

#### IV. Waiver of Notice of Proposed Rulemaking

The Medicare statute, as discussed previously, requires publication of the monthly actuarial rates and the Part B premium amount in September. The amounts are determined according to the statute. As has been our custom, we use general notices, rather than formal notice and comment rulemaking procedures, to make such announcements. In doing so, we acknowledge that, under the Administrative Procedure Act, interpretive rules, general statements of policy, and rules of agency organization, procedure, or practice are excepted from the requirements of notice and comment rulemaking.

We considered publishing a proposed notice to provide a period for public comment. However, we may waive that procedure if we find good cause that prior notice and comment are impracticable, unnecessary, or contrary to the public interest. We find that the procedure for notice and comment is unnecessary because the formula used to calculate the SMI premium is statutorily directed, and we can exercise no discretion in following that formula. Moreover, the statute establishes the time period for which the premium rates will apply, and delaying publication of the SMI premium rate would be contrary to the public interest. Therefore, we find good cause to waive publication of a proposed notice and solicitation of public comments.

#### VI. Regulatory Impact Statement

We have examined the impacts of this notice as required by Executive Order 12866 and the Regulatory Flexibility Act (RFA) (Pub. L. 96-354). Executive Order 12866 directs agencies to assess all costs and benefits of available regulatory alternatives and, when regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects; distributive impacts; and equity). The RFA requires agencies to analyze options for regulatory relief for small businesses. For purposes of the RFA, States and individuals are not considered small entities.

Also, section 1102(b) of the Act requires the Secretary to prepare a regulatory impact analysis for any notice that may have a significant impact on the operations of a substantial number of small rural hospitals. Such an analysis must conform to the provisions of section 604 of the RFA. For purposes of section 1102(b) of the Act, we consider a small rural hospital

as a hospital that is located outside of a Metropolitan Statistical Area and has fewer than 50 beds. We have determined that this notice will not have a significant effect on the operations of a substantial number of small rural hospitals. Therefore, we are not preparing an analysis for section 1102(b) of the Act.

This notice announces that the monthly actuarial rates applicable for 1999 are \$92.30 for enrollees age 65 and over, and \$103.00 for disabled enrollees under age 65. It also announces that the monthly SMI premium rate for calendar year 1999 is \$45.50. The SMI premium rate of \$45.50 is 3.9 percent higher than the \$43.80 premium rate for 1998. We estimate that the cost of this increase from the current premium to the approximately 37 million SMI enrollees will be about \$0.754 billion for 1999. Therefore, this notice is a major rule as defined in Title 5, United States Code, section 804(2) and is an economically significant rule under Executive Order 12866.

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

(Section 1839 of the Social Security Act; 42 U.S.C. 1395r)  
(Catalog of Federal Domestic Assistance Program No. 93.774, Medicare—Supplementary Medical Insurance)

Dated: September 28, 1998.

**Nancy-Ann Min DeParle,**  
*Administrator, Health Care Financing Administration.*

Dated: October 8, 1998.

**Donna E. Shalala,**

*Secretary.*

[FR Doc. 98-28163 Filed 10-16-98; 8:45 am]

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#### DEPARTMENT OF HEALTH AND HUMAN SERVICES

##### Health Care Financing Administration

[HCFA-8000-N]

RIN 0938-AJ03

#### Medicare Program; Part A Premium for 1999 for the Uninsured Aged and for Certain Disabled Individuals Who Have Exhausted Other Entitlement

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

**ACTION:** Notice.

**SUMMARY:** This notice announces the hospital insurance premium for calendar year 1999 under Medicare's hospital insurance program (Part A) for the uninsured aged and for certain

disabled individuals who have exhausted other entitlement. The monthly Medicare Part A premium for the 12 months beginning January 1, 1999 for these individuals is \$309, the same as in 1998. The reduced premium for certain other individuals as described in this notice is \$170. Section 1818(d) of the Social Security Act specifies the method to be used to determine these amounts.

**EFFECTIVE DATE:** This notice is effective on January 1, 1999.

**FOR FURTHER INFORMATION CONTACT:** Clare McFarland, (410) 786-6390.

#### SUPPLEMENTARY INFORMATION:

##### I. Background

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

Section 1818(d) of the Act requires us to estimate, on an average per capita basis, the amount to be paid from the Federal Hospital Insurance Trust Fund for services performed, and related administrative costs incurred, in the following calendar year with respect to individuals aged 65 and over who will be entitled to benefits under Medicare Part A. We must then, during September of each year, determine the monthly actuarial rate (the per capita amount estimated above divided by 12) and publish the dollar amount for the monthly premium in the succeeding calendar year. If the premium is not a multiple of \$1, the premium is rounded to the nearest multiple of \$1 (or, if it is a multiple of 50 cents but not of \$1, it is rounded to the next highest \$1). The 1998 premium under this method was \$309 and was effective January 1, 1998. (See 62 FR 59366, November 3, 1997.)

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

Section 1818A of the Act provides for voluntary enrollment in Medicare Part A, subject to payment of a monthly premium, of certain disabled individuals who have exhausted other entitlement. These individuals are those not now entitled but who have been

entitled under section 226(b) of the Act, who continue to have the disabling impairment upon which their entitlement was based, and whose entitlement ended solely because they had earnings that exceeded the substantial gainful activity amount (as defined in section 223(d)(4) of the Act).

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

Section 13508 of the Omnibus Budget Reconciliation Act of 1993 (Pub. L. 103-66) amended section 1818(d) of the Act to provide for a reduction in the monthly premium amount for certain voluntary enrollees. The reduction applies for an individual who is not eligible for social security or railroad retirement benefits but who—

- Has at least 30 quarters of coverage under title II of the Act;
- Is married and has been married for the previous 1-year period to a person who has at least 30 quarters of coverage;
- Had been married for at least 1 year at the time of the person's death to a person who had at least 30 quarters of coverage; or
- Is divorced from a person who at the time of divorce had at least 30 quarters of coverage if the marriage lasted at least 10 years.

For calendar year 1999, section 1818(d)(4)(A) of the Act specifies that the monthly premium that these individuals will pay for calendar year 1999 will be equal to the monthly premium for aged voluntary enrollees reduced by 45 percent.

## II. Premium Amount for 1999

Under the authority of sections 1818(d)(2) and 1818A(d)(2) of the Act, the Secretary has determined that the monthly Medicare Part A hospital insurance premium for the uninsured aged and for certain disabled individuals who have exhausted other entitlement for the 12 months beginning January 1, 1999 is \$309, the same as in 1998.

The monthly premium for those individuals subject to a 45 percent reduction in the monthly premium for the 12-month period beginning January 1, 1999 is \$170.

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

As discussed in section I of this notice, the monthly Medicare Part A premium for 1999 is equal to the estimated monthly actuarial rate for 1999 rounded to the nearest multiple of \$1. The monthly actuarial rate is

defined to be one-twelfth of the average per capita amount that the Secretary estimates will be paid from the Federal Hospital Insurance Trust Fund for services performed and related administrative costs incurred in 1999 for individuals aged 65 and over who will be entitled to benefits under the hospital insurance program. Thus, the number of individuals aged 65 and over who will be entitled to hospital insurance benefits and the costs incurred on behalf of these beneficiaries must be projected to determine the premium rate.

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

We have completed all of the above steps, basing our projections for 1999 on (a) current historical data and (b) projection assumptions under current law from the Midsession Review of the President's Fiscal Year 1999 Budget. It is estimated that in calendar year 1999, 33.415 million people aged 65 and over will be entitled to Medicare Part A benefits (without premium payment), and that these individuals will, in 1999, incur \$124.033 billion of benefits for services performed and related administrative costs. Thus, the estimated monthly average per capita amount is \$309.32 and the monthly premium is \$309. The monthly premium for those individuals eligible to pay this premium reduced by 45 percent is \$170.

## IV. Costs to Beneficiaries

The 1999 Medicare Part A premium is equal to the \$309 monthly premium amount for the 12-month period beginning January 1, 1998.

We estimate that there will be, in calendar year 1999, approximately 351,000 enrollees who do not otherwise meet the requirements for entitlement, and will voluntarily enroll in Medicare Part A by paying the full premium. We estimate an additional 9,000 enrollees will be paying the reduced premium. Since the premium amount for calendar year 1999 is unchanged from calendar year 1998, there is neither cost nor savings to these voluntary enrollees.

## V. Waiver of Notice of Proposed Rulemaking

The Medicare statute, as discussed previously, requires publication of the Medicare Part A hospital insurance premium for the upcoming calendar year during September of each year. The amounts are determined according to the statute. As has been our custom, we use general notices, rather than formal notice and comment rulemaking procedures, to make the announcements. In doing so, we acknowledge that, under the Administrative Procedure Act, interpretive rules, general statements of policy, and rules of agency organization, procedure, or practice are excepted from the requirements of notice and comment rulemaking.

We considered publishing a proposed notice to provide a period for public comment. However, we may waive that procedure if we find good cause that prior notice and comment are impracticable, unnecessary, or contrary to the public interest. We find that the procedure for notice and comment is unnecessary because the formula used to calculate the Part A hospital insurance premium is statutorily directed, and we can exercise no discretion in following that formula. Moreover, the statute established the time period for which the premium will apply and delaying publication of the premium amount would be contrary to the public interest. Therefore, we find good cause to waive publication of a proposed notice and solicitation of public comments.

## VI. Regulatory Impact Statement

We have examined the impacts of this notice as required by Executive Order 12866 and the Regulatory Flexibility Act (RFA) (Pub. L. 96-354). Executive Order 12866 directs agencies to assess all costs and benefits of available regulatory alternatives and, when regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects; distributive impacts; and equity). The RFA requires agencies to analyze options for regulatory relief for small businesses. For purposes of the RFA, States and individuals are not considered small entities.

Also, section 1102(b) of the Act requires the Secretary to prepare a regulatory impact analysis for any notice that may have a significant impact on the operations of a substantial number of small rural hospitals. Such an analysis must conform to the provisions of section 604 of the RFA.

For purposes of section 1102(b) of the Act, we consider a small rural hospital as a hospital that is located outside of a Metropolitan Statistical Area and has fewer than 50 beds.

This notice merely announces that the monthly Medicare Part A hospital insurance premium for the uninsured aged and for certain disabled individuals who have exhausted other entitlement for the 12 months beginning January 1, 1999 is \$309. It also announces that the premium for certain other individuals subject to a reduction in the monthly premium is \$170. There is neither cost nor savings as a result of this notice because the premium amount for calendar year 1999 is unchanged from calendar year 1998. Therefore, this notice is not a major rule as defined in Title 5, United States Code, section 804(2) and is not an economically significant rule under Executive Order 12866.

Therefore, we have determined, and the Secretary certifies, that this notice will not result in a significant impact on a substantial number of small entities and will not have a significant effect on the operations of a substantial number of small rural hospitals. Therefore, we are not preparing analyses for either the RFA or section 1102(b) of the Act.

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

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

Dated: September 28, 1998.

**Nancy-Ann Min DeParle,**  
*Administrator, Health Care Financing Administration.*

Dated: October 8, 1998.

**Donna E. Shalala,**  
*Secretary.*

[FR Doc. 98-28161 Filed 10-16-98; 9:34 am]

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## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### National Institutes of Health

#### National Cancer Institute; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the

provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

**Name of Committee:** National Cancer Institute Special Emphasis Panel.

**Date:** November 9, 1998.

**Time:** 2:00 p.m. to 4:00 p.m.

**Agenda:** To review and evaluate cooperative agreement applications.

**Place:** 6130 Executive Blvd. 6th Floor, Rockville, MD 20852, (Telephone Conference Call).

**Contact Person:** Rashmi Gopal, Scientific Review Administrator, Office of Advisory Activities, Division of Extramural Activities, National Cancer Institute, National Institutes of Health, 6130 Executive Boulevard/EPN—Room 609, Rockville, MD 20892-7410, 301/496-2378.

(Catalogue of Federal Domestic Assistance Program Nos. 93.392, Cancer Construction; 93.393, Cancer Cause and Prevention Research; 93.394, Cancer Detection and Diagnosis Research; 93.395, Cancer Treatment Research; 93.396, Cancer Biology Research; 93.397, Cancer Centers Support; 93.398, Cancer Research Manpower; 93.399, Cancer Control, National Institutes of Health, HHS).

Dated: October 15, 1998.

**LaVerne Y. Stringfield,**  
*Committee Management Officer, NIH.*

[FR Doc. 98-28251 Filed 10-20-98; 8:45 am]

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## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### National Institutes of Health

#### National Heart, Lung, and Blood Institute; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in section 552b(c)(4) and 552(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable materials, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

**Name of Committee:** National Heart, Lung, and Blood Institute Special Emphasis Panel Strategies to Augment Alveolization.

**Date:** November 18, 1998.

**Time:** 8:00 am to 2:00 pm.

**Agenda:** To review and evaluate grant applications.

**Place:** Holiday Inn Chevy Chase, 5520 Wisconsin Avenue, Chevy Chase, MD 20815.  
**Contact Person:** Anne P. Clark, PhD, Scientific Review Administrator, NIH, NHLBI, DEA, Review Branch, Rockledge II, 6701 Rockledge Drive, Room 7186, Bethesda, MD 20892-7924, (301) 435-0280.

(Catalogue of Federal Domestic Assistance Program Nos. 93.233, National Center for Sleep Disorders Research; 93.837, Heart and Vascular Diseases Research; 93.838, Lung Diseases Research; 93.839, Blood Diseases and Resources Research, National Institutes of Health, HHS)

Dated: October 15, 1998.

**LaVerne Y. Stringfield,**

*Committee Management Officer, NIH.*

[FR Doc. 98-28250 Filed 10-20-98; 8:45 am]

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## DEPARTMENT OF HEALTH AND HUMAN SERVICES

### National Institutes of Health

#### National Human Genome Research Institute; Notice of Closed Meeting

Pursuant to section 10(d) of the Federal Advisory Committee Act, as amended (5 U.S.C. Appendix 2), notice is hereby given of the following meeting.

The meeting will be closed to the public in accordance with the provisions set forth in sections 552b(c)(4) and 552b(c)(6), Title 5 U.S.C., as amended. The grant applications and the discussions could disclose confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the grant applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

**Name of Committee:** National Human Genome Research Institute Initial Review Group, Genome Research Review Committee.

**Date:** November 5, 1998.

**Time:** 12:00 p.m. to 2:00 p.m.

**Agenda:** To review and evaluate grant applications.

**Place:** National Human Genome Research Institute, National Institutes of Health, Building 38A, Room 609, Bethesda, MD 20892, (Telephone Conference Call).

**Contact Person:** Ken D. Nakamura, PhD, Scientific Review Administrator, Office of Scientific Review, National Human Genome Research Institute, National Institutes of Health, Bethesda, MD 20892, 301-402-0838.  
(Catalogue of Federal Domestic Assistance Program Nos. 93.172, Human Genome Research, National Institutes of Health, HHS)