

**DATE PREVIOUSLY ANNOUNCED:** To Be Published.

**CHANGE IN THE MEETING:** Cancellation of Meeting.

The closed meeting scheduled for Thursday, November 5, 1998, at 11:00 a.m., has been cancelled.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: The Office of the Secretary (202) 942-7070.

Dated: October 29, 1998.

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 98-29453 Filed 10-29-98; 3:47 pm]

BILLING CODE 8010-01-M

## **SOCIAL SECURITY ADMINISTRATION**

### **Supplemental Security Income for the Aged, Blind and Disabled (SSI) Program Demonstration Project; Treatment of Cash Received and Conserved To Pay for Medical or Social Services**

**AGENCY:** Social Security Administration.

**ACTION:** Notice.

**SUMMARY:** The Commissioner of Social Security will conduct a demonstration project to test how certain altered resources counting rules might apply in the SSI program. The SSI program is authorized by title XVI of the Social Security Act (the Act). The rules which will be tested are those that apply to the treatment of cash received and conserved to pay for medical or social services.

Cash which is received for the purposes of payment for medical or social services is not counted as income to the beneficiary when received. If cash received for medical or social services which is not a reimbursement for these services already paid for by the beneficiary is conserved, it is not counted as a resource for the calendar month following the month of receipt, so long as it remains separately identifiable from other resources of the individual. Beginning with the second calendar month following the month of receipt, cash received for the payment of medical or social services becomes a countable resource used in the determination of SSI eligibility.

The Health Care Financing Administration of the Department of Health and Human Services (DHHS) is collaborating with the States of Arkansas, Florida, New Jersey and New York and with the National Program

Office at the University of Maryland's Center on Aging, the Robert Wood Johnson Foundation, the Office of the Assistant Secretary for Planning and Evaluation of the DHHS, the National Council on Aging and Mathematica Policy Research (the evaluator) on a demonstration project to provide greater autonomy to the consumers of personal assistance services. Personal assistance services are help with the basic activities of daily living, including bathing, dressing, transferring, toileting, and eating, and/or instrumental activities of daily living such as housekeeping, meal preparation, shopping, laundry, money management and medication management. Consumers of personal assistance services who participate in this demonstration will be empowered by purchasing the services they require (including medical and social services) to perform the activities of daily living. In order to accomplish the objective of the demonstration project, cash allowances and information services will be provided directly to persons with disabilities to enable them to choose and purchase services from providers which they feel would best meet their needs.

Medicaid is the predominant source of public financing for personal assistance services programs for the aged, blind and disabled. The demonstration which will permit the States of Arkansas, Florida, New Jersey and New York to waive certain requirements under title XIX of the Act to participate in this "Cash and Counseling" demonstration is within the authority granted to the Secretary of Health and Human Services (HHS) by section 1115 of the Act. Medicaid beneficiaries who participate in this demonstration will be given cash to purchase the services they need from traditional and nontraditional providers as they deem appropriate. Counseling will be available for these beneficiaries to assist them in effective use of funds allotted for personal assistance services.

Many of the Medicaid beneficiaries who participate in the Cash and Counseling demonstration will be SSI beneficiaries or belong to coverage groups using eligibility methodologies related to those of the SSI program under title XIX of the Act. The Commissioner of Social Security wishes to test the appropriateness of current SSI rules which require counting cash received for the purchase of medical or social services as resources if retained for more than one month after the month of receipt. The test will also be used to assist the Secretary of HHS in testing the possibility of providing

greater autonomy to the consumers of personal assistance services by empowering them to purchase the services they require (including medical and social services) to perform their activities of daily living. In order to do so, the Commissioner will exercise his authority under section 1110(b) of the Act and waive SSI resources counting of cash received and conserved for future purchases of medical and social services. The beneficiaries for whom this waiver of resources counting rules is to apply reside in the States of Arkansas, Florida, New Jersey and New York and are participants in the Cash and Counseling demonstration project. The waiver of resources counting rules will continue to apply for the duration of their participation in that demonstration, so long as the cash provided for purchase of medical or social services is conserved in a form that is separately identifiable from other resources that may be countable or excludable under title XVI of the Act. The cash received for medical or social services and conserved towards payment for those services by SSI beneficiaries who participate in this demonstration will not be included in SSI countable resources only for so long as the individual continues to participate in the Cash and Counseling demonstration.

Existing SSI resource-counting rules will be suspended only where application of such rules would adversely affect participation by SSI beneficiaries in the Cash and Counseling demonstration. That demonstration is anticipated to begin on or before January 1, 1999. This notice is published in accordance with the requirement in 20 CFR 416.250(e).

**EFFECTIVE DATES:** This project will be effective for the period authorized by the Secretary of HHS for the Cash and Counseling demonstration project. The date anticipated by the Secretary for the Cash and Counseling demonstration to begin is on or before January 1, 1999. According to the demonstration's plan, beneficiaries may participate throughout the period of the demonstration, up to five years. Thus, if the demonstration begins in all four States on January 1, 1999, the anticipated ending date for all participants will be no later than December 31, 2003.

Any cash for medical or social services received after an SSI beneficiary's participation in the demonstration has ended and which has been conserved for more than one month will be counted as resources. Any cash for medical or social services that is received during participation in

the demonstration and conserved subsequent to participation in the demonstration will be subject to regular SSI resources rules.

**FOR FURTHER INFORMATION CONTACT:** Craig Streett, Office of Program Benefits, 3-M-1 Operations Building, 6401 Security Boulevard, Baltimore, MD 21235, (410) 965-9793, or through the Internet at [Craig.Streett@ssa.gov](mailto:Craig.Streett@ssa.gov).

**SUPPLEMENTARY INFORMATION:** Section 1612(a) of the Act defines what is income for purposes of the SSI program; section 1612(b) of the Act specifies exclusions from income. As explained in the regulation located at 20 CFR 416.1102, income counted for the purposes of the SSI program includes anything an individual receives in cash or in kind that can be used to meet needs for food, clothing, and shelter. Regulations at 20 CFR 416.1103(a)(3) and (b)(1) explain that assistance provided in cash or in kind under a Federal, State, or local government program, whose purpose is to provide medical care or services or social services, including vocational rehabilitation, is not income. The regulations at 20 CFR 416.1103(a)(5) and (b)(3) also explain that cash provided by any nongovernmental medical care or medical services program or under a health insurance policy or by a nongovernmental social services program (except cash to cover food, clothing or shelter) is not income if it is either repayment for program-approved services for which the individual has already paid or a payment restricted to the future purchase of a program-approved service.

Section 1613 of the Act addresses the exclusions from resources for purposes of the SSI program. As explained in regulations at 20 CFR 416.1201(a), resources are cash or other liquid assets or any real or personal property that an individual (or spouse) owns and could convert to cash to be used for support and maintenance. Regulations at 20 CFR 416.1207(d) explain that items received in cash or in kind during a month are evaluated first under the income counting rules. If they are retained until the first moment of the following month, they then are subject to the rules for counting resources.

However, regulations at 20 CFR 416.1201(a)(3) also explain that except for cash reimbursement of medical or social services expenses already paid for by the beneficiary, cash received for medical or social services that is not income under 20 CFR 416.1103(a) or (b) or a retroactive cash payment which is income that is excluded from deeming under 20 CFR 416.1161(a)(16) is not a

resource for the calendar month following the month of its receipt if it is separately identifiable from other resources. Cash received for medical or social services that is retained after that time is a countable resource whether or not it is separately identifiable from other resources.

SSI regulations recognize that cash payments made specifically to enable people to pay for medical or social services are not income for SSI purposes, because they are assumed not to be available for support and maintenance. Recognizing that the recipient is not always able to use the cash for payment for medical or social services in the month of receipt, SSI regulations provide for not counting as resources any cash received to pay for medical and social services which is retained one full calendar month following the month of receipt, so long as it is separately identifiable from other resources. The rule permitting not counting such cash as resources does not encompass cash received as reimbursement for medical or social service bills the individual has already paid. The rule which permits not counting cash as resources if retained into the month following the month of receipt is consistent with the purpose of the SSI program, which is to meet the current needs of beneficiaries for food, clothing and shelter.

The Cash and Counseling collaborative demonstration project is designed to provide greater autonomy to the consumers of personal assistance services by empowering them to purchase the services they require (including medical and social services) to perform their activities of daily living. In order to accomplish the objectives of the demonstration project, cash allowances and information services will be provided directly to persons with disabilities to enable them to choose and purchase services from providers which they feel would best meet their needs.

Many of the consumers of personal assistance services are SSI beneficiaries. However, under current SSI regulations, some SSI beneficiaries would not be able to participate in the Cash and Counseling demonstration project without risk to their continuing SSI eligibility due to the possibility that participants may receive cash to be conserved towards the future purchase of services. Unless the Commissioner exercises his authority under section 1110(b) of the Act to waive certain requirements, conditions, or limitations of title XVI of the Act necessary to conduct experimental, pilot or demonstration projects, the remainder

of cash received for future purchases of services by SSI beneficiaries who choose to participate in the demonstration will become countable resources two months following the month of receipt.

The consent of an SSI beneficiary to participate in this demonstration project is required under section 1110(b) of the Act. Each of the four States collaborating with the Secretary in the Cash and Counseling demonstration will obtain written consent from every participant who is an SSI beneficiary, which consent provides that his or her participation is voluntary and that he or she can revoke participation at any time. Existing SSI rules for counting cash received for the purchase of medical or social services as countable resources beginning with the second calendar month following the month of receipt will be waived for an individual participating in the demonstration as explained above only where the application of existing rules would adversely affect the individual's SSI eligibility. Accordingly, an individual's participation in the Cash and Counseling project will not affect participants' eligibility for SSI or benefit amounts.

The objectives of SSA in conducting this demonstration project are to:

- Test the appropriateness of current SSI rules which require counting cash received for the purchase of medical or social services as resources if retained for more than one month after the month of receipt;
- Facilitate the ability of the Secretary, DHHS, and collaborators to engage in the Cash and Counseling demonstration project;
- Permit the Secretary, DHHS, and collaborators to determine if cost savings can be realized from the Cash and Counseling demonstration project; and
- Empower participants in the Cash and Counseling demonstration project to demonstrate greater autonomy by allowing them to purchase their own personal assistance services.

Measurements involving these objectives will be obtained for the Social Security Administration by the Secretary, DHHS and collaborators in the Cash and Counseling demonstration.

The Commissioner's demonstration project will involve no or minimal new or additional program costs to the Federal government under title XVI of the Act or to the four State participants under section 1616 of the Act. SSI beneficiaries who choose to participate in this demonstration will purchase services which would ordinarily be provided by Medicaid and other Federal

and State services programs at a potentially greater cost. If the Commissioner decided not to exercise his authority under section 1110(b) of the Act to waive certain resources rules for participants in the Cash and Counseling demonstration, SSI beneficiaries could choose not to participate in the Secretary's demonstration and continue to receive services directly, rather than through the beneficiary's purchase. Continued SSI eligibility for beneficiaries who choose to participate in the demonstration project is not a new or additional cost related to the Commissioner's demonstration project.

SSI beneficiary participation in the Cash and Counseling demonstration should not affect SSI benefit amounts even if the beneficiary employs an ineligible spouse or ineligible parent as a provider of services, unless the beneficiary is an alien who employs the sponsor to provide these services. Although the income and resources of an eligible spouse or eligible child is deemed to include a portion of the income and resources of the ineligible spouse or parent under sections 1614(f)(1) and (2) of the Act, the Commissioner has exercised his discretion permitted under those provisions to exclude from deeming the income of an ineligible spouse or ineligible parent paid under a Federal, State or local government program to provide the eligible spouse or eligible child with chore, attendant or homemaker services as described in regulations at 20 CFR 416.1161(a)(16). However, the Commissioner has no similar discretionary authority for deeming from a sponsor to an alien.

If an SSI beneficiary chooses to employ his or her ineligible spouse or ineligible parent as a provider of services, and the ineligible spouse or parent conserves all or part of those funds, the retained portion of those funds will become deemable resources to the eligible spouse or child the month after the month of receipt as described in regulations at 20 CFR 416.1202. SSA routinely explains the SSI resources limits and the rules concerning the deeming of resources to affected SSI beneficiaries. Instructions to SSA field offices in the four States collaborating in this demonstration will reinforce the need to explain to affected, participating beneficiaries how payment to the ineligible spouse or ineligible parent could lead to an increase in deemable resources.

The four States collaborating in the demonstration project will experience no or minimal new or additional costs under section 1616 of the Act for SSI

beneficiaries who participate in the Cash and Counseling demonstration project. The demonstration project will not add new beneficiaries to either the SSI or State supplementary payments rolls, or artificially extend the eligibility of beneficiaries, or increase payment amounts of SSI or State supplementary payments to participants.

**Statutory and Regulatory Provisions Waived:** The Commissioner waives for the duration of an individual's participation in the Cash and Counseling demonstration project certain SSI resources counting rules where application of those rules would otherwise affect the eligibility of an individual for SSI. The specific statutory and regulatory provisions waived are those described in the preceding section.

**Authority:** Section 1110(b) of the Social Security Act.

(Catalog of Federal Domestic Assistance Programs No. 96.006—Supplemental Security Income)

Dated: October 26, 1998.

**Kenneth S. Apfel,**

*Commissioner of Social Security.*

[FR Doc. 98-29276 Filed 10-30-98; 8:45 am]

BILLING CODE 4190-29-P

## DEPARTMENT OF STATE

### [Public Notice 2916]

#### **Discretionary Grant Programs Application Notice Establishing Closing Date for Transmittal of Certain Fiscal Year 1999 Applications**

**AGENCY:** The Department of State invites applications from national organizations with interest and expertise in conducting research and training to serve as intermediaries administering national competitive programs concerning the countries of Eastern Europe and the independent states of the former Soviet Union. The grants will be awarded through an open, national competition among applicant organizations.

Authority for this Program for Research and Training on Eastern Europe and the Independent States of the Former Soviet Union is contained in the Soviet Eastern European Research and Training Act of 1983 (22 U.S.C. 4501-4508, as amended).

**SUMMARY:** The purpose of this application notice is to inform potential applicant organizations of fiscal and programmatic information and closing dates for transmittal of applications for awards in Fiscal Year 1999 under a program administered by the

Department of State. The program seeks to build and sustain expertise among Americans willing to make a career commitment to the study of Eastern Europe and countries of the former Soviet Union.

**Organization of Notice:** This notice contains three parts. Part I lists the closing date covered by this notice. Part II consists of a statement of purpose and priorities of the program. Part III provides the fiscal data for the program.

### **Part I**

#### *Closing Date for Transmittal of Applications*

An application for an award must be mailed or hand-delivered by February 12, 1999.

#### *Applications Delivered by Mail*

An application sent by mail must be addressed to Kenneth E. Roberts, Executive Director, Advisory Committee for Studies of Eastern Europe and the Independent States of the Former Soviet Union, INR/RES, Room 6841, U.S. Department of State, 2201 C Street, NW, Washington, DC 20520-6510.

An applicant must show proof of mailing consisting of *one* of the following:

(1) A legibly dated U.S. Postal Service postmark.

(2) A legible mail receipt with the date of mailing stamped by the U.S. Postal Service.

(3) A dated shipping label, invoice, or receipt from a commercial center.

(4) Any other proof of mailing acceptable to the Department of State.

If any application is sent through the U.S. Postal Service, the Department of State does not accept either of the following as proof of mailing: (1) a private metered postmark, or (2) a mail receipt that is not dated by the U.S. Postal Service.

An applicant should note that the U.S. Postal Service does not uniformly provide a dated postmark. Before relying on this method, an applicant should check with the local post office.

An applicant is encouraged to use registered or at least first class mail. Late applications will not be considered and will be returned to the applicant.

#### *Applications Delivered by Hand*

An application that is hand delivered must be taken to Kenneth E. Roberts, Executive Director, Advisory Committee for Studies of Eastern Europe and the Independent States of the Former Soviet Union, INR/RES, Room 6841, 2201 C Street, NW, Washington, DC. Please phone first at (202) 736-4572 to ensure access to the building.