Part 91 effective August 25, 1983, as follows:

1. The following paragraph is added to paragraph 1.

* * * * *

(c) Slots allocated in accordance with SFAR 44–4 shall be considered to have been allocated under this Appendix.

2. The following paragraph is added to paragraph 2.

* * * * *

(h) If Braniff notifies the FAA, in writing, prior to September 15, 1983, that it has obtained the necessary legal approvals to begin operations by November 15, 1983, and if that operation is approved by the Administrator, then Braniff will be allocated the 53 slots withheld from the June 28 slot allocation session. If Braniff does not provide that notice by September 15 or if the Administrator determines that Braniff will not be able to operate by November 15, an allocation will be held to allocate the slots.

Note.—The FAA has determined that this rule only affects a minor number of slots and the number of carriers holding slots. There are no apparent direct or indirect (non-industry) costs associated with the rule. Therefore, the preparation of a full regulatory evaluation is unnecessary.

Based on the above, it has been determined that this is not a major regulation under Executive Order 12291 and I certify that, under the criteria of the Regulatory Flexibility Act, the proposed rule will not have a significant economic impact on a substantial number of small entities. In addition, the FAA has determined that this amendment is not significant under the Department of Transportation Regulatory Policies and Procedures (44 FR 11034; February 26, 1979).

(Secs. 307(a) and (c), 313(a) and 601(a), Federal Aviation Act of 1958, as amended (49 U.S.C. 1348(a) and (c), 1354(a), 1421(a)); sec. 6(c) Department of Transportation Act (49 U.S.C. 1655 (c)))

Issued in Washington, D.C., on August 24, 1983.

J. Lynn Helms,

Administrator.

[FR Doc. 83-23704 Filed 8-25-83; 2:47 pm]

BILLING CODE 4910-13-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 177

[Docket No. 83F-0049]

Indirect Food Additives; Polymers

AGENCY: Food and Drug Administration.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA) is amending the food additive regulations to provide for safe use of fluorine-treated polyethylene as a food-contact surface. This action responds to a petition filed by the Union Carbide Corp.

DATES: Effective August 29, 1983; objection by September 28, 1983.

ADDRESS: Written objections to the Dockets Management Branch (HFA–305), Food and Drug Administration, Rm. 4–62, 5600 Fishers Lane, Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: Julius Smith, Bureau of Foods (HFF–334), Food and Drug Administration, 200 C St. SW., Washington, DC 20204, 202–472–5690.

SUPPLEMENTARY INFORMATION: In a notice published in the Federal Register of March 29, 1983 (48 FR 13098), FDA announced that a petition (FAP 8B3394) had been filed by the Union Carbide Corp., Old Saw Mill River Rd., Tarrytown, NY 10591, proposing that the food additive regulations be amended to provide for safe use of fluorine-treated polyethylene as a component of food-contact surfaces.

FDA has evaluated the data in the petition and concludes that the proposed food additive use is safe and that the regulations should be amended as set forth below.

In accordance with § 171.1(h) (21 CFR 171.1(h)), the petition and the documents that FDA considered and relied upon in reaching its decision to approve the petition are available for inspection at the Bureau of Foods (address above) by appointment with the information contact person listed above. As provided in § 171.1(h)(2), the agency will delete from the documents any materials that are not available for public disclosure before making the documents available for inspection.

The agency has considered the potential environmental effects of this action and has concluded that the action will not have a significant impact on the human environment and that an environmental impact statement is not required. The agency's finding of no significant impact and the evidence supporting that finding may be seen in the Dockets Management Branch (address above), between 9 a.m. and 4 p.m., Monday through Friday.

List of Subjects in 21 CFR Part 177

Food additives, Polymeric food packaging.

Therefore, under the Federal Food, Drug, and Cosmetic Act (secs. 201(s), 409, 72 Stat. 1784–1788 as amended (21 U.S.C. 321(s), 348)) and under authority delegated to the Commissioner of Food and Drugs (21 CFR 5.10) and redelegated to the Bureau of Foods (21 CFR 5.61), Part 177 is amended in Subpart B by adding new § 177.1615, to read as follows:

PART 177—INDIRECT FOOD ADDITIVES: POLYMERS

§ 177.1615 Polyethylene, fluorinated.

Fluorinated polyethylene, identified in paragraph (a) of this section, may be safely used as food-contact articles in accordance with the following prescribed conditions:

(a) Fluorinated polyethylene food-contact articles are produced by modifying the surface of polyethylene articles through action of fluorine gas in combination with gaseous nitrogen as an inert diluent. Such modification affects only the surface of the polymer, leaving the interior unchanged. Fluorinated polyethylene articles are manufactured from basic resins containing not less than 85 weight-percent of polymer units derived from ethylene and identified in § 177.1520 (a)(2) and (3)(i).

(b) Fluorinated polyethylene articles conform to the specifications and use limitations of § 177.1520(c), items 2.1 and 3.1.

(c) The finished food-contact article, when extracted with the solvent or solvents characterizing the type of food and under conditions of time and temperature characterizing the conditions of its intended use as determined from tables 1 and 2 of § 176.170(c) of this chapter, yields fluoride ion not to exceed 5 parts per million calculated on the basis of the volume of food held by the food-contact article.

Any person who will be adversely affected by the foregoing regulation may at any time on or before September 28, 1983 submit to the Dockets Management Branch (HFA–305), Food and Drug Administration, Rm 4–62, 5600 Fishers Lane, Rockville, MD 20857, written objections thereto and may make a written request for a public hearing on the stated objections. Each objection shall be separately numbered and each numbered objection shall specify with particularity the provision of the regulation to which objection is made. Each numbered objection on which a hearing is requested shall specifically so state; failure to request a hearing for any particular objection shall constitute a waiver of the right to a hearing on that objection. Each numbered objection for which a hearing is requested shall include a detailed description and analysis of the specific factual information intended to be presented in support of the objection in the event that a hearing is held; failure to include such

a description and anlysis for any particular objection shall constitute a waiver of the right to a hearing on the objection. Three copies of all documents shall be submitted and shall be identified with the docket number found in brackets in the heading of this regulation. Received objections may be seen in the office above between 9 a.m. and 4 p.m., Monday through Friday.

Effective date. This regulation shall become effective August 29, 1983.

(Secs. 201(s), 409, 72 Stat. 1784–1788 as amended (21 U.S.C. 321(s), 348))

Dated: August 18, 1983.

Richard J. Ronk,

Acting Director, Bureau of Foods.

[FR Doc. 83-23554 Filed 8-26-83; 8:45 am]

BILLING CODE 4160-01-M

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21 CFR Part 178

[Docket No. 83F-0068]

Indirect Food Additives; Adjuvants, Production Aids, and Sanitizers

AGENCY: Food and Drug Administration.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA) is amending the food additive regulations to provide for the safe use of di-*tert*-butylphenyl phosphonite condensation product with biphenyl as an antioxidant and/or stabilizer in certain polymers in contact with food. This action responds to a petition filed by the Ciba-Geigy Corp.

DATES: Effective August 29, 1983; objections by September 28, 1983.

ADDRESS: Written objections to the Dockets Management Branch (HFA–305), Food and Drug Administration, Rm. 4–62, 5600 Fishers Lane, Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: Geraldine E. Harris, Bureau of Foods (HFF–334), Food and Drug Administration, 200 C St. SW., Washington, D.C. 20204, 202–472–5690.

SUPPLEMENTARY INFORMATION: In a notice published in the **Federal Register** of March 29, 1983 (48 FR 13095), FDA announced that a petition (FAP 3B3703) had been filed by the Ciba-Geigy Corp., Hawthorne, NY 10532, proposing that § 178.2010(b) (21 CFR 178.2010(b)) be amended to remove certain temperature limitations for the use of di-*tert*-butylphenyl phosphonite condensation product with biphenyl as an antioxidant and/or stabilizer for polymers.

FDA has evaluated data in the petition and other relevant material, and concludes that the proposed food additive use is safe and that § 178.2010 should be amended as set forth below.

In accordance with § 171.1(h) (21 CFR 171.1(h)), the petition and the documents that FDA considered and relied upon in reaching its decision to approve the petition are available for inspection at the Bureau of Foods (address above) by appointment with the information contact person listed above. As provided in 21 CFR 171.1(h)(2), the agency will delete from the documents any materials that are not available for public disclosure before making the documents available for inspection.

The agency has carefully considered the potential environmental effects of this action and has concluded that the action will not have a significant impact on the human environment and that an environmental impact statement is not required. The agency's finding of no significant impact and the evidence supporting that finding may be seen in the Dockets Management Branch (address above), between 9:00 a.m. and 4:00 p.m., Monday through Friday.

List of Subjects in 21 CFR Part 178

Food additives, Food packaging, Sanitizing solutions.

Therefore, under the Federal Food, Drug, and Cosmetic Act (secs. 201(s), 409, 72 Stat. 1784–1788 as amended (21 U.S.C. 321(s), 348)) and under authority delegated to the Commissioner of Food and Drugs (21 CFR 5.10) and redelegated to the Bureau of Foods (21 CFR 5.61), § 178.2010(b) is amended by revising the limitation currently set for "Di-*tert*-butylphenyl phosphonite condensation product with biphenyl" to read as follows:

PART 178—INDIRECT FOOD ADDITIVES: ADJUVANTS, PRODUCTION AIDS, AND SANITIZERS

§ 178.2010 Antioxidants and/or stabilizers for polymers.

* * * * *

(b) * * *

List of substances	Limitations
* * *	* *
Di-*tert*-butylphenyl phosphonite condensation product with biphenyl produced by the condensation of 2,4-di-*tert*-butylphenol with the Friedel-Crafts addition product (phosphorus trichloride and biphenyl) so that the food additive has a minimum phosphorus content of 5.4 percent, an acid value not exceeding 10 mg KOH/gm, and a melting range of 85° C to 110° C (185° F to 230° F).	For use at levels not to exceed 0.1 percent by weight of olefin polymers complying with § 177. 1520(c) of this chapter, item 1.1, 2.1, 2.2, 3.1, or 3.2.

* * * * *

Any person who will be adversely affected by the foregoing regulation may at any time on or before September 28, 1983 submit to the Dockets Management Branch (address above) written objections thereto and may make a written request for a public hearing on the stated objections. Each objection shall be separately numbered and each numbered objection shall specify with particularity the provision of the regulation to which objection is made. Each numbered objection on which a hearing is requested shall specifically so state; failure to request a hearing for any particular objection shall constitute a waiver of the right to a hearing on that objection. Each numbered objection for which a hearing is requested shall include a detailed description and analysis of the specific factual information intended to be presented in support of the objection in the event that a hearing is held; failure to include such a description and analysis for any particular objection shall constitute a waiver of the right to a hearing on the objection. Three copies of all documents shall be submitted and shall be identified with the docket number found in brackets in the heading of this regulation. Received objections may be seen in the office above between 9 a.m. and 4 p.m., Monday through Friday.

Effective date. This regulation shall become effective August 29, 1983.

(Secs. 201(s), 409 72 Stat. 1784–1788 as amended (21 U.S.C. 321(s), 348))

Dated: August 18, 1983.

Richard J. Ronk,

Acting Director, Bureau of Foods.

[FR Doc. 83-23555 Filed 8-26-83; 8:45 am]

BILLING CODE 4160-01-M

ENVIRONMENTAL PROTECTION AGENCY

21 CFR Part 193

[FAP 3H5387/R588; FAP 2H5336/R589; PH-FRL 2415-8]

Tolerances for Pesticides in Animal Feeds and Food Administered by the Environmental Protection Agency; Hexakis (2-Methyl-2-Phenylpropyl) Distannoxane

Correction

In FR Doc. 83–22170 beginning on page 37203 in the issue of Wednesday, August 17, 1983, make the following correction: On page 37204, the third column, in § 193.236, the entry under "Foods" reading "Prunes, dired" should read "Prunes, dried".

BILLING CODE 1505-01-M

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 160

[CGD 79-026]

Ports and Waterways Safety; Control of Vessel Operations and Cargo Transfers

Correction

In FR Doc. 83-21261 beginning on page 35402 in the issue of Thursday, August 4, 1983, make the following correction:

On page 35406, first column, § 160.115, fifth and sixth lines, "46 U.S.C." should have read "46 U.S.C. 91".

BILLING CODE 1505-01-M

VETERANS ADMINISTRATION

38 CFR Part 36

Decrease in Maximum Interest Rate on New Guaranteed, Insured and Direct Loans for Homes and Condominiums

AGENCY: Veterans Administration.

ACTION: Final regulations.

SUMMARY: The VA (Veterans Administration) is decreasing the maximum interest rate on fixed payment and graduated payment loans for homes and condominiums. The maximum interest rates are decreased because the mortgage money market has eased in recent weeks. The decrease in the interest rates will allow eligible veterans to obtain a loan at a lower monthly cost.

EFFECTIVE DATE: August 23, 1983.

FOR FURTHER INFORMATION CONTACT: Mr. George D. Moerman, Loan Guaranty Service (264), Department of Veterans Benefits, Veterans Administration, 810 Vermont Ave., NW., Washington, D.C. 20420 (202-389-3042).

SUPPLEMENTARY INFORMATION: The Administrator is required by law to establish a maximum interest rate for home and condominium loans guaranteed, insured or made by the Veterans Administration as he finds the loan market demands. Recent market indicators—including the rate of discount charged by lenders on VA and Federal Housing Administration loans and the general availability of mortgage funds—have shown that the mortgage market has eased.

After consultation with the Secretary of Housing and Urban Development as required by law, it has been determined that a decrease in the VA home and condominium interest rate for both graduated payment and fixed payment loans is warranted at this time.

The decrease in the VA maximum home and condominium interest rates should not have an adverse impact on the availability of funds necessary to make VA loans. The decrease in the VA interest rate, however, should allow more veterans to purchase a home because of the lower monthly payment for principal and interest required at the lower interest rate.

The Administrator's statutory authority to establish interest rates has been delegated by 38 CFR 2.6 to the Chief Benefits Director, Deputy Chief Benefits Director, or person authorized to act for them.

Regulatory Flexibility Act/Executive Order 12291

For the reasons discussed in the May 7, 1981, **Federal Register**, (46 FR 25443), it has previously been determined that final regulations of this type which change the maximum interest rates for loans guaranteed, insured, or made pursuant to chapter 37 of title 38, United States Code, are not subject to the provisions of the Regulatory Flexibility Act, 5 U.S.C. 601-612.

These regulatory amendments have also been reviewed under the provisions of Executive Order 12291. The VA finds that they are not "major rules" as defined in that Order. The existing process of informal consultation among representatives within the Executive Office of the President, OMB, the VA and the Department of Housing and Urban Development has been determined to be adequate to satisfy the intent of this Executive Order for this category of regulations. This alternative consultation process permits timely rate adjustments with minimal risk of premature disclosure. In summary, this consultation process will fulfill the intent of the Executive Order while still permitting compliance with statutory responsibilities for timely rate adjustments and a stable flow of mortgage credit at rates consistent with the market.

These final regulations come within exceptions to the general VA policy of prior publication of proposed rules as contained in 38 CFR 1.12. The publication of notice of a regulatory change in the VA maximum interest rates for VA guaranteed, insured or direct loans would deny veterans the benefit of lower interest rates pending the final rule publication date which would necessarily be more than 30 days after publication in proposed form. Accordingly, it has been determined that publication of proposed regulations prior to publication of final regulations is impracticable, unnecessary, and contrary to the public interest.

(Catalog of Federal Domestic Assistance Program numbers, 64.113 and 64.114)

These regulations are adopted under authority granted to the Administrator by sections 210(c), 1803(c)(1) and 1811(d)(1) of title 38, United States Code and delegated to the undersigned by 38 CFR 2.6(b)(3). The regulations are clearly within that statutory authority and are consistent with Congressional intent.

These decreases are accomplished by amending sections 36.4311, and 36.4503, title 38, Code of Federal Regulations.

List of Subjects in 38 CFR Part 36

Condominiums, Handicapped, Housing, Loan programs—housing and community development, Loan programs—business, Manufactured homes, Veterans.

Approved: August 22, 1983.

By direction of the Administrator.

John W. Hagan, Jr.,

Deputy Chief Benefits Director.

PART 36—LOAN GUARANTY

The Veterans Administration is amending 38 CFR Part 36 as follows:

1. In § 36.4311, paragraphs (a) and (b) are revised as follows:

§ 36.4311 Interest rates.

(a) Excepting loans guaranteed or insured pursuant to guaranty or insurance commitments issued by the Veterans Administration which specify an interest rate in excess of 13 per centum per annum, effective August 23, 1983, the interest rate on any home or condominium loan, other than a graduated payment mortgage loan, guaranteed or insured wholly or in part on or after such date may not exceed 13 per centum per annum on the unpaid principal balance. (38 U.S.C. 1803(c)(1))

(b) Excepting loans guaranteed or insured pursuant to guaranty or insurance commitments issued by the Veterans Administration which specify an interest rate in excess of 13¼ per centum per annum, effective August 23, 1983, the interest rate on any graduated payment mortgage loan guaranteed or insured wholly or in part on or after such date may not exceed 13¼ per centum per annum. (38 U.S.C. 1803(c)(1))

* * * * *

2. In § 36.4503, paragraph (a) is revised as follows:

§ 36.4503 Amount and amortization.

(a) The original principal amount of any loan made on or after October 1,

1980, shall not exceed an amount which bears the same ratio to $33,000 as the amount of the guaranty to which the veteran is entitled under 38 U.S.C. 1810 at the time the loan is made bears to $27,500. This limitation shall not preclude the making of advances, otherwise proper, subsequent to the making of the loan pursuant to the provisions of § 36.4511. Except as to home improvement loans, loans made by the Veterans Administration shall bear interest at the rate of 13 percent per annum. Loans solely for the purpose of energy conservation improvements or other alteratons, improvements, or repairs shall bear interest at the rate of 14 percent per annum (38 U.S.C. 1811(d)(1) and (2)(A))

* * * * *

[FR Doc. 83-23607 Filed 8-26-83; 8:45 am]

BILLING CODE 8320-01-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Care Financing Administration

42 CFR Part 401

Federal Claims Collection Act; Claims Collection and Compromise

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

ACTION: Final rule with comment period.

SUMMARY: These regulations implement the Federal Claims Collection Act, which provides authority to Federal agencies for collecting or compromising claims, or suspending or terminating collection action, as appropriate. This authority can be exercised only through agency regulations that conform to the regulations on claims collection (4 CFR Parts 101–105) issued jointly by the Comptroller General and the Attorney General. We intend these regulations to enable HCF to exercise full claims collection authority for all HCF programs, as delegated by the Secretary of HHS.

DATES: This rule is effective September 28, 1983. It is being isued as a final rule for reasons explained in Waiver of Proposed Rulemaking in the Supplementary Information section below. However, we will consider any comments mailed by October 28, 1983 and revise the regulations, if necessary.

ADDRESS: Address comments in writing to: Health Care Financing Administration, U.S. Department of Health and Human Services, Attention: OMB–1–FC, P.O. Box 26676, Baltimore, Maryland 21207.

In commenting, please refer to file code OMB–1–FC. If you prefer, you may deliver your comments to Room 309–G, Hubert H. Humphrey Building, 200 Independence Ave., SW., Washington, D.C., or to Room 132, East High Rise Building, 6325 Security Boulevard, Baltimore, Maryland 21207.

Comments will be available for public inspection, as they are received, beginning approximately three weeks from today, in Room 309–G of the Department's offices at 200 Independence Ave., SW., Washington, D.C. 20201, on Monday through Friday of each week from 8:30 a.m. to 5:00 p.m. (Phone 202–245–7890).

FOR FURTHER INFORMATION CONTACT: Tom Czerwinski, (301) 594–3068.

SUPPLEMENTARY INFORMATION:

I. Debt Management

A. Background

HCFA provides operational direction and policy guidance for the nationwide administration of the Medicare and Medicaid health care financing programs (titles XVIII and XIX of the Social Security Act (the Act), respectively); the Professional Standards Review Organizations (PSRO) and Peer Review Organizations programs (title XI of the Act), and related quality assurance programs designed to promote quality, safety, and appropriateness of health care services provided under Medicare and Medicaid; quality control programs designed to assure the financial integrity of Medicare and Medicaid funds; and various policy planning, research and demonstration activities.

In administering these programs, HCFA makes payments of various kinds to an assortment of individuals, agencies and organizations. For example, under Medicare, HCFA makes program benefit payments to beneficiaries, providers of health care services (hospitals, skilled nursing facilities, home health agencies), and suppliers. Under the Medicaid program, Medicaid State agencies receive Federal payments from HCFA to help finance medical assistance to certain categories of persons with low income. Each State agency in turn reimburses providers of services that furnish the assistance.

Beyond payments specifically tied to Medicare and Medicaid program benefits, HCFA pays for administrative program costs as well. Medicare payments to beneficiaries and providers are processed by fiscal intermediaries and carriers under contract to HCFA for that purpose. Medicaid State agencies receive Federal funding under Medicaid (in some cases equal to 100 percent of the State cost) for administrative responsibilities such as the operation of State Medicaid fraud control units.

Under title XI of the Act, HCFA has funded PSROs directly from Medicare trust funds through both contractual and grant arrangements. (Beginning in fiscal year 1984, HCFA will award contracts to new peer review organizations under Title I, Part III, Subtitle C of the Tax Equity and Fiscal Responsibility Act of 1982 (Pub. L. 97–248). Gradually, PSROs will be replaced by the new peer review organizations.) HCFA also makes grants to non-profit, private, or public agencies or organizations that conduct planning or research experiments and demonstrations concerning health care financing program policy or administration. In addition, in the execution of its duties, HCFA incurs normal administrative costs such as employee compensation, travel pay, and vendor payments.

As a result of these wide-ranging financial obligations, we encounter situations in which individuals and organizations become indebted to HCFA. The size of the debts vary from program overpayments of millions of dollars to a State or a provider, to an administrative overrun of a few dollars in travel pay. In addition to program or administrative overpayments, indebtedness to HCFA also occurs as a result of payments due HCFA in the form of premiums from individuals who must pay for coverage under Part A of Medicare (Hospital Insurance), as well as from all persons who enroll for coverage under Medicare Part B (Supplementary Medical Insurance). Whatever the size or source of the debt we attempt to collect the amount due in accordance with the Federal Claims Collection Act (FCCA) of 1966 (31 U.S.C. 3711).

Collection efforts under the authority of the FCCA may be undertaken only pursuant to regulations (31 U.S.C. 3711(e)). We have regulations in place, or under development, to resolve certain specific types of debts. Nevertheless, we lack regulations that would encompass all collection actions relating to HCFA's mission. Therefore, we are issuing this final rule to establish comprehensive standards and procedures for the collection (or suspension or termination of collection action) and compromise of all claims arising out of HCFA's program and administrative activities.

The FCCA and the Joint Regulations

B. The FCCA is the Federal government's basic statutory authority for debt management practices. Congress intended the FCCA to reduce

the amount of litigation previously required to collect claims and to reduce the volume of private relief legislation in the Congress. The FCCA is independent of other provisions of law, being intended by Congress to add to, rather than to supplant, other authorities. For example, section 1903(d) of the Social Security Act provides specific authority to recover the Federal share of Medicaid overpayments. In addition, it is important to note that neither the FCCA nor any regulations issued pursuant to it affect any rights that HCFA may have under common law as a creditor.

The FCCA specifically imposes primary responsibility for collecting a debt owed to the Federal government on the agency whose operations gave rise to the indebtedness. However, claims involving fraud or misrepresentation, or conduct in violation of anti-trust laws were exempted from the FCCA. As a practical matter, those claims are referred to the Department of Justice.

The FCCA authorizes (31 U.S.C. 3711(a)(1)) the head of an agency to collect claims in any amount. This section also provides that the head of an agency may, under certain conditions, compromise a claim, or suspend or terminate collection action on a claim. Uncollectible claims in excess of $20,000, exclusive of interest, must be referred to either the General Accounting Office (GAO) or the Department of Justice for resolution. Claims requiring litigation to effect resolution are referred to the Department of Justice. In addition, in order to implement FCCA authority, the agency involved must have regulations in place in the Code of Federal Regulations (CFR) that conform with the regulations issued jointly by the Comptroller General and the Attorney General (4 CFR Parts 101–105).

The joint regulations generally require agencies to—

- Issue appropriate internal regulations and adopt cost-effective collection practices.
- Take aggressive collection action.
- Collect amounts by offset, where possible, against payments or compensation due from the Federal government.
- Assess interest on delinquent claims.
- Attempt to reach settlement of claims on a compromise basis, when appropriate.
- Suspend or terminate collection action when conditions warrant.
- Refer claims that cannot be collected or compromised, and on which collection action cannot be suspended or terminated, to the GAO or to the Department of Justice for consideration of litigation.

C. HHS regulations

In accordance with the FCCA and the joint regulations, the Department of Health and Human Services (HHS) issued implementing regulations at 45 CFR Part 30. Those regulations adopt the joint regulations for HHS (including HCFA) and delegate to the Department Claims Officer the authority to perform all duties under the FCCA regarding HHS activities "except with regard to erroneous payments under . . . . (title) XVIII of the Social Security Act" (45 CFR 30.3).

The HHS regulations also state that various components of the Department are authorized to "take all administrative action required under the [FCCA] and (the) Joint Regulations, except that, with respect to claims of $800 or more, no compromise of a claim shall be effected, nor collection action suspended or terminated without the prior approval of the Department Claims Officer . . ." (45 CFR 30.3(c)).

D. HCFA regulations

The Secretary of HHS has concurrently delegated authority under the FCCA to the Department Claims Officer generally, and to the Administrator of HCFA for necessary claims collection actions under HCFA's programs (see 42 FR 57351, November 2, 1977). The authority delegated to the Administrator covers all of HCFA's activities including the Medicare program (title XVIII) and pertains to claims up to $20,000. However, even though HCFA has the authority (as a result of the delegation from the Secretary) to resolve claims arising from all of its activities, it lacks the comprehensive regulations necessary to do so that are required by the FCCA. This is because of the limitations that are contained in the HHS regulations at 45 CFR Part 30. In other words, the HHS regulations, which apply to HCFA, may not serve as a basis for collection or compromise actions on Medicare claims, or as a basis for compromise, or suspension or termination of collection action on other HCFA claims in excess of $800, except as approved by the Department Claims Officer.

Regulations dealing with specific Medicare aspects of debt management have been issued as follows:

- Compromise of, or suspension or termination of collection activities on, claims for overpayments against providers of services, physicians, or other suppliers of services (42 CFR 405.374).
- Interest on Medicare underpayments or overpayments to providers, physicians, or other suppliers of services (42 CFR 405.376, 47 FR 54811, December 6, 1982).
- Collection of unpaid Medicare premiums (42 CFR 405.962).
- Collection and compromise of claims for overpayments to beneficiaries (20 CFR 404.515) and adjustments to Railroad Retirement or Social Security benefits to recover Medicare overpayments (42 CFR 405.350–405.356).

We have also issued or are developing proposed regulations to deal with specific claims collection situations under the Medicaid program as follows:

- Interest on disputed Medicaid claims (see 47 FR 29275, July 6, 1982).
- Medicaid overpayment reporting requirements. (Regulations governing installment repayments by the States of Medicaid overpayments are located at 45 CFR 201.66.)

Lastly, we have issued a proposed rule (47 FR 6304, February 10, 1983) affecting both Medicare and Medicaid that, generally, would authorize the withholding of Medicare payments to Medicaid providers that have failed to repay a Medicaid overpayment, and the withholding of the Federal share of Medicaid payments to a provider if the provider has failed to repay a Medicare overpayment. This rule would implement sections 1885 and 1914 of the Social Security Act.

To summarize, under the HCFA regulations in titles 20 and 42 of the CFR described above, we are authorized to collect specified Medicare claims in any amount, or to compromise, or to suspend or terminate collection action on those types of Medicare claims up to $20,000, exclusive of interest. Based on the HHS regulations in title 45 of the CFR, HCFA may collect any amount arising out of non-Medicare claims, but in order to compromise, or to suspend or terminate collection action on non-Medicare claims exceeding $800, HCFA must obtain the approval of the Department Claims Officer. Therefore, in order to streamline the claims collection process, we are issuing this final rule.

II. Major Provisions

Generally, we intend these regulations to:

- Satisfy the statutory requirement (in the FCCA) for implementing regulations.
- Adapt to HCFA's operating needs the claims collection standards and procedures issued jointly by the Comptroller General and the Attorney General (4 CFR Parts 101–105).

• Describe rules under which HCFA may exercise fully the authority delegated by the Secetary with repect to collecting and resolving claims that arise in carrying out its mission. Regulations already issued to address specific claims collection problems, or which are otherwise applicable to HCFA claims collection processes, serve to supplement this new subpart.

A. Claims collection (§ 401.607)

Generally, the policy of HCFA is to collect all claims in lump sums. Where appropriate, interest is collected. When amounts owed to HCFA are not paid, when payment is late, or when arrangements other than lump sum collections are necessary, HCFA is deprived of the current use of the amounts involved. Moreover, administrative costs necessarily increase in these situations.

If we are unable to collect a debt in a lump sum and if other circumstances permit, we will offset the amount of a claim against the amount of pay, compensation, benefits or other monies to which a debtor is entitled from the Federal government. Factors that would affect the use of this procedure include the length of time during which the debtor is to receive amounts from the government that may be offset and the impact of the offset on the debtor's financial livelihood.

If lump sum collection or collection by offset is not possible, we may agree to collection through an installment agreement. For example, if enough resources are not available to repay the debt in a lump sum, or if lump sum payment would cause insolvency, the debtor can request an extended repayment agreement. In this case, the debtor is responsible for supplying any information required by HCFA to make a decision regarding the request. Failure by the debtor to supply necessary supporting documentation may result in denial of the request. In determining the amount and frequency of each installment payment, we will consider the information submitted by the debtor, the total amount of the claim, the extent of the debtor's resources, as it affects the debtor's ability to pay, and HCFA's costs of administering the agreement. Collection of interest is also provided for, where appropriate. (Special provisions (45 CFR 201.66) apply to installment repayment by the States of Medicaid funds.)

B. Compromise of claims (§ 401.613)

This section provides that, before a compromise is agreed to, HCFA requires that the amount of the compromise must reasonably approach the amount potentially collectible through enforced collection procedures. In this context, enforced collection includes resorting to collection measures outside of HCFA administrative procedures or to legal processes to compel payment. In making a decision concerning a compromise, we consider the age and health of debtors who are individuals, and a debtor's present and potential income. A favorable decision to compromise a claim will be unlikely if the debtor has concealed assets or has improperly transferred them in an attempt to avoid paying the claim.

This section further provides bases for entering a compromise agreement that include the following:

• A debtor, or the estate of a deceased debtor, does not have the present or prospective ability to pay the debt in full.

• It would be difficult for HCFA to prevail before a court of law because of the complexity or uncertainty of the legal issues involved, or because of the inability of all of the parties to stipulate to the facts. In these cases, to decide the amount of a compromise, we will take into account our assessment concerning the likelihood that we would have prevailed in court and whether a full or partial recovery was possible.

• The cost of collecting the claim does not justify the enforced collection of the full amount.

• HCFA determines that acceptance of a compromise amount (in lieu of imposition of a statutory penalty, a forfeiture of property, or establishment of a debt as an aid to collection enforcement procedures) adequately serves enforcement of HCFA's debt collection policies in terms of deterrence and securing compliance.

C. Suspension of collection action (§ 401.617)

Occasionally, we find it necessary to suspend collection action on a claim. Cases of this kind involve missing debtors or debtors who are currently unable to pay the claim or effect a compromise because of financial problems but who nevertheless have future prospects that will justify periodic review of the claim by HCFA. If we determine that there would not be a bar to recovery caused by a statute of limitations and that the debtor has future prospects that would justify the administrative action necessary to reinstitute collection action at a later date, we may temporarily suspend collection action. Furthermore, if we determine in conformity with 4 CFR 104.2 that future collection of the claim is possible by means of offset despite the applicability of a statute of limitations, we may suspend collection action.

D. Termination of collection action (§ 401.621)

In certain situations, we may decide that it would be advantageous to terminate collection action on a claim after efforts to obtain payment are unsuccessful. A decision to terminate collection action may be based on any one of the following determinations:

• HCFA is unable to collect, or to enforce collection of a substantial amount of the debt. This determination would include a consideration of the judicial remedies available to HCFA, the debtor's future financial prospects, and any exemptions from collection action available to the debtor under State or Federal law such as declarations of bankruptcy.

• In cases of missing debtors, HCFA may terminate collection action if no security remains to be liquidated; an applicable statute of limitations has run; or the prospects of collection by offset in the future are considered by HCFA to be unlikely, whether or not an applicable statute of limitations has run.

• The cost of further collection action is not cost effective.

• Factors come to light that show the claim to be legally without merit.

• Evidence or witnesses necessary to prove HCFA's claim are not available.

In making a decision to terminate collection action, we consider factors similar to those that bear on a decision to compromise a claim, such as the age and health of debtors who are individuals, the present and potential income of debtors, and whether assets have been improperly concealed or transferred.

E. Joint and several liability (§ 401.623)

Joint and several liability for debts means that a creditor may hold one or more parties to a debt separately liable for the entire amount of the debt, or all parties liable for their share of the debt. We are providing that HCFA will not allocate, amongst debtors who are jointly and severally liable, the burden of claims payment. In addition, the fact that some jointly and severally liable debtors are delinquent in their debt payment obligations will not prevent HCFA from proceeding with collection action against the other jointly and severally liable debtors. A compromise with one jointly and severally liable debtor will not release remaining debtors, nor will the amount of the compromise be a binding precedent

regarding possible compromises with the remaining debtors.

III. Provisions Not Included

There are several debt collection procedures authorized by the government-wide regulations (4 CFR Parts 101–105) that we have not addressed in these regulations. Although the provisions of the government-wide regulations are already applicable to HCFA by virtue of the HHS regulations at 45 CFR Part 30, we have not yet decided whether specific HCFA regulations relating to these procedures should be proposed and what their content should be. We are also considering the effect of the Debt Collection Act of 1982 (Pub. L. 97–365), which amended the FCCA to include within the statute provisions similar to these procedures, but which provided that the new authorities were not applicable to claims arising under the Social Security Act (see 31 U.S.C. 3701(d)). The procedures are as follows:

- Reporting delinquent debts to credit bureaus (4 CFR 102.4). This provision permits referrals of delinquent debtors to commercial credit bureaus as a means of encouraging the debtor to resolve the obligation.
- The use of collection agencies (4 CFR 102.5). Under this provision, Federal agencies are permitted to contract with private companies for collection of debts.
- Collection of interest (4 CFR 102.12). This provision authorizes Federal agencies to collect interest on delinquent debts as an inducement for prompt payment of the debt and to compensate the Federal government for the loss of the use of its funds. As indicated above, we have already issued or are in the process of developing regulations concerning the assessment of interest in certain situations involving debts under the Medicare and Medicaid programs.
- The use of pre-offset notice and hearings (4 CFR 102.3). This provision concerns the use of notice and hearing procedures applicable to debt situations involving Federal employees when evidentiary matters are at issue.

IV. Impact Analyses

A. Executive Order 12291

We have determined that these regulations do not meet the specific criteria for a major rule as defined in section 1(b) of the Executive Order 12291. That is, these regulations will not have an annual effect on the economy of $100 million or more; or cause a major increase in costs or prices for consumers, individual industries, government agencies, or geographic regions; or cause significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

Our intent in issuing this rule is to provide comprehensive regulations for all of HCFA's claims collection activities under the FCCA. We expect that these regulations will result in some administrative savings. By establishing comprehensive debt collection procedures for HCFA, we anticipate a reduction in paperwork, recordkeeping, and documentation currently required to compromise claims valued between $800–$20,000. We also anticipate more timely removal of bad debts from our records, which in turn will save reporting and documentation activities. However, as this anticipated economic effect is significantly below the $100 million threshold, an impact analysis is not required.

B. Regulatory Flexibility Act.

The Secretary certifies under 5 U.S.C. 605(b), enacted by the Regulatory Flexibility Act (Pub. L. 96–354), that these regulations will not have a significant economic impact on a substantial number of small business, nonprofit entities or small local governments. As stated above, these regulations set forth policies for the collection and compromise of claims owed to HCFA. While we do not believe that the regulations will have significant effects on small business entities, the size of a claim will determine the significance of the impact of the collection action on the affected small entity. In any case, we are required by the FCCA to pursue outstanding debts and these regulations give us the uniform means to do so. Any impact on small entities will result from the requirements of the FCCA and not these regulations. Therefore, a regulatory flexibility analysis is not required.

V. Waiver of Proposed Rulemaking

These regulations adopt for all HCFA programs the general rules (4 CFR Part 101–105) that have government-wide application with respect to collecting and resolving claims, and fulfill the FCCA requirement for regulations that will enable HCFA to use fully the FCCA authority delegated to it by the Secretary. Those longstanding rules have been applied generally by the Federal government and by HCFA in the past. The regulations do not establish new standards and procedures, but rather codify existing HHS standards, already applicable to HCFA, located in 45 CFR Part 30 so that the authority delegated to HCFA may be perfected. For these reasons, we believe that publication of a proposed rule is unnecessary and contrary to the public interest. Therefore, we find good cause to waive the requirement.

Although we are publishing these regulations in final form, we are providing a period for public comment. Because of the large number of comments we receive, we cannot acknowledge or respond to them individually. However, if we determine that changes in the regulations are necessary as a result of public comments, we will publish the changes in the **Federal Register** and respond to the comments in the preamble of that rule.

List of Subjects in 42 CFR Part 401

Civil rights, Freedom of information, Health care, Health facilities, Health maintenance organizations (HMO), Medicaid, Medicare, Privacy, Claims, Collection, Compromise of claims, Debtor, Fraud, Overpayments, Premiums, Suspension of collection, Termination of collection.

42 CFR Part 401 is amended as set forth below:

PART 401—GENERAL ADMINISTRATIVE REQUIREMENTS

A. Subparts C—E are reserved and a new Subpart F is added in the table of contents as follows:

Subparts C–E—[Reserved]

Subpart F—Claims Collection and Compromise

Sec.

Authority: Sections 1102 and 1871 of the Social Security Act (42 U.S.C. 1302 and 1395hh) and 31 U.S.C. 3711.

B. Subparts C through E are reserved, and a new Subpart F is added as follows:

Subparts C-E—[Reserved]

Subpart F—Claims Collection and Compromise

§ 401.601 Basis and scope.

(a) *Basis.* This subpart implements for HCFA the Federal Claims Collection Act (FCCA) of 1966 (31 U.S.C. 3711), and conforms to the regulations (4 CFR Parts 101–105) issued jointly by the General Accounting Office and the Department of Justice that generally prescribe claims collection standards and procedures under the FCCA for the Federal government.

(b) *Scope.* Except as provided in paragraphs (c)-(f) of this section, the regulations in this subpart describe HCFA's procedures and standards for the collection of claims in any amount, and the compromise of, or the suspension or termination of collection action on , all claims for money or property that do not exceed $20,000 exclusive of interest, arising under any functions delegated to HCFA by the Secretary.

(c) *Amount of claim.* HCFA refers all claims that exceed $20,000, exclusive of interest, to the Department of Justice or the General Accounting Office for the compromise of claims, or the suspension or termination of collection action.

(d) *Related regulations*—(1) *Department regulations* DHHS regulations applicable to HCFA that generally implement the FCCA for the Department are located at 45 CFR Part 30.

(2) *HCFA regulations.* The following regulations govern specific debt management situations encountered by HCFA and supplement this subpart:

(i) Claims against Medicare beneficiaries for the recovery of overpayments are covered in 20 CFR 404.515.

(ii) Adjustments in Railroad Retirement or Social Security benefits to recover Medicare overpayments to individuals are covered in §§ 405.350–405.356 of this chapter.

(iii) Claims against providers, physicians, or other suppliers of services for overpayments under Medicare and for assessment of interest are covered in §§ 405.374 and 405.376 of this chapter, respectively.

(iv) Claims against beneficiaries for unpaid hospital insurance or supplementary medical insurance premiums under Medicare are covered in § 405.962 of this chapter.

(v) State repayment of Medicaid funds by installments is covered in 45 CFR 201.66.

(e) *Collection and compromise under other statutes and at common law.* The regulations in this subpart do not:

(1) Preclude disposition by HCFA of claims under statutes, other than the FCCA, that provide for the collection or compromise of a claim, or suspension or termination of collection action.

(2) Affect any rights that HCFA may have under common law as a creditor.

(f) *Fraud.* The regulations in this subpart do not apply to claims in which there is an indication of fraud, the presentation of a false claim, or misrepresentation on the part of a debtor or any other party having an interest in the claim. HCFA forwards these claims to the Department of Justice for disposition under 4 CFR 105.1.

(g) *Enforced collection.* HCFA refers claims to the Department of Justice for enforced collection through litigation in those cases which cannot be compromised or on which collection action cannot be suspended or terminated in accordance with this subpart or the regulations issued jointly by the Attorney General and the Comptroller General.

§ 401.603 Definitions.

For purposes of this subpart:

Claim means any debt owed to HCFA.

Debtor means any individual, partnership, corporation, estate, trust or other legal entity against which HCFA has a claim.

§ 401.605 Omissions not a defense.

The failure of HCFA to comply with the regulations in this subpart, or with the related regulations listed in § 401.601(d), is not available as a defense to a debtor against whom HCFA has a claim for money or property.

§ 401.607 Claims Collection.

(a) *General policy.* HCFA recovers amounts of claims due from debtors, including interest where appropriate, by:

(1) Direct collections in lump sums or in installments; or

(2) Offsets against monies owed to the debtor by the Federal government where possible.

(b) *Collection in lump sums.* Whenever possible, HCFA attempts to collect claims in full in one lump sum. However, if HCFA determines that a debtor is unable to pay the claim in one lump sum, HCFA may instead enter into an agreement to accept regular installment payments.

(c) *Collection in installments.* Generally, HCFA requires that all claims to be satisfied by installment payments must be liquidated in three years or less. If unusual circumstances exist, such as the possibility of debtor insolvency, an installment agreement that extends beyond three years may be approved.

(1) *Debtor request.* If a debtor desires to repay a claim in installments, the debtor must submit:

(i) A request to HCFA; and

(ii) Any information required by HCFA to make a decision regarding the request.

(2) *HCEA decision.* HCFA will determine the number, amount and frequency of installment payments based on the information submitted by the debtor and on other factors such as:

(i) Total amount of the claim;

(ii) Debtor's ability to pay; and

(iii) Cost to HCFA of administering an installment agreement.

(d) *Collection by offset.* (1) In conformity with 4 CFR 102.3, HCFA may offset, where possible, the amount of a claim against the amount of pay, compensation, benefits or other monies that a debtor is receiving or is due from the Federal government.

(2) Under regulations at §§ 405.350–405.356 of this chapter, HCFA may initiate adjustments in program payments to which an individual is entitled under title II of the Act (Federal Old Age, Survivors, and Disability Insurance Benefits) or under the Railroad Retirement Act of 1974 (45 U.S.C. 231) to recover Medicare overpayments.

§ 401.613 Compromise of claims.

(a) *Amount of compromise.* HFCA requires that the amount to be recovered through a compromise of a claim must:

(1) Bear a reasonable relation to the amount of the claim; and

(2) Be recoverable through enforced collection procedures.

(b) *General factors.* After considering the bases for a decision to compromise a claim under paragraph (c) of this section, HCFA may further consider factors such as:

(1) The age and health of the debtor if the debtor is an individual;

(2) Present and potential income of the debtor; and

(3) Whether assets have been concealed or improperly transferred by the debtor.

(c) *Basis for compromise.* Bases on which HCFA may compromise a claim include the following:

(1) *Inability to pay.* HCFA may compromise a claim if it determines that the debtor, or the estate of a deceased debtor, does not have the present or prospective ability to pay the full amount of the claim within a reasonable time.

(2) *Litigative probabilities.* HCFA may compromise a claim if it determines that it would be difficult to prevail in a case before a court of law as a result of the legal issues involved or inability of the parties to agree to the facts of the case. The amount that HCFA accepts in compromise under this provision will reflect:

(i) The likelihood that HCFA would have prevailed on the legal question(s) involved;

(ii) Whether and to what extent HCFA would have obtained a full or partial recovery of a judgment, depending on the availability of witnesses, or other evidentiary support for HCFA's claim; and

(iii) The amount of court costs that would be assessed to HCFA.

(3) *Cost of collecting the claim.* HCFA may compromise a claim if it determines that the cost of collecting the claim does not justify the enforced collection of the full amount. In this case, HCFA may adjust the amount it accepts as a compromise to allow an appropriate discount for the costs of collection it would have incurred but for the compromise.

(d) *Enforcement policy.* HCFA may compromise statutory penalities, forfeitures, or debts established as an aid to enforcement or to compel compliance, if it determines that its enforcement policy, in terms of deterrence and securing compliance both present and future, is adequately served by acceptance of the compromise amount.

§ 401.615 Payment of compromise amount.

(a) *Time and manner of compromise.* Payment by the debtor of the amount that HCFA has agreed to accept as a compromise in full settlement of a claim must be made within the time and in the manner prescribed by HCFA. Accordingly, HCFA will not settle a claim until the full payment of the compromise amount has been made.

(b) *Effect of failure to pay compromise amount.* Failure of the debtor to make payment, as provided by the compromise agreement, reinstates the full amount of the claim, less any amounts paid prior to the default.

(c) *Prohibition against grace periods.* HCFA will not agree to inclusion of a provision in an installment agreement that would permit grace periods for payments that are late under the terms of the agreement.

§ 401.617 Suspension of collection action.

(a) *General conditions.* HCFA may temporarily suspend collection action on a claim if the following general conditions are met:

(1) *Amount of future recovery.* HCFA determines that future collection action may result in a recovery of an amount sufficient to justify periodic review and action on the claim by HCFA during the period of suspension.

(2) *Statute of limitations.* HCFA determines that:

(i) The applicable statute of limitations has been tolled, waived or has started running anew; or

(ii) Future collections may be made by HCFA through offset despite an applicable statute of limitations.

(b) *Basis for suspension.* Bases on which HCFA may suspend collection action on a particular claim include the following:

(1) A debtor cannot be located; or

(2) A debtor:

(i) Owns no substantial equity in property;

(ii) Is unable to make payment on HCFA's claim or is unable to effect a compromise; and

(iii) Has future prospects that justify retention of the claim.

(c) *Locating debtors.* HCFA will make every reasonable effort to locate missing debtors sufficiently in advance of the bar of an applicable statute of limitations to permit timely filing of a lawsuit to recover the amount of the claim.

(d) *Effect of suspension on liquidation of security.* HCFA will liquidate security, obtained in partial recovery of a claim, despite a decision under this section to suspend collection action against the debtor for the remainder of the claim.

§ 401.621 Termination of collection action.

(a) *General factors.* After considering the bases for a decision to terminate collection action under paragraph (b) of this section, HCFA may further consider factors such as:

(1) The age and health of the debtor if the debtor is an individual;

(2) Present and potential income of the debtor; and

(3) Whether assets have been concealed or improperly transferred by the debtor.

(b) *Basis for termination of collection action.* Bases on which HCFA may terminate collection action on a claim include the following:

(1) *Inability to collect a substantial amount of the claim.* HCFA may terminate collection action if it determines that it is unable to collect, or to enforce collection, of a significant amount of the claim. In making this determination, HCFA will consider factors such as:

(i) Judicial remedies available;

(ii) The debtor's future financial prospects; and

(iii) Exemptions available to the debtor under State or Federal law.

(2) *Inability to locate debtor.* In cases involving missing debtors, HCFA may terminate collection action if:

(i) There is no security remaining to be liquidated;

(ii) The applicable statute of limitations has run; or

(iii) The prospects of collecting by offset, whether or not an applicable statute of limitations has run, are considered by HCFA to be too remote to justify retention of the claim.

(3) *Cost of collection exceeds recovery.* HCFA may terminate collection action if it determines that the cost of further collection action will exceed the amount recoverable.

(4) *Legal insufficiency.* HCFA may terminate collection action if it determines that the claim is legally without merit.

(5) *Evidence unavailable.* HCFA may terminate collection action if:

(i) Efforts to obtain voluntary payment are unsuccessful; and

(ii) Evidence or witnesses necesary to prove the claim are unavailable.

§ 401.623 Joint and several liability.

(a) *Collection action.* HCFA will liquidate claims as quickly as possible. In cases of joint and several liability among two or more debtors, HCFA will not allocate the burden of claims payment among the debtors. HCFA will proceed with collection action against one debtor even if other liable debtors have not paid their proportionate shares.

(b) *Compromise.* Compromise with one debtor does not release a claim against remaining debtors. Furthermore, HCFA will not consider the amount of a compromise with one debtor to be a binding precedent concerning the amounts due from other debtors who are jointly and severally liable on the claim.

§ 401.625 Effect of HCFA claims collection decisions on appeals.

Any action taken under this subpart regarding the compromise of a claim, or suspension or termination of collection action on a claim, is not an initial determination for purposes of HCFA appeal procedures.

(Catalog of Federal Domestic Assistance Program No. 13.766, Health Financing Research, Demonstrations and Experiments; No. 13.714, Medical Assistance Program; No. 13.773, Medicare—Hospital Insurance; No. 13.774, Medicare-Supplementary Medical Insurance)

Dated: January 28, 1983.

Carolyne K. Davis,

Administrator, Health Care Financing Administration.

Approved: June 6, 1983.

Margaret M. Heckler,

Secretary.

[FR Doc. 83-23585 Filed 8-26-83; 8:45 am]

BILLING CODE 4120-03-M

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

43 CFR Public Land Order 6456

[AA-50218]

Alaska; Modification of Public Land Order No. 6329

AGENCY: Bureau of Land Management, Interior.

ACTION: Public Land Order.

SUBJECT: This order modifies Public Land Order No. 6329 of August 30, 1982, to open 10,250 acres of lands in the Slana area to settlement under the trade and manufacturing site, homesite, and headquarters site laws. The lands have been and remain closed to mining but open to mineral leasing.

EFFECTIVE DATE: September 26, 1983.

FOR FURTHER INFORMATION CONTACT:

Beaumont McClure, Washington, D.C., (202) 343-6511

Terry R. Hassett, Alaska State Office, (907) 271-3267

Wayne A. Boden, Anchorage District Office, (907) 267-1200

By virtue of the authority vested in the Secretary of the Interior by Section 17(d)(1) of the Alaska Native Claims Settlement Act of 1971 (43 U.S.C. 1616(d)(1)), it is ordered as follows:

1. In FR Doc. 82-24594, Vol. 47, No. 174, of the issue of September 8, 1982, at page 39499, after the end of the land description and the statement that reads, "The areas described aggregate approximately 2,170,108 acres," a subparagraph 1.d. is added which will read as follows:

d. Subject to valid existing rights, the following described lands are determined to be suitable for and are opened at 8 a.m. on September 26, 1983, to the operation of the settlement laws, specifically trade and manufacturing sites, homesites, and headquarters sites, falling under the authority of Section 10 of the Act of May 14, 1898, as amended (30 Stat. 413; 43 U.S.C. 687a).

Copper River Meridian

T. 11 N., R. 8 E.,
Secs. 24 to 27, inclusive;
Secs. 33 and 34, those portions lying outside the Wrangell-Saint Elias National Park and Preserve;
Secs. 35 and 36.

T. 12 N., R. 9 E.,
Secs. 12, 13;
Secs. 24 to 27, inclusive;
Secs. 34, 35, and 36.

The area described agregates approximately 10,250 acres.

The total area affected by Public Land Order No. 6329 remains at approximately 2,696,659 acres.

2. The lands described in paragraph 1.d. have been and remain closed to location and entry under the United States mining laws, but open to applications and offers under the mineral leasing laws.

3. This order does not serve to otherwise change the provisions or limitations of Public Land Order No. 6329.

Inquiries concerning the lands should be addressed to the Chief, Branch of Lands Operations, Bureau of Land Management, 701 C Street, Box 13, Anchorage, Alaska 99513.

James G. Watt,

Secretary of the Interior.

August 22, 1983.

[FR Doc. 83-23577 Filed 8-26-83; 8:45 am]

BILLING CODE 4310-84-M

FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Parts 59 and 61

[Docket No. FEMA-FIA]

National Flood Insurance Program, Coverage, Sales and Eligibility Provisions

AGENCY: Federal Insurance Administration (FIA), Federal Emergency Management Agency, (FEMA).

ACTION: Final rule.

SUMMARY: This rule revises the National Flood Insurance Program (NFIP) regulations dealing with flood insurance coverage, the Standard Flood Insurance Policy (SFIP) terms and provisions, and the sale of flood insurance in communities participating in the NFIP. The purpose of the amendment is to revise the Program regulations to reflect changes in the Flood Insurance Manual used by private sector property insurance agents and brokers in producing flood insurance business and coverage changes in the contract of flood insurance, including exceptions from coverage made necessary by reason of statutory changes in the flood insurance eligibility criteria in respect to certain coastal communities participating in the NFIP.

DATE: This rule will be effective October 1, 1983, except for the optional deductibles (set forth at § 61.5(d) and in the Flood Insurance Manual) which will become effective April 1, 1984.

FOR FURTHER INFORMATION CONTACT: Donald L. Collins, Federal Emergency Management Agency, Federal Insurance Administration, Room 429, 500 "C" Street, S.W., Washington, D.C. 20472; Telephone Number (202) 287-0740.

SUPPLEMENTARY INFORMATION: On April 8, 1983, FEMA published for comment in the **Federal Register** (Vol. 48, Page 15278) a proposed rule containing revisions to the National Flood Insurance Program (NFIP) which were intended to support the major FEMA goals of achieving greater administrative and fiscal effectiveness in the operation of the NFIP while at the same time maintaining a business-like approach to the administration of the NFIP by emulating successful property insurance programs in the private sector. Thus, both risk management and cost containment are being achieved through the addition of coverage restrictions aimed at reducing flood losses and loss payments. In keeping with private sector insurance practices, FEMA will offer a range of deductibles geared toward giving the consumer wider deductible options and, at the same time, will initiate a recertification process to assure that the rating of the policy at time of renewal is consistent with the risk exposure.

Although the comments received (twenty-three) were generally supportive of the proposed revisions, comments were divided on some major issues and, in criticism, constructive. Overall, the comments were informative and provided rationale for many of the results reached in this final rule. Most organizations commented favorably on the proposed optional deductibles. Some comments indicated a more moderate raise in deductible levels might be desirable and, as can be seen from the optional deductibles set forth at § 61.5 of this final rule, this suggestion was heeded in that optional amounts will be available in increments of $1,000. A mortgage company expressed concern that the provision for optional deductibles could result in substantial exposure to mortgage lenders in instances where the mortgage loan amount to appraised value ratio was high. One example cited pertained to VA guaranteed loans which are often made for 100 percent of the value. Concern was expressed that where