Notification and Report Form (Part 803 -- Appendix) Continued

Name ______________________ Date ______________________

5(b)(i) <u>Dollar revenues by manufactured product.</u> Provide the following information on the aggregate operations of the person filing notification for 1977 for each 7-digit (SIC-based code) product of the person within 2-digit SIC major groups 20-39 (manufacturing industries). Do not provide 7-digit data for product codes ending in 00. These are summary codes. Revenues derived in such categories should be provided by product as listed in Appendix A to the Numerical List of Manufactured Products. See Instructions to Notification and Report Form. All persons filing notification should include the total dollar revenues for 1977 derived by all entities which are included within the person filing notification at the time this Notification and Report Form is prepared (not as of 1977).

7-DIGIT (SIC-BASED CODE) PRODUCT		1977 TOTAL DOLLAR REVENUES
PRODUCT CODE	DESCRIPTION	

5(b)(ii) Within 2-digit SIC major groups 20-39 (manufacturing industries), identify each product of the person filing notification added or deleted subsequent to 1977, indicate the year of deletion or addition, and give total dollar revenues for the most recent year for each product that has been added. Products may be identified either by 7-digit SIC-based code or in the manner ordinarily used by the person filing notification. Do not include products added since 1977 by reason of mergers or acquisitions occurring since 1977. However, if an entity acquired since 1977 by the person filing notification (and now included within that person) itself added any products since 1977, those products and the dollar revenues derived therefrom should be listed here. Dollar revenues derived in 1977 by entities acquired since that time should be included in response to item 5(b)(i). Products deleted by reason of dispositions of assets or voting securities since 1977 should be included in response to this item, 5(b)(ii).

[FR Doc. 80-6906 Filed 3-4-80; 8:45 am]
BILLING CODE 6750-01-C

COMMODITY FUTURES TRADING COMMISSION

17 CFR Part 1

Publication of Appendix Setting Forth Factors for Denial of Registration for Other Good Cause Shown

AGENCY: Commodity Futures Trading Commission.

ACTION: Publication of interpretive statement as an Appendix.

SUMMARY: The Commission has determined to revise its interpretation of the "for other good cause shown" standard for denial of registration of persons applying for registration pursuant to the Commodity Exchange Act. The revision is being published as an appendix to Part I of the Commission's General Regulations, in order that affected persons and the public will be better aware of the Commission's policies.

EFFECTIVE DATE: March 5, 1980.

FOR FURTHER INFORMATION CONTACT: Robert P. Shiner, Assistant Director, Division of Trading and Markets, Commodity Futures Trading Commission, 2033 K Street, N.W., Washington, D.C. 20581. Telephone (202) 254–9703.

SUPPLEMENTARY INFORMATION: The Commodity Futures Trading Commission is releasing its revised interpretation of the "for other good cause shown" standard under Section 8a(2)(B)(ii) of the Commodity Exchange Act (the "Act"), 7 U.S.C. 12a(b)(ii), for denial of registration of futures commission merchants, associated persons, commodity trading advisors, commodity pool operators, and floor brokers. This standard is also applicable to suspension and revocation of registration.[1] A Release of Interpretation on Standards for Denial of Registration was originally issued on July 3, 1975. 40 FR 28125.[2] The present interpretation reiterates the factors set forth in the previous release and adds further grounds which, based upon the Commission's experience since the publication of the 1975 interpretation, constitute "other good cause" for denial of registration.[3]

Under section 8a(2)(B) of the Act, the Commission may deny registration if it determines, after affording the applicant an opportunity for a hearing, that the applicant is unfit to engage in the activity for which registration is sought. A finding of unfitness may be based on any of several enumerated factors or "for other good cause shown."[4]

The Commission's interpretation of "for other good cause shown" is designed to provide notice of some of the criteria which the Commission follows in carrying out its obligation to protect the "investing and speculating public not only from fraud and fradulent practices, but from those whose past actions indicate that they might be tempted to engage in such practices."[5] The Commission wishes to emphasize that none of the factors set forth here for denial of registration "for other good cause shown", should be construed to limit those bases for denial of registration specifically enumerated in Sections 8a and 4n(6) of the Act, 7 U.S.C. §§ 12a and 6n(6). Some of the factors set forth in the interpretation are derived from these specific bases.[6]

Accordingly, the Commission hereby amends Part I of Chapter I of Title 17 of the Code of Federal Regulations by adding Appendix A which shall read as follows:

Appendix A—Interpretative Statement Regarding Good Cause Standards For Denial of Registration

The Commission interprets its authority to refuse to register any person, or to suspend or revoke the registration of any person, "for other good cause shown" within the meaning of Section 8a(2)(B)(ii) of the Act to include, but not be limited to, any of the factors listed below. Consistent with Section 8a(2)(B)(i) of the Act, the Commission views these factors as relevant to the issue of unfitness for registration not only to the extent they directly involve an applicant for registration or registrant, as the case may be, but also to the extent they involve any general partner, officer, director, holder of more than 10 per cent of the stock of the applicant or registrant, controlling person, or any person occupying a similar status or performing similar functions.

(1) The operations of such person disrupt or would tend to disrupt orderly market conditions, or cause or would tend to cause sudden or unreasonable fluctuations or unwarranted changes in the prices of commodities or contracts for future delivery of commodities.

(2) Such person has been, is or is about to become employed or otherwise associated with another person at a time when such other person is required to be, but is not, registered with the Commission.

(3) Such person has, within ten years preceding the filing of the application for registration, been convicted of a misdemeanor which (a) involves any transactions or advice concerning any commodity, contract for future delivery of a commodity, or security; or (b) arises out of conduct of the business of a futures commission merchant, associated person, floor broker, commodity trading advisor, commodity pool operator, securities broker, securities dealer, municipal securities dealer, transfer agent, clearing agency, securities information processor, investment adviser, investment company, or an affiliated person or employee of any of the foregoing; or (c) involves embezzlement, defalcation, fraudulent conversion, misappropriation of funds or securities, forgery, counterfeiting, false pretenses, gambling or similar crimes indicating a lack of high ethical standards or unreliability in maintaining a fiduciary relationship.

(4) Such person is permanently or temporarily enjoined by order, judgment or decree of any court of competent jurisdiction, or by agreement of settlement to which the Commission, the Securities and Exchange

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[1] See footnote 4, *infra*.

[2] Commission Rule 1.10e, 17 CFR 1.10e, specifies procedures for the denial of registration on the basis of certain of the factors set forth in the 1975 Interpretation and, in the circumstances described, delegates authority to members of the Commission staff to deny registration.

[3] For example, a factor which may lead to denial of registration which was not set forth in the earlier release—the use of misleading names—was discussed in an interpretation issued by the Commission on August 27, 1979. 44 FR 50038. This factor is set forth in the present intepretation. See Appendix A, item (8), *infra*.

[4] Section 8a(2) authorizes the Commission to refuse to register any person:

(A) if the prior registration of such person has been suspended (and the period of such suspension shall not have expired) or has been revoked;

(B) if it is found, after opportunity for hearing, that the applicant is unfit to engage in the business for which the application for registration is made, (i) because such applicant, or if the applicant is a partnership, any general partner, or, if the applicant is a corporation, any officer or holder of more than 10 per centum of the stock, at any time engaged in any practice of the character prohibited by this Act or was convicted of a felony in any State or Federal Court, or was debarred by any agency of the United States from contracting with the United States, or the applicant willfully made any material false or misleading statement in his application or willfully omitted to state a material fact in connection with the application, or (ii) for other good cause shown; or

(C) in the case of an applicant for registration as futures commission merchant, if it is found after opportunity for hearing that the applicant has not established that he meets the minimum financial requirements under section 4f of this Act. . . ." (emphasis added).

A finding of any of these factors is also sufficient to suspend or revoke the registration of any person. See Section 8a(3), 7 U.S.C. 12a(3) (1976).

[5] *Savage* v. *Commodity Futures Trading Commission*, 548 F.2d 192, 197 (7th Cir. 1977); *see also Silverman* v. *Commodity Futures Trading Commission*, 562 F.2d 432 (7th Cir. 1977).

[6] The provisions of Section 4n(6) of the Act expressly apply to persons seeking registration as commodity trading advisors and commodity pool operators. As that Section reflects specific factors that Congress has determined should serve as bases for registration denial, the Commission has consistently viewed them as "good cause" for denial of registration for all categories of registrants under the Act. [*See* 40 FR 28125; *see, also, In the Matter of Carl M. Tipton, Jr.*, CFTC Docket No. 77-17 (9/22/78), 2 CCH Comm. Fut. L. Rep. ¶20,673, *appeal pending, sub nom, Tipton* v. *Commodity Futures Trading Commission*, 6th Cir. No. 78-3518.]

Commission, or any state agency or governmental body is a party, from (a) acting as a futures commission merchant, associated person, floor broker, commodity trading advisor, commodity pool operator, securities broker, securities dealer, municipal securities dealer, transfer agent, clearing agency, securities information processor, investment adviser, investment company or employee or affiliated person of any of the foregoing or (b) engaging in or continuing any conduct or practice in connection with any such activity or involving any transaction or advice concerning commodities, contracts for future delivery of commodities, or securities.

(5) Such person is subject to an outstanding order of the Commission denying trading privileges on any contract market to such person, suspending or expelling such person from membership on any contract market or futures association registered under the Act, or refusing such person registration in any capacity.

(6) Within ten years preceding the filing of the application, such person has (a) been found to have violated, or to have willfully aided, abetted, counseled, commanded, induced or procured the violation by any other person of, any provision of the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Advisers Act of 1940, the Investment Company Act of 1940, the Securities Investors Protection Act of 1970, the Foreign Corrupt Practices Act of 1977, or any similar statute of a State or foreign jurisdiction, or any rule, regulation, or order under any such statutes or (b) failed reasonably to supervise another person, who is subject to such person's supervision, with a view to preventing violations of the Commodity Exchange Act, or any of the statutes set forth in paragraph (a) of this clause, or any of the rules, regulations or orders thereunder, and the person subject to supervision committed such a violation. No person shall be deemed to have failed reasonably to supervise another person, within the meaning of this clause if (i) there have been established procedures, and a system for applying such procedures, which would reasonably be expected to prevent and detect, insofar as practicable, any such violation by such other person, and (ii) such person has reasonably discharged the duties and obligations incumbent upon that person, as supervisor, by reason of such procedures and system, without reasonable cause to believe that such procedures and system were not being complied with.

(7) Such person has pleaded *nolo contendere* to criminal charges of felonious conduct, or has been convicted in a State court or in a foreign court, of conduct which would constitute a felony under Federal law if the offense had been committed under Federal jurisdiction.

(8) Such person has used or is using in its name a term such as "board of trade" or "exchange" in a misleading context, or uses any terms in its representations to the public which may indicate that the person is a contract market or a member of a contract market when such is not the case, or has used or is using a misleading name which would tend to suggest to the public that the person is affiliated with another person when that is not the case or that the person is engaged in a commodity-related business when the person is not in fact substantially so engaged, or has failed to disclose to the public an agency relationship with another person when such failure could mislead the public.

(9) Such person is subject to an outstanding order (a) denying, suspending or expelling such person from membership in a futures association registered under the Act, or from any other self-regulatory association, such as the National Association of Securities Dealers Inc., or (b) denying, suspending or revoking the license of such person by a licensing authority, such as a state real estate or insurance commission.

(10) Such person has failed to answer inquiries or requests for further information concerning the application for registration filed with the Commission.

Note.—This foregoing listing of factors for denial of registration "for other good cause shown" is not exclusive. The Commission, after opportunity for hearing, may determine to deny registration in any case in which facts are sufficient to indicate the applicant's unfitness for registration. For example, a breach of fiduciary duty or a pattern of failure to honor debts may constitute good cause for the denial of registration. Indeed, any act or pattern of conduct attributable to an applicant which, although never the subject of formal action or proceeding before either a court or governmental agency, demonstrates to the Commission's satisfaction the applicant's potential disregard of or inability to comply with the requirements of the Commodity Exchange Act or the rules, regulations or orders thereunder, or the applicant's moral turpitude, or a lack of honesty or financial responsibility, can result in denial of registration. Any inability to deal fairly with the public and consistent with just and equitable principles of trade may render an applicant unfit to be registered, given the high ethical standards which must prevail in the industry.

Issued in Washington, D.C. on February 27, 1980.

Jane K. Stuckey,

Secretary of the Commission, Commodity Futures Trading Commission.

[FR Doc. 80-6828 Filed 3-4-80; 8:45 am]

BILLING CODE 6351-01-M

PENSION BENEFIT GUARANTY CORPORATION

29 CFR Part 2620

Rules for Administrative Enforcement of Post Employment Conflict of Interest Restrictions

Correction

In FR Doc. 80-6006, published at page 12777, on Wednesday, February 27, 1980, on page 12778, make the following corrections:

1. In the second column, in the second paragraph, the third line and the words "former employee that an" in the fourth line should be deleted;

2. In the third column, under paragraph 3 of § 2620.3, the last line reading "determine the allegation; and" should be corrected to read "determine the basis of the allegation; and".

BILLING CODE 1505-01-M

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Health Care Financing Administration

42 CFR Part 433

Medicaid Program; Medicaid Management Information Systems

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

ACTION: Final rule.

SUMMARY: These regulations set forth a new procedure to improve Medicaid management by explicitly authorizing HCFA to expand or revise State Medicaid Management Information Systems (MMIS) as necessary to meet program needs. Under this procedure, HCFA will publish major new requirements for comment before deciding to adopt them, and will provide increased Federal matching and reasonable phase-in time for their implementation. HCFA will also periodically review ongoing systems to determine whether all system requirements and performance standards are being met and may reduce the level of Federal matching for those MMIS systems which do not meet prescribed standards.

EFFECTIVE DATE: April 4, 1980.

FOR FURTHER INFORMATION CONTACT: Wesley Baker, 591 East High Rise, 6401 Security Boulevard, Baltimore, Maryland 21235, 301-594-1502.

SUPPLEMENTARY INFORMATION: A Medicaid Management Information System (MMIS) is a mechanized system of claims processing and information retrieval. It is composed of software and hardware used to process Medicaid claims, and to retrieve and produce utilization and management information about services, that is required by the Medicaid agency or Federal government for administrative and audit purposes. Federal matching funds at a rate of 90 percent are available in State expenditures for design, development, implementation or improvement of the systems, and at 75 percent for operation. These rates are higher than the normal

administrative matching rate of 50 percent.

Over the past few years, it has become evident that these systems need to be updated from time to time, to meet program needs and to improve the management of the Medicaid program.

Our commitment to improve the management of the Medicaid program is one of long-standing. One of the original purposes of MMIS development was to achieve this objective. The Institute for Medicaid Management, established in the summer of 1977 as part of the Medicaid Bureau and now a part of HCFA's Medicaid-Medicare Management Institute, reflects our ongoing concern with the alleviation of management related problems. A three-day conference sponsored by the Medicaid Bureau in Albuquerque, was held in January of 1979, to share successful management experiences resulting from effective use of management information systems. There, once again, the Administrator stressed to agency representatives and other participants, the need for more effective program management, and cited MMIS as the best tool for management improvement.

Present regulations are not clear on our authority to require previously approved systems to expand or modify to meet program needs. Therefore, on April 6, 1979, a notice of proposed rulemaking (NPRM) was published in the **Federal Register** (44 FR 20722), proposing that State MMIS be expanded or revised as necessary. The purpose of the proposal was to add needed flexibility to the requirements under Medicaid for these systems, and to ensure that the systems are operated in the most effective way to achieve program goals. This final regulation does not substantively change the proposal. This particular regulation does not establish new State requirements but lays out the process by which we will set standards allowing sufficient lead time in advance of the date that a new requirement must be met.

Effect of the regulation

1. Currently, State systems are compared only with the requirements of the MMIS General Systems Design (GSD), and Part 7–71–00 of the Medical Assistance Manual (PRG–31), as those requirements exist at the time that the State applies for an increased Federal Financial Participation (FFP) rate. There is no provision for imposing additional system changes. Under this regulation, States will have to incorporate additional systems requirements as we determine them to be necessary. We will issue these requirements, including performance standards, only as needed, no more often than once a year, unless compelling circumstances exist. We will publish in the **Federal Register** a notice of the proposed change for public comment, and, for substantive changes, will respond in the **Federal Register** to comments received. Included in our response will be our final decision, which will also be published in the Medical Assistance Manual.

2. States that had received 90 percent matching for design, development and installation of State-owned systems may receive that rate for improvements needed to make the required changes. Other States receiving 75 percent matching for operations may receive 90 percent for the required changes related to freestanding, State-owned subsystems.

3. We will allow States a reasonable time to comply with new or modified requirements. The time required will be determined based on the complexity of the change, the comments received, and other relevant factors.

4. If a State fails to implement the new system requirements, we will withdraw approval for the 75 percent rate, and provide matching at the standard 50 percent administrative rate.

5. Following initial approval for operation of an MMIS, we will review the operations as often as may be required to assure adherence to performance standards. If, at the time of review, the system fails to satisfy any of the system requirements and standards, we will reduce the FFP rate to 50 percent.

We received comments on the proposed regulation from 13 State Medicaid programs. The comments received, responses to them, and changes made are summarized below:

Additional systems requirements

1. Q. Several States requested assurance that they be allowed an opportunity to review and comment on proposed changes in systems requirements as well as the proposed time frames for implementing those requirements.

A. Our rule specifically provides for a period of public comment on all proposed changes. Moreover, although the April 6 proposal said that modifications would be published in the **Federal Register** for comment, we have changed the language to reflect an expanded commitment to publish our response to comments received, and our final decision, in the **Federal Register** whenever we propose a substantive change.

2. Q. A State asked for a clarification of performance standards.

A. Each performance standard will be defined as it is developed under the procedures of 42 CFR 433.115, which provides for notice and comment.

3. Q. Three States commented that "compelling circumstances" should be identified to limit exceptions to our commitment to issue new system requirements only once a year.

A. It is our intention that when revisions are necessary more frequently than annually, for example, when a legislated change requires that a certain date be met, the reasons for the change will be published in the **Federal Register** notice.

4. Q. One State felt that changes should be part of the regulation, and challenged our authority to make specific changes until we have demonstrated their effectiveness.

A. Because the requirements may be very detailed, we will publish them in Part 7–71–00 of the Medical Assistance Manual rather than in the regulation. The manual is incorporated by reference in § 433.112(b)(2). In response to the second part of the comment, Section 1903(a)(3)(A)(i) of the Social Security Act permits 90 percent Federal matching for systems development that the Secretary determines are * * * "likely to provide more efficient, economical and effective administration of the plan * * *" This does not require us to demonstrate effectiveness in advance, but allows the Secretary to determine that effectiveness is likely. The notice which precedes each systems change will include the basis for the proposed requirement.

Increased FFP

5. Q. One State commented that we should allow 90 percent funding for modifications of a proprietary system, and one State felt that any changes imposed should be 100 percent Federally funded.

A. Under the Medicaid program States have a right to 50 percent FFP for administration. Ninety percent FFP is an incentive to States to own their own systems, to assure better program controls. There was no Congressional intent to make 90 percent FFP a State's right, nor to allow 90 percent FFP for improvements to a system not owned by the State. Similarly, there is no statutory authority for 100 percent Federal funding for systems development.

Implementation of changes

6. Q. One State asked for a definition of "appropriate period" and "other relevant factors" as the terms apply to the amount of time we would allow for States to meet modifications.

A. We will be responsive to comments on the notices of specific changes published in the **Federal Register.** Factors brought to our attention through the comment process as well as our knowledge of problems inherent in any systems change will be the basis for determining the appropriate time periods for States to meet the requirements.

Before establishing the implementation date, we would consider such relevant factors as State staffing, budget, and reorganizations.

Systems review

7. Q. States asked for clarification on the frequency of system reviews.

A. Current regulations require agencies to provide State and Federal representatives full access to the system, including on-site inspections. (42 CFR 433.114) Therefore, we will conduct reviews as often as needed to assure that system requirements are being met.

8. Q. Four States requested that systems be decertified incrementally by subsystem.

A. Because a system that is only partially certified may be very ineffective, we have not permitted certification on an incremental process by subsystem. Before any system is certified, *all* system requirements must be met. For the same reason, decertification should not, in our view, be an incremental process.

Approval time frames

9. Q. Two States asked for clarifications of time frames for us to approve a system or a modification.

A. Usually, if a system fails to meet requirements, we are aware of that failure when the review is made and States are so notified. States are normally notified formally within 60–90 days of the review. The State determines how long it will need before it will be ready for any other review.

Conceptual equivalence

10. Q. Two States commented that they would like to be able to demonstrate conceptual equivalence in meeting systems requirements. That is, they questioned whether we would accept a system that accomplished the intended purpose in a unique manner.

A. We will continue to permit conceptual equivalence and State variation within MMIS. However, the GSD and PRG–31 contain minimum requirements that must be met.

Definitions

11. Q. One State asked for clarification of the terms "operating continuously" and "free standing".

A. Under current regulation, unchanged by this amendment, there is a requirement, for 75 percent Federal matching, that the system must have been operating continuously during the period for which that matching is claimed. Continuous operation refers to the processing of claims and the completion of reporting requirements on a continuous basis. For example, we would not expect a State to shut down portions of its MMIS following a review, only to begin again when another reveiw is expected.

States receiving 75 percent Federal matching may receive 90 percent for the required changes relating to "freestanding", State-owned systems. This is current policy. A freestanding State-owned system is a system of software owned by the State that can produce a discrete product and can be integrated for reporting purposes with the single information retrieval system, i.e., the two subsystems known as Surveillance and Utilization Review (SUR) and Management and Administrative Reporting System (MARS).

Duplicate payments to vendors of MMIS

12. Q. One State requested that we determine whether duplicate payments are made to the same MMIS vendor by several States.

A. Federal matching is paid to the States, not to the vendor. If a system is proprietary, i.e. owned and operated by the vendor, the cost of system changes cannot be matched at 90 percent Federal funding. The costs of design, development, installation or modification of a system can be matched at 90 percent Federal funding only where the system is State owned. Even then, the State must submit an Advance Planning Document (APD) to HCFA for prior approval before 90 percent Federal funding is approved.

States, using 75 percent Federal funding, may require vendors, as a part of routine maintenance, to make changes in proprietary systems. State system vary enough that the required changes would be State specific. It is unlikely that duplicate payments would be made for the same modification.

Technical Changes

Several minor technical changes have been made in this final regulation.

(1) Current regulation § 433.112(b)(6) gives the Department license to use materials designed, developed or improved with 90 percent Federal matching. We have added, to this authority to use materials, the phrase "for Federal government purposes", as required by 45 CFR Part 74, the HEW-wide regulation which affects all grant programs.

The addition of the phrase "for Federal government purposes" does not constitute a change in HEW past practice, which in fact limited the use of materials to Federal government purposes. In the past we have made materials available to States, and to the National Technical Information Service (NTIS) of the Department of Commerce, another Federal agency. The use of software by another State for its MMIS systems would be considered to be for Federal government purposes under this section.

(2) We have amended § 433.113(b) to correct a typographical error. The citation in the NPRM incorrectly referred to paragraphs (e) through (g) rather than (c) through (g).

(3) Section 433.113(h) is corrected to reflect the fact that periodic review is made to determine whether the system continues to meet the requirements of that section. The citation in the NPRM was incorrect, and the correct citation is § 433.113(b).

42 CFR Part 433, Subpart C is amended as set forth below.

1. Section 433.112(b)(2) and (6) are revised to read as follows:

§ 433.112 FFP for design, development, installation or improvement of mechanized claims processing and information retrieval systems.

* * * * *

(b) The Administrator will approve the system if the following conditions are met:

* * * * *

(2) The system meets the system requirements and performance standards in part 7–71–00 of the Medical Assistance Manual, as periodically amended.

* * * * *

(6) The Department has a roayalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use and authorize others to use, for Federal government purposes, software, modifications to software, and documentation that is designed, developed, installed or improved with 90 percent FFP.

2. Section 433.113 is revised to read as follows:

§ 433.113 FFP for operation of mechanized claims processing and information retrieval systems.

(a) FFP is available at 75 percent of expenditures for operation of a mechanized claims processing and information retrieval system approved by the Administrator.

(b) The Administrator will approve the system operation if the conditions specified in paragraphs (c) through (g) of this section are met.

(c) The requirements of § 433.112(b) except (5) and (6) as periodically modified under § 433.112(b)(2) must be met.

(d) The system must have been operating continuously during the period for which FFP is claimed.

(e) The system must provide individual notices, within 45 days of the payment of claims, to all or a sample group of the persons who received services under the plan.

(f) The notice required by paragraph (e) of this section—

(1) Must specify—

(i) The service furnished;

(ii) The name of the provider furnishing the service;

(iii) The date on which the service was furnished; and

(iv) The amount of the payment made under the plan for the service; and

(2) Must not specify confidential services (as defined by the State) and must not be sent if the only service furnished was confidential.

(g) The system must provide both patient and provider profiles for program management and utilization review purposes.

(h) The Administrator will review the system periodically against the requirements in § 433.113(b) to determine whether the system continues to meet the requirements of this section.

3. A new § 433.115 is added as follows:

§ 433.115 Additional system requirements.

Whenever the Administrator modifies requirements for approval of systems under §§ 433.112 and 433.113, he will—

(a) Publish a notice describing the proposed revision in the **Federal Register** for comment;

(b) For revisions making substantive change, publish in the **Federal Register** the HCFA response to comments and the final decision;

(c) Issue the final requirement in the Medical Assistance manual; and

(d) Allow an appropriate period for Medicaid agencies to meet the requirement determining this period on the basis of the requirement's complexity and other relevant factors.

(Sec. 1102, 1902(a)(4) and 1903(a)(3) of the Social Security Act (42 U.S.C. 1302, 1396(a)(4) and 1396(a)(3))

(Catalog of Federal Domestic Assistance Program No. 13.714, Medical Assistance Program.)

Dated: December 10, 1979.

Leonard D. Schaeffer,

Administrator, Health Care Financing Administration.

Approved: February 21, 1980.

Nathan J. Stark,

Acting Secretary.

[FR Doc. 80-6847 Filed 3-4-80; 8:45 am]

BILLING CODE 4110-35-M

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 73

[BC Docket No. 20954; RM-2684; RM-2772; RM-2982]

Radio Broadcast Services; FM Broadcast Station in Staunton, Va.; Changes Made in Table of Assignments

AGENCY: Federal Communications Commission.

ACTION: Second report and order (final rule).

SUMMARY: This action assigns Class B FM Channel 259 to Staunton, Virginia, as its second assignment. This community was chosen over Waynesboro, Virginia, where its assignment was requested by WANV, Inc., because it is larger and could provide a greater new service to unserved areas.

EFFECTIVE DATE: April 7, 1980.

ADDRESSES: Federal Communications Commission, Washington, D.C. 20554.

FOR FURTHER INFORMATION CONTACT: Mark N. Lipp, Broadcast Bureau, (202) 632-7792.

SUPPLEMENTARY INFORMATION:

Second Report and Order, (Proceeding Terminated)

Adopted: February 20, 1980.

Released: February 26, 1980.

In the matter of amendment of § 73.202(b), Table of Assignments, FM Broadcast Stations. (Staunton, Virginia), Docket No. 20954; RM-2684; *RM-2982;* RM-2772.

By the Chief, Policy and Rules Division:

1. In a *Second Further Notice of Proposed Rule Making* in this proceeding, 43 Fed. Reg. 38060, released August 24, 1978, the Commission proposed the assignment of Class B FM Channel 259 to Staunton, Virginia, in response to a counterproposal originally submitted in an earlier stage in this proceeding by WANV, Inc.[1] WANV previously requested the assignment as a first FM channel for Waynesboro, Virginia, a substantially smaller community some 19 kilometers (12 miles) east-southeast of Staunton, where several expressions of interest had also been made. Waynesboro (pop. 16,707)[2] is served by two fulltime AM stations. Staunton (pop. 24,504) has two AM stations, one of them fulltime, and one Class A FM station. The Commission's proposal acknowledged that Staunton would be intermixed by the Class B assignment since Class A FM Station WSGM presently operates there. However, two primary offsetting benefits suggested the Staunton assignment would be preferable to one at Waynesboro: (1) a Staunton transmitter location is necessary for either assignment to properly protect the Federal radio installations in nearby West Virginia, (see Section 73.1030(a) (formerly Section 73.215) of the Commission's Rules), and (2) the 15-mile rule (Section 73.203(b)) would permit application for that channel as a Waynesboro facility.[3] For the reasons set forth below, we have adopted the Staunton assignment as proposed.

2. The Commission received comments from petitioner, WANV, Inc., licensee of WANV(AM), Waynesboro; from Shenandoah Valley Broadcasting Co. ("Shenandoah"), licensee of WKDW(AM) and WSGM(FM), Staunton, Virginia; from Augusta County Broadcasting Corporation ("Augusta"), licensee of WTON(AM), Staunton; from Jerry W. Strange;[4] and from the National Radio Astronomy Observatory ("NRAO") and Naval Research Laboratory ("NRL").[5] Reply comments were filed by Augusta, WANV and the protected Federal installations in the Radio Quiet Zone.

3. The comments raise no technical objections to the assignment of Channel 259 to Staunton. However, technical data submitted with the WANV

[1] The *First Report and Order*, 43 Fed. Reg. 36942 (1978), in this docket assigned channels to Crozet and Amherst, Virginia. The proposals to be considered here were separated for further examination.

[2] Population figures are taken from the 1970 U.S. Census.

[3] As noted below at paragraph 3, application for the channel as a Waynesboro facility will require waiver of the city-grade coverage requirement of the Commission's Rules, Section 73.315(a).

[4] Strange simply iterated his intent to apply for Channel 259 if assigned as proposed, without commenting on the merits.

[5] A general description of the creation of the Radio Quiet Zone to protect NRAO and the Naval Radio Research Station (NRRS) is included in the *Second Further Notice* at paragraph 2. The NRAO and NRRS have not objected to the Staunton proposal. As to a proposal to shift Channel 228A from Staunton to Waynesboro (as suggested in Shenandoah's comments), they asserted natural terrain shielding may not be adequate to reduce interference from a Waynesboro site and therefore did not consent to that proposal.