing formal process between CMS and the BLS, each fiscal year CMS obtains these wage data officially from the BLS.

Section 2104(b)(3)(B) of the Act refers to wage data as reported by BLS under the "Standard Industrial Classification" (SIC) system, and refers specifically to SIC code 8000. However, in calendar year 2002, BLS phased-out the SIC wage and employment reporting system and replaced it with the "North American Industry Classification System" (NAICS). Because of the changes from the SIC system to NAICS, wage data for 2001 and 2002 are not available under the SIC reporting system. Further, these SIC data were not even collected in FY 2003. Therefore, the BLS wage data used in calculating the 3-year annual average wages for FY 2006 SCHIP allotments necessarily reflect NAICS data, rather than SIC data.

Under the SIC system, BLS provided CMS with wage data for each State under the SIC code 8000. However, the wage data codes under the SIC system do not map exactly to the wage data codes under the NAICS. As a result, BLS provided us with wage data using three NAICS wage data codes that represent approximately 98 percent of the wage data that would have been provided under the related SIC code 8000. Specifically, in lieu of SIC code 8000 data, BLS provided CMS data that are based on the following three NAICS codes: NAICS Code 621 (Ambulatory health care services), Code 622 (Hospitals), and Code 623 (Nursing and residential care facilities).

Because of Privacy Act requirements and other confidentiality requirements, the BLS suppresses certain State-specific data used in calculating related national average wages. Therefore, we used the State-specific average wages per health services industry employee data provided to us by BLS to determine the national average wages per employee for the 50 States and the District of Columbia, as required by section 2104(b)(3)(A)(ii)(II) of the Act for determining the State Cost Factor.

#### Determination of Preadjusted Proportions

The following is an explanation of how we applied the two State-related factors specified in the Act at section 2104(b)(3) to determine the States' "preadjusted" proportions for FY 2006. The term "preadjusted," as used here, refers to the States' proportions before

the application of the floors and ceiling and adjustments, as specified in the Act at section 2104(b)(4). The determination of each State's preadjusted proportion for FY 2006 is in accordance with the following formula:

$$PP_i = (C_i \times SCF_i) / (C_i \times SCF_i), \text{ where}$$

$PP_i$  = Preadjusted proportion for a State for a fiscal year.

$C_i$  = Number of children in a State (section 2104(b)(1)(A)(i) of the Act) for a fiscal year. As described above, for fiscal year 2006, the number of children is equal to the sum of 50 percent of the number of low-income uninsured children in the State for the fiscal year and 50 percent of the number of low-income children in the State for the fiscal year. (See section 2104(b)(2)(A)(iii) of the Act.)

$SCF_i$  = State Cost Factor for a State (section 2104(b)(1)(A)(ii) of the Act). For a fiscal year, this is equal to:  $0.15 + 0.85 \times (W_i/W_N)$

$W_i$  = The annual average wages per employee for a State for such year, as described above (section 2104(b)(3)(A)(ii)(I) of the Act).

$W_N$  = The annual average wages per employee for all States, as described above (section 2104(b)(3)(A)(ii)(II) of the Act).

$\Sigma (C_i \times SCF_i)$  = The sum of the products of  $(C_i \times SCF_i)$  for each State (section 2104(b)(1)(B) of the Act).

The resulting proportions would then be subject to the application of the floors and ceilings specified at section 2104(b)(4) of the Act, as described below, and reconciled, as necessary, to eliminate any deficit or surplus of the allotments because the sum of the proportions was either greater than or less than one, as explained in detail below.

#### Application of Floors and Ceilings

Under the second step, the preadjusted proportions are subject to the application of proportion floors, ceilings, and a reconciliation process, as appropriate. Section 2104(b)(4)(A) of the Act specifies three proportion floors, or minimum proportions, that apply in determining States' allotments. The first proportion floor is equal to \$2,000,000 divided by the total of the amount available for the fiscal year. This proportion ensures that a State's minimum allotment would be \$2,000,000. For FY 2006, no State's preadjusted proportion is below this floor. The second proportion floor is equal to 90 percent of the allotment proportion for the State for the previous fiscal year; that is, a State's proportion for a fiscal year must not be lower than

10 percent below the previous fiscal year's proportion. The third proportion floor is equal to 70 percent of the allotment proportion for the State for FY 1999; that is, the proportion for a fiscal year must not be lower than 30 percent below the FY 1999 proportion.

Each State's allotment proportion for a fiscal year is also limited by a maximum ceiling amount, equal to 145 percent of the State's proportion for FY 1999; that is, a State's proportion for a fiscal year must be no higher than 45 percent above the State's proportion for FY 1999. The floors and ceilings are intended to minimize the fluctuation of State allotments from year to year and over the life of the program as compared to FY 1999.

As determined under the first step for determining the States' preadjusted proportions, which is applied before the application of any floors or ceilings, the sum of the proportions for all the States will be equal to exactly one. However, the application of the floors and ceilings under the second step may change the proportions for certain States; that is, some States' proportions may need to be raised to the floors, while other States' proportions may need to be lowered to the maximum ceiling. If this occurs, the sum of the proportions for all States may not exactly equal one. In that case, section 2104(b)(4)(B) of the Act requires the proportions to be adjusted, under a method that is determined by whether the sum of the proportions is greater or less than one.

The sum of the proportions would be greater than one if the application of the floors and ceilings resulted in raising the proportions of some States (due to the application of the floors) to a greater degree than the proportions of other States were lowered (due to the application of the ceiling). If, after application of the floors and ceiling, the sum of the proportions is greater than one, section 2104(b)(4)(B)(i) of the Act requires the Secretary to determine a maximum percentage increase limit, which, when applied to the State proportions, would result in the sum of the proportions being exactly one.

If, after the application of the floors and ceiling, the sum of the proportions is less than one, section 2104(b)(4)(B)(ii) of the Act requires the States' proportions to be increased in a "pro rata" manner so that the sum of the proportions equals one. Finally, it is also possible, although unlikely, that the sum of the proportions (after the application of the floors and ceiling) will be exactly one; in that case, the proportions would require no further adjustment.

Section 2104(e) of the Act requires that the amounts allotted to a State for a fiscal year be available to the State for a total of 3 years; the fiscal year for which the amounts are allotted, and the 2 following fiscal years.

### III. Table of State Children's Health Insurance Program Final Allotments for FY 2006

#### Key to Table

#### Column/Description

Column A = *State*. Name of State, District of Columbia, U.S. Commonwealth or Territory.

Column B = *Number of Children*. The number of children for each State (provided in thousands) was determined and provided by the Bureau of the Census based on the arithmetic average of the number of low-income children and low-income uninsured children, and is based on the three most recent March supplements to the CPS of the Bureau of the Census officially available before the beginning of the calendar year in which the fiscal year begins. The FY 2006 allotments were based on the 2002, 2003, and 2004 March supplements to the CPS. These data represent the number of people in each State under 19 years of age whose family incomes are at or below 200 percent of the poverty threshold appropriate for that family, and who are reported to be without health insurance coverage. The number of children for each State was developed by the Bureau of the Census based on the standard methodology used to determine official poverty status and uninsured status in its annual March CPS on these topics.

For FY 2006, the number of children is equal to the sum of 50 percent of the number of low-income uninsured children in the State and 50 percent of

the number of low-income children in the State.

Column C = *State Cost Factor*. The State cost factor for a State is equal to the sum of: 0.15, and 0.85 multiplied by the ratio of the annual average wages in the health industry per employee for the State to the annual wages per employee in the health industry for the 50 States and the District of Columbia. The State cost factor for each State was calculated based on such wage data for each State as reported and determined as final by the BLS in the Department of Labor for each of the most recent 3 years and available before the beginning of the calendar year in which the fiscal year begins. The FY 2006 allotments were based on final BLS wage data for 2001, 2002, and 2003.

Column D = *Product*. The Product for each State was calculated by multiplying the Number of Children in Column B by the State Cost Factor in Column C. The sum of the Products for all 50 States and the District of Columbia is below the Products for each State in Column D. The Product for each State and the sum of the Products for all States provides the basis for allotment to States and the District of Columbia.

Column E = *Proportion of Total*. This is the calculated percentage share for each State of the total allotment available to the 50 States and the District of Columbia. The Percent Share of Total is calculated as the ratio of the Product for each State in Column D to the sum of the Products for all 50 States and the District of Columbia below the Products for each State in Column D. For the U.S. Territories and Commonwealths, the Proportion of Total in Column E reflects the percentages set forth in section 2104(c) of the Act.

Column F = *Adjusted Proportion of Total*. This is the calculated percentage

share for each State and the District of Columbia of the total allotment available after the application of the floors and ceilings and after any further reconciliation needed to ensure that the sum of the State proportions is equal to one. The three floors specified in the statute are: (1) The percentage calculated by dividing \$2,000,000 by the total of the amount available for all allotments for the fiscal year; (2) an annual floor of 90 percent of (that is, 10 percent below) the preceding fiscal year's allotment proportion; and (3) a cumulative floor of 70 percent of (that is, 30 percent below) the FY 1999 allotment proportion. There is also a cumulative ceiling of 145 percent of (that is, 45 percent above) the FY 1999 allotment proportion.

There is no adjustment made to the allotments of the U.S. Territories and Commonwealths as they are not subject to the application of the floors and ceiling. As a result, Column F in the table, the Adjusted Proportion of Total, is empty for the U.S. Territories and Commonwealths.

Column G = *Allotment*. This is the SCHIP allotment for each State, Commonwealth, or Territory or the District of Columbia for the fiscal year. For each of the 50 States and the District of Columbia, this is determined as the Adjusted Proportion of Total in Column F for the State multiplied by the total amount available for allotment for the 50 States and the District of Columbia for the fiscal year.

For each of the U.S. Territory and Commonwealths, the allotment is determined as the Proportion of Total in Column E multiplied by the total amount available for allotment to the U.S. Territories and Commonwealths.

**BILLING CODE 4120-01-C**

STATE CHILDREN'S HEALTH INSURANCE PROGRAM ALLOTMENTS FOR FEDERAL FISCAL YEAR:						2006
A	B	C	D	E	F	G
STATE	NUMBER OF CHILDREN (000)	STATE COST FACTOR	PRODUCT	PROPORTION OF TOTAL (3)	ADJUSTED PROPORTION OF TOTAL (3)	ALLOTMENT (1)
ALABAMA	289	0.9793	283.0266	1.5802%	1.5887%	\$64,182,128
ALASKA	38	1.0701	40.1300	0.2241%	0.2253%	\$9,100,310
ARIZONA	434	1.0909	473.4557	2.6435%	2.6577%	\$107,365,854
ARKANSAS	210	0.9178	192.7374	1.0761%	1.0841%	\$43,795,428
CALIFORNIA	2,531	1.1267	2,851.7012	15.9220%	16.0075%	\$646,682,123
COLORADO	248	1.0678	264.2903	1.4756%	1.4345%	\$57,951,287
CONNECTICUT	134	1.1365	152.2908	0.8503%	0.8549%	\$34,535,088
DELAWARE	35	1.1396	39.8866	0.2227%	0.2239%	\$9,045,121
DISTRICT OF COLUMBIA	34	1.2395	42.1444	0.2353%	0.2366%	\$9,557,107
FLORIDA	1,062	1.0353	1,099.4804	6.1388%	6.1717%	\$249,329,871
GEORGIA	555	1.0295	570.8758	3.1874%	3.2045%	\$129,457,875
HAWAII	64	1.1167	71.4686	0.3990%	0.3071%	\$12,404,524
IDAHO	102	0.8911	90.8880	0.5075%	0.5102%	\$20,610,739
ILLINOIS	719	1.0384	746.1197	4.1658%	4.1882%	\$169,198,045
INDIANA	333	0.9667	321.9135	1.7973%	1.8070%	\$73,000,528
IOWA	133	0.8948	119.0055	0.6644%	0.6680%	\$26,986,944
KANSAS	134	0.9080	121.2234	0.6768%	0.6805%	\$27,489,909
KENTUCKY	267	0.9540	254.7259	1.4222%	1.4299%	\$57,764,350
LOUISIANA	366	0.9306	340.1369	1.8991%	1.9093%	\$77,133,066
MAINE	59	0.8915	52.6004	0.2937%	0.2953%	\$11,928,229
MARYLAND	201	1.0713	214.7894	1.1992%	1.2057%	\$48,707,931
MASSACHUSETTS	246	1.1072	272.3684	1.5207%	1.4704%	\$59,401,346
MICHIGAN	506	1.0211	516.6683	2.8847%	2.9002%	\$117,165,211
MINNESOTA	177	1.0242	181.2763	1.0121%	0.9747%	\$39,376,933
MISSISSIPPI	243	0.9058	220.1172	1.2290%	1.2356%	\$49,916,118
MISSOURI	264	0.9420	248.2235	1.3859%	1.3934%	\$56,289,799
MONTANA	63	0.8860	55.3778	0.3092%	0.3109%	\$12,558,064
NEBRASKA	82	0.9116	74.2934	0.4148%	0.4170%	\$16,847,571
NEVADA	155	1.1919	184.7509	1.0315%	1.0371%	\$41,896,088
NEW HAMPSHIRE	39	1.0529	40.5358	0.2263%	0.2275%	\$9,192,336
NEW JERSEY	346	1.1420	394.5673	2.2030%	2.2148%	\$89,476,287
NEW MEXICO	166	0.9561	158.2400	0.8835%	1.0435%	\$42,156,779
NEW YORK	1,111	1.0814	1,201.4443	6.7081%	6.7441%	\$272,452,310
NORTH CAROLINA	559	0.9900	553.4211	3.0899%	2.7292%	\$110,255,024
NORTH DAKOTA	32	0.8745	27.9849	0.1562%	0.1571%	\$6,346,156
OHIO	568	0.9676	549.5955	3.0686%	3.0850%	\$124,632,131
OKLAHOMA	258	0.8818	227.0515	1.2677%	1.4201%	\$57,370,830
OREGON	205	1.0110	206.7594	1.1544%	1.1606%	\$46,886,967
PENNSYLVANIA	594	0.9955	591.3332	3.3016%	3.3193%	\$134,097,011
RHODE ISLAND	44	0.9803	43.1345	0.2408%	0.2421%	\$9,781,641
SOUTH CAROLINA	247	0.9917	244.9403	1.3676%	1.3749%	\$55,545,268
SOUTH DAKOTA	38	0.9205	34.5204	0.1927%	0.1938%	\$7,828,211
TENNESSEE	348	1.0189	354.5737	1.9797%	1.9903%	\$80,406,910
TEXAS	2,055	0.9758	2,005.2932	11.1962%	11.2563%	\$454,741,626
UTAH	160	0.8905	142.0277	0.7930%	0.7972%	\$32,207,704
VERMONT	23	0.9236	21.2435	0.1186%	0.1192%	\$4,817,413
VIRGINIA	315	1.0122	318.8368	1.7802%	1.7897%	\$72,302,825
WASHINGTON	327	0.9914	324.1917	1.8101%	1.6017%	\$64,705,479
WEST VIRGINIA	114	0.9072	102.9648	0.5749%	0.5780%	\$23,349,395
WISCONSIN	245	1.0057	245.9053	1.3730%	1.3803%	\$55,764,106
WYOMING	28	0.9430	25.9337	0.1448%	0.1456%	\$5,881,004
<b>TOTAL STATES ONLY</b>			<b>17,910.4652</b>	<b>100.0000%</b>	<b>100.0000%</b>	<b>\$4,039,875,000</b>
<b>ALLOTMENTS FOR COMMONWEALTHS AND TERRITORIES (2)</b>						
PUERTO RICO				91.6%		\$38,952,900
GUAM				3.5%		\$1,488,375
VIRGIN ISLANDS				2.6%		\$1,105,650
AMERICAN SAMOA				1.2%		\$510,300
N. MARIANA ISLANDS				1.1%		\$467,775
<b>TOTAL COMMONWEALTHS AND TERRITORIES ONLY</b>				<b>100.0%</b>		<b>\$42,525,000</b>
<b>TOTAL STATES AND COMMONWEALTHS AND TERRITORIES</b>						<b>\$4,082,400,000</b>
<b>FOOTNOTES</b>						
The numbers in Columns B - F are rounded for presentation purposes; the actual numbers used in the allotment calculations are not rounded						
(1) Total amount available for allotment to the 50 States and the District of Columbia is \$4,039,875,000; determined as the fiscal year appropriation (\$4,050,000,000) reduced by the total amount available for allotment to the Commonwealths and Territories under section 2104(c) of the Act (\$10,125,000)						
(2) Total amount available for allotment to the Commonwealths and Territories is \$10,125,000 (.25 percent of \$4,050,000,000, the fiscal year appropriation), plus \$32,400,000, as specified in section 2104(c)(4)(B) of the Act						
(3) Percent share of total amount available for allotment to the Commonwealths and Territories is as specified in section 2104(c) of the Act						

#### IV. Regulatory Impact Statement

We have examined the impact of this rule as required by Executive Order 12866 (September 1993, Regulatory Planning and Review), the Regulatory Flexibility Act (RFA) (September 16, 1980, Pub. L. 96-354), section 1102(b) of the Social Security Act, the Unfunded

Mandates Reform Act of 1995 (Pub. L. 104-4), and Executive Order 13132.

We have examined the impact of this notice as required by Executive Order 12866. Executive Order 12866 directs agencies to assess all costs and benefits of available regulatory alternatives and, when rules are necessary, to select regulatory approaches that maximize

net benefits (including potential economic environments, public health and safety, other advantages, distributive impacts, and equity). We believe that this notice is consistent with the regulatory philosophy and principles identified in the Executive Order.

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 \$6 million to \$29 million in any one year. Individuals and States are not included in the definition of a small entity; therefore, this requirement does not apply.

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.

The Unfunded Mandates Reform Act of 1995 requires that agencies prepare an assessment of anticipated costs and benefits before publishing any notice that may result in an annual expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of \$110 million or more (adjusted each year for inflation) in any one year. Since participation in the SCHIP program on the part of States is voluntary, any payments and expenditures States make or incur on behalf of the program that are not reimbursed by the Federal government are made voluntarily. This notice will not create an unfunded mandate on States, tribal, or local governments because it merely notifies States of their SCHIP allotment for FY 2006. Therefore, we are not required to perform an assessment of the costs and benefits of this notice.

Low-income children will benefit from payments under SCHIP through increased opportunities for health insurance coverage. We believe this notice will have an overall positive impact by informing States, the District of Columbia, and U.S. Territories and Commonwealths of the extent to which they are permitted to expend funds under their child health plans using their FY 2006 allotments.

Under Executive Order 13132, we are required to adhere to certain criteria regarding Federalism. We have reviewed this notice and determined that it does not significantly affect States' rights, roles, and responsibilities because it does not set forth any new policies.

For these reasons, 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 notice 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 notice was reviewed by the Office of Management and Budget.

(Section 1102 of the Social Security Act (42 U.S.C. 1302))

(Catalog of Federal Domestic Assistance Program No. 93.767, State Children's Health Insurance Program)

Dated: April 29, 2005.

**Mark B. McClellan,**

*Administrator, Centers for Medicare & Medicaid Services.*

Dated: May 11, 2005.

**Michael O. Leavitt,**

*Secretary.*

[FR Doc. 05-12521 Filed 6-23-05; 8:45 am]

**BILLING CODE 4120-01-P**

## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### Centers for Medicare & Medicaid Services

[CMS-9028-N]

#### Medicare and Medicaid Programs; Quarterly Listing of Program Issuances—January Through March 2005

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

**ACTION:** Notice.

**SUMMARY:** This notice lists CMS manual instructions, substantive and interpretive regulations, and other **Federal Register** notices that were published from January 2005 through March 2005, relating to the Medicare and Medicaid programs. This notice provides information on national coverage determinations (NCDs) affecting specific medical and health care services under Medicare. Additionally, this notice identifies certain devices with investigational device exemption (IDE) numbers approved by the Food and Drug Administration (FDA) that potentially may be covered under Medicare. This notice also includes listings of all approval numbers from the Office of Management and Budget for collections of information in CMS regulations. Finally, for the first time, this notice

includes a list of Medicare-approved carotid stent facilities.

Section 1871(c) of the Social Security Act requires that we publish a list of Medicare issuances in the **Federal Register** at least every 3 months.

Although we are not mandated to do so by statute, for the sake of completeness of the listing, and to foster more open and transparent collaboration efforts, we are also including all Medicaid issuances and Medicare and Medicaid substantive and interpretive regulations (proposed and final) published during this 3-month time frame.

**FOR FURTHER INFORMATION CONTACT:** It is possible that an interested party may have a specific information need and not be able to determine from the listed information whether the issuance or regulation would fulfill that need. Consequently, we are providing information contact persons to answer general questions concerning these items. Copies are not available through the contact persons. (See Section III of this notice for how to obtain listed material.)

Questions concerning items in Addendum III may be addressed to Timothy Jennings, Office of Strategic Operations and Regulatory Affairs, Centers for Medicare & Medicaid Services, C4-26-05, 7500 Security Boulevard, Baltimore, MD 21244-1850, or you can call (410) 786-2134.

Questions concerning Medicare NCDs in Addendum V may be addressed to Patricia Brocato-Simons, Office of Clinical Standards and Quality, Centers for Medicare & Medicaid Services, C1-09-06, 7500 Security Boulevard, Baltimore, MD 21244-1850, or you can call (410) 786-0261.

Questions concerning FDA-approved Category B IDE numbers listed in Addendum VI may be addressed to John Manlove, Office of Clinical Standards and Quality, Centers for Medicare & Medicaid Services, S3-26-10, 7500 Security Boulevard, Baltimore, MD 21244-1850, or you can call (410) 786-6877.

Questions concerning approval numbers for collections of information in Addendum VII may be addressed to Jim Wickliffe, Office of Strategic Operations and Regulatory Affairs, Regulations Development and Issuances Group, Centers for Medicare & Medicaid Services, C5-14-03, 7500 Security Boulevard, Baltimore, MD 21244-1850, or you can call (410) 786-4596.

Questions concerning Medicare-approved carotid stent facilities may be addressed to Rana A. Hogarth, Office of Clinical Standards and Quality, Centers for Medicare & Medicaid Services, C1-