

reactor coolant system parameter limits from the Technical Specifications (TS) and associated Bases, to the Core Operating Limits Report. The amendments also, add a reference to the Refueling Boron Concentration to TS 5.6.5 to correct an omission.

*Date of issuance:* December 4, 2001.

*Effective date:* As of the date of issuance and shall be implemented within 30 days from the date of issuance.

*Amendment Nos.:* 151 and 143.

*Facility Operating License Nos. NPF-2 and NPF-8:* Amendments revise the Technical Specifications.

*Date of initial notice in Federal Register:* October 31, 2001 (66 FR 55024).

The Commission's related evaluation of the amendments is contained in a Safety Evaluation dated December 4, 2001.

*No significant hazards consideration comments received:* No.

*STP Nuclear Operating Company, Docket Nos. 50-498 and 50-499, South Texas Project, Units 1 and 2, Matagorda County, Texas*

*Date of amendment request:* February 12, 2001.

*Brief description of amendments:* The amendments consist of deleting Surveillance Requirement 4.4.6.2.2.e of South Texas Project Technical Specifications Section 3/4.4.6.2.

*Date of issuance:* December 11, 2001.

*Effective date:* As of the date of issuance, and shall be implemented within 30 days from the date of issuance.

*Amendment Nos.:* Unit 1—134; Unit 2—123.

*Facility Operating License Nos. NPF-76 and NPF-80:* The amendments revised the Technical Specifications.

*Date of initial notice in Federal Register:* June 12, 2001 (66 FR 31715).

The Commission's related evaluation of the amendments is contained in a Safety Evaluation dated December 11, 2001.

*No significant hazards consideration comments received:* No.

*Virginia Electric and Power Company, Docket Nos. 50-338 and 50-339, North Anna Power Station, Units 1 and 2, Louisa County, Virginia*

*Date of application for amendment:* December 14, 2000.

*Brief description of amendment:* These amendments revise Technical Specifications Sections 4.7.7.1.d.1 and 4.7.7.2.a. These changes increase the specified minimum number of compressed bottles of air from 84 to 102, and revise the differential pressure limit across the Control Room Emergency Ventilation System HEPA Filter, demister filter, and charcoal adsorber.

*Date of issuance:* December 12, 2001.

*Effective date:* As of the date of issuance and shall be implemented within 30 days from the date of issuance.

*Amendment Nos.:* 228 and 209.

*Facility Operating License Nos. NPF-4 and NPF-7:* Amendments change the Technical Specifications.

*Date of initial notice in Federal Register:* January 24, 2001 (66 FR 7687).

The Commission's related evaluation of the amendments is contained in a Safety Evaluation dated December 12, 2001.

*No significant hazards consideration comments received:* No.

(Note: The publication date for this notice will change from every other Wednesday to every other Tuesday, effective January 8, 2002. The notice will contain the same information and will continue to be published biweekly.

Dated at Rockville, Maryland, this 17th day of December, 2001.

For the Nuclear Regulatory Commission.

**Ledyard B. Marsh,**

*Acting Director, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.*

[FR Doc. 01-31473 Filed 12-21-01; 8:45 am]

**BILLING CODE 7590-01-P**

## OFFICE OF MANAGEMENT AND BUDGET

### Cost of Hospital and Medical Care Treatment Furnished by the United States; Certain Rates Regarding Recovery From Tortiously Liable Third Persons

By virtue of the authority vested in the President by section 2(a) of Public Law 87-693 (76 Stat. 593; 42 U.S.C. 2652), and delegated to the Director of the Office of Management and Budget by Executive Order No. 11541 of July 1, 1970 (35 FR 10737), the two sets of rates outlined below are hereby established. These rates are for use in connection with the recovery, from tortiously liable third persons, of the cost of hospital and medical care and treatment furnished by the United States (Part 43, Chapter I, Title 28, Code of Federal Regulations) through three separate Federal agencies. The rates have been established in accordance with the requirements of OMB Circular A-25, requiring reimbursement of the full cost of all services provided and will remain in effect until further notice. The rates for VA that were published in the **Federal Register** on October 31, 2000 remain in effect until further notice. The rates are as follows:

## 1. Department of Defense

The Department of Defense (DoD) reimbursement rates for inpatient, outpatient, and other services are provided in accordance with Title 10, United States Code, section 1095. Due to size, the sections containing the Drug Reimbursement Rates (section III.D.) and the rates for Ancillary Services Requested by Outside Providers (section III.E.) are not included in this package. Those rates are available from the TRICARE Management Activity's Uniform Business Office web site: [http://www.tricare.osd.mil/ebc/rm\\_home/imcp/ubo/ubo\\_01.htm](http://www.tricare.osd.mil/ebc/rm_home/imcp/ubo/ubo_01.htm). The medical and dental service rates in this package (including the rates for ancillary services and other procedures requested by outside providers) are effective October 1, 2001. Pharmacy rates are updated on an as needed basis.

## 2. Health and Human Services

The tortiously liable rates for Indian Health Service health facilities are based on Medicare cost reports. The obligations for the Indian Health Service hospitals participating in the cost report project were identified and combined with applicable obligations for area offices costs and headquarters costs. The hospital obligations were summarized for each major cost center providing medical services and distributed between inpatient and outpatient. Total inpatient costs and outpatient costs were then divided by the relevant workload statistic (inpatient day, outpatient visit) to produce the inpatient and outpatient rates. In calculation of the rates, the Department's unfunded retirement liability cost and capital and equipment depreciation costs were incorporated to conform to requirements set forth in OMB Circular A-25.

In addition, the obligations for each cost center include obligations from certain other accounts, such as Medicare and Medicaid collections and the Contract Health fund, that were used to support the inpatient and outpatient workload. Obligations were excluded for certain cost centers that primarily support workloads outside of the directly operated hospitals or clinics (public health nursing, public health nutrition, health education). These obligations are not a part of the traditional cost of hospital operations and do not contribute directly to the inpatient and outpatient visit workload.

Separate rates per inpatient day and outpatient visit were computed for Alaska and the rest of the United States.

This gives proper weight to the higher cost of operating medical facilities in Alaska.

### 1. Department of Defense

For the Department of Defense, effective October 1, 2001 and thereafter:

### Inpatient, Outpatient and Other Rates and Charges

#### I. Inpatient Rates <sup>1 2</sup>

Per inpatient day	International military education & training (IMET)	Interagency & other Federal agency sponsored patients	Other (full/third party)
A. Burn Center .....	\$3,550.00	\$6,156.00	\$6,492.00
B. All Other Inpatient Services (Based on Diagnosis Related Groups (DRG) <sup>3</sup> .			

#### 1. Average FY 2002 Direct Care Inpatient Reimbursement Rates

Adjusted standard amount	IMET	Interagency	Other (full/third party)
Large Urban .....	\$3,625.00	\$6,170.00	\$6,486.00
Other Urban/Rural .....	3,771.00	6,694.00	7,069.00
Overseas .....	3,958.00	9,293.00	9,742.00

#### 2. Overview

The inpatient rates are based on the cost per DRG, which is the inpatient full reimbursement rate per hospital discharge weighted to reflect the intensity of the principal diagnosis, secondary diagnoses, procedures, patient age, etc. involved. The average cost per Relative Weighted Product (RWP) for large urban, other urban/rural, and overseas facilities will be published annually as an inpatient adjusted standardized amount (ASA) (see paragraph I.B.1, above). The ASA will be applied to the RWP for each inpatient case, determined from the DRG weights, outlier thresholds, and payment rules published annually for hospital reimbursement rates under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) pursuant to 32 CFR 199.14(a)(1), including adjustments for length of stay (LOS) outliers. An outlier refers to a patient's LOS, which is either atypically short or long. They are determined by

short or long stay outlier thresholds. Inliers, i.e., those patients who fall within the bounds of the outlier thresholds, receive DRG weights that represent their relative resource intensity.

Each Military Treatment Facility (MTF) providing inpatient care has a separate ASA rate. The MTF-specific ASA rate is the published ASA rate adjusted for area wage differences and indirect medical education (IME) for the discharging hospital (see Attachment 1). The MTF-specific ASA rate submitted on the claim is the rate that payers will use for reimbursement purposes. An example of how to apply a specific military treatment facility's ASA rate to a DRG standardized weight to arrive at the costs to be recovered is contained in paragraph I.B.3. below.

#### 3. Example of Adjusted Standardized Amounts for Inpatient Stays

Figure 1 shows examples for a non-teaching hospital (Reynolds Army

Community Hospital) in Other Urban/Rural areas.

a. The cost to be recovered is the MTF cost for medical services provided. Billings will be at the third party rate.

b. DRG 020: Nervous System Infection Except Viral Meningitis. The RWP (i.e. the DoD measure of workload credit derived from biometrics dispositions weighted by CHAMPUS DRG weights) for an inlier case is the CHAMPUS weight of 2.0860. (DRG statistics shown are from FY 2000.)

c. The MTF-applied ASA rate is \$6,849.00 (Reynolds Army Community Hospital's third party rate as shown in Attachment 1).

d. The MTF cost to be recovered is the RWP factor (2.0860) in subparagraph 3.b., above, multiplied by the amount (\$6,849.00) in subparagraph 3.c., above which equals \$14,287.00

e. Cost to be recovered is \$14,287.00.

FIGURE 1.—THIRD PARTY BILLING EXAMPLES

DRG No.	DRG description	DRG weight	Arithmetic mean LOS	Geometric mean LOS	Short stay threshold	Long stay threshold
020 .....	Nervous System Infection Except Viral Meningitis .....	2.0860	7.7	5.5	1	29
Hospital		Location	Area wage rate index	IME adjustment	Group ASA	MTF—Applied ASA
Reynolds Army Community Hospital .....		Other Urban/Rural .....	.8996	1.0	\$7,069.00	\$6,849.00
Patient	Length of stay	Days above threshold	Relative weighted product			TPC
			Inlier*	Outlier**	Total	Amount***
#1 .....	7 days .....	0	2.0860	000	2.0860	\$14,287.00
#2 .....	21 days .....	0	2.0860	000	2.0860	14,287.00

Patient	Length of stay	Days above threshold	Relative weighted product			TPC
			Inlier *	Outlier **	Total	Amount ***
#3 .....	35 days .....	6	2.0860	.7510	2.8370	19,431.00

\* DRG Weight

\*\* Outlier calculation = 33 percent of per diem weight X number of outlier days. The outlier must meet the criteria determined by the outlier threshold, i.e., the number of days beyond which hospitalization LOS is considered outside the typical range. These are specific for each DRG.

= .33 (DRG Weight/Geometric Mean LOS) × (Patient LOS – Long Stay Threshold)

= .33 (2.0860/5.5) × (35 – 29)

= .33 (.37927) × 6 (take out to five decimal places)

= .12516 X 6 (carry to five decimal places)

= .7510 (carry to four decimal places)

\*\*\* MTF-Applied ASA × Total RWP

## II. Outpatient Rates

A. Per Clinic Visit<sup>1 2</sup>

MEPRS Code <sup>4</sup>	Clinical service	International military education & training (IMET)	Interagency & other federal agency sponsored patients	Other (full/third party)
<b>1. Medical Care</b>				
BAA .....	Internal Medicine .....	\$50.00	\$199.00	\$210.00
BAB .....	Allergy .....	61.00	113.00	119.00
BAC .....	Cardiology .....	107.00	199.00	209.00
BAE .....	Diabetic .....	74.00	137.00	144.00
BAF .....	Endocrinology (Metabolism) .....	124.00	231.00	243.00
BAG .....	Gastroenterology .....	146.00	272.00	286.00
BAH .....	Hematology .....	225.00	419.00	442.00
BAI .....	Hypertension .....	198.00	369.00	388.00
BAJ .....	Nephrology .....	180.00	334.00	352.00
BAK .....	Neurology .....	136.00	254.00	267.00
BAL .....	Outpatient Nutrition .....	51.00	95.00	100.00
BAM .....	Oncology .....	158.00	294.00	310.00
BAN .....	Pulmonary Disease .....	144.00	267.00	281.00
BAO .....	Rheumatology .....	116.00	216.00	228.00
BAP .....	Dermatology .....	93.00	172.00	182.00
BAQ .....	Infectious Disease .....	151.00	282.00	297.00
BAR .....	Physical Medicine .....	94.00	175.00	184.00
BAS .....	Radiation Therapy .....	142.00	264.00	278.00
BAT .....	Bone Marrow Transplant .....	154.00	287.00	302.00
BAU .....	Genetic .....	343.00	639.00	673.00
BAV .....	Hyperbaric .....	276.00	513.00	540.00
<b>2. Surgical Care</b>				
BBA .....	General Surgery .....	162.00	302.00	318.00
BBB .....	Cardiovascular and Thoracic Surgery .....	291.00	541.00	570.00
BBC .....	Neurosurgery .....	169.00	314.00	331.00
BBD .....	Ophthalmology .....	106.00	198.00	209.00
BBE .....	Organ Transplant .....	717.00	1,335.00	1,406.00
BBF .....	Otolaryngology .....	117.00	217.00	229.00
BBG .....	Plastic Surgery .....	134.00	249.00	262.00
BBH .....	Proctology .....	95.00	177.00	186.00
BBI .....	Urology .....	131.00	244.00	257.00
BBJ .....	Pediatric Surgery .....	72.00	133.00	140.00
BBK .....	Peripheral Vascular Surgery .....	83.00	155.00	163.00
BBL .....	Pain Management .....	113.00	210.00	222.00
BBM .....	Vascular and Interventional Radiology .....	351.00	653.00	688.00
<b>3. Obstetrical and Gynecological (OB-GYN) Care</b>				
BCA .....	Family Planning .....	75.00	139.00	146.00
BCB .....	Gynecology .....	98.00	182.00	191.00
BCC .....	Obstetrics .....	78.00	145.00	153.00
BCD .....	Breast Cancer Clinic .....	147.00	274.00	289.00
<b>4. Pediatric Care</b>				
BDA .....	Pediatric .....	71.00	133.00	140.00
BDB .....	Adolescent .....	75.00	139.00	146.00
BDC .....	Well Baby .....	49.00	91.00	96.00

MEPRS Code <sup>4</sup>	Clinical service	International military education & training (IMET)	Interagency & other federal agency sponsored patients	Other (full/third party)
<b>5. Orthopaedic Care</b>				
BEA .....	Orthopaedic .....	112.00	208.00	219.00
BEB .....	Cast .....	63.00	117.00	123.00
BEC .....	Hand Surgery .....	60.00	112.00	118.00
BEE .....	Orthotic Laboratory .....	72.00	134.00	141.00
BEF .....	Podiatry .....	63.00	117.00	124.00
BEZ .....	Chiropractic .....	30.00	56.00	58.00
<b>6. Psychiatric and/or Mental Health Care</b>				
BFA .....	Psychiatry .....	121.00	226.00	238.00
BFB .....	Psychology .....	75.00	140.00	148.00
BFC .....	Child Guidance .....	71.00	132.00	139.00
BFD .....	Mental Health .....	118.00	219.00	231.00
BFE .....	Social Work .....	113.00	211.00	222.00
BFF .....	Substance Abuse .....	110.00	206.00	216.00
<b>7. Family Practice/Primary Medical Care</b>				
BGA .....	Family Practice .....	84.00	156.00	165.00
BHA .....	Primary Care .....	82.00	152.00	160.00
BHB .....	Medical Examination .....	82.00	152.00	160.00
BHC .....	Optometry .....	57.00	106.00	112.00
BHD .....	Audiology .....	48.00	90.00	94.00
BHE .....	Speech Pathology .....	91.00	169.00	178.00
BHF .....	Community Health .....	67.00	125.00	131.00
BHG .....	Occupational Health .....	90.00	167.00	176.00
BHH .....	TRICARE Outpatient .....	58.00	108.00	114.00
BHI .....	Immediate Care .....	113.00	211.00	222.00
<b>8. Emergency Medical Care</b>				
BIA .....	Emergency Medical .....	142.00	264.00	278.00
<b>9. Flight Medical Care</b>				
BJA .....	Flight Medicine .....	98.00	183.00	192.00
<b>10. Underseas Medical Care</b>				
BKA .....	Underseas Medicine .....	57.00	107.00	113.00
<b>11. Rehabilitative Services</b>				
BLA .....	Physical Therapy .....	43.00	81.00	85.00
BLB .....	Occupational Therapy .....	87.00	162.00	70.00

B. Ambulatory Procedure Visit (APV)—Per Visit<sup>5</sup>

MEPRS Code <sup>4</sup>	Clinical Service	International Military Education & Training (IMET)	Interagency & Other Federal Agency Sponsored Patients	Other (Full/Third Party)
BB .....	Surgical Care .....	1,068.00	1,987.00	2,093.00
BE .....	Orthopaedic Care .....	1,315.00	2,448.00	2,577.00
All Other	B clinics other than BB and BE, to include those B clinics where: 1. There is an APU established within DoD guidelines AND ..... 2. There is a rate established for that clinic in section IIA. Some B clinics, such as BF, BI, BJ and BL, perform the type of services where the establishment of an APU would not be within appropriate clinical guidelines.	297.00	553.00	582.00

III. Other Rates and Charges <sup>1 2</sup>

## A. Per Each

MEPRS code <sup>4</sup>	Clinical service	International military education & training (IMET)	Interagency & other Federal agency sponsored patients	Other (full/third party)
FBI .....	Immunization .....	\$18.00	\$34.00	\$36.00
	B. <i>Family Member Rate</i> (formerly Military Dependents Rate) .....	11.90		
	C. <i>Subsistence Rate</i> . <sup>15</sup>			
	Standard Rate .....	8.10		
	Discount Rate .....	6.75		

D. Reimbursement Rates For Drugs Requested By Outside Providers <sup>6</sup>E. Ancillary Services Requested by an Outside Provider—Per Procedure <sup>7</sup>

MEPRS code <sup>4</sup>	Clinical service	International military education & training (IMET)	Interagency & other Federal agency sponsored patients	Other (full/third party)
DB .....	Laboratory procedures requested by an outside provider current procedural terminology (CPT) 2001 weight multiplier.	\$19.00	\$28.00	\$29.00
DC, DI .....	Radiology procedures requested by an outside provider CPT 2001 weight multiplier.	38.00	54.00	57.00

F. Dental Rate—Per Procedure <sup>11</sup>

MEPRS code <sup>4</sup>	Clinical service	International military education & training (IMET)	Interagency & other Federal agency sponsored patients	Other (full/third party)
	Dental services ADA code weight multiplier .....	\$31.00	\$73.00	\$77.00

G. Ambulance Rate—Per Hour <sup>12</sup>

MEPRS code <sup>4</sup>	Clinical service	International military education & training (IMET)	Interagency & other Federal agency sponsored patients	Other (full/third party)
FEA .....	Ambulance .....	\$67.00	\$124.00	\$131.00

H. AirEvac Rate—Per Trip (24 hour period) <sup>13</sup>

MEPRS code <sup>4</sup>	Clinical service	International military education & training (IMET)	Interagency & other Federal agency sponsored patients	Other (full/third party)
	AirEvac Services—Ambulatory .....	\$257.00	\$479.00	\$505.00
	AirEvac Services—Litter .....	751.00	1,397.00	1,471.00

I. Observation Rate—Per hour <sup>14</sup>

MEPRS code <sup>4</sup>	Clinical service	International military education & training (IMET)	Interagency & other Federal agency sponsored patients	Other (full/third party)
	Observation Services—Hour .....	\$13.00	\$24.00	\$26.00

#### IV. Elective Cosmetic Surgery Procedures and Rates

Cosmetic surgery procedure	International classification diseases (ICD-9)	Current procedural terminology (CPT) <sup>8</sup>	FY 2002 charge <sup>9</sup>	Amount of Charge
Mammoplasty—augmentation.	85.50, 85.32, 85.31 .....	19325, 19324, 19318 ....	Inpatient Charge per DRG or APV .....	(a) (b)
Mastopexy .....	85.60 .....	19316 .....	Inpatient Charge per DRG Or APV or applicable Outpatient Clinic Rate.	(a b c)
Facial Rhytidectomy .....	86.82, 86.22 .....	15824 .....	Inpatient Charge per DRG or APV .....	(a b)
Blepharoplasty .....	08.70, 08.44 .....	15820, 15821, 15822, 15823.	Inpatient Charge per DRG or APV or applicable Outpatient Clinic Rate.	(a b c)
Mentoplasty (Augmentation/Reduction).	76.68, 76.67 .....	21208, 21209 .....	Inpatient Charge per DRG or APV or applicable Outpatient Clinic Rate.	(a b c)
Abdominoplasty .....	86.83 .....	15831 .....	Inpatient Charge per DRG or APV or applicable Outpatient Clinic Rate.	(a b c)
Lipectomy Suction per region <sup>10</sup> .	86.83 .....	15876, 15877, 15878, 15879.	Inpatient Charge per DRG or APV or applicable Outpatient Clinic Rate.	(a b c)
Rhinoplasty .....	21.87, 21.86 .....	30400, 30410 .....	Inpatient Charge per DRG Or APV or applicable Outpatient Clinic Rate.	(a b c)
Scar Revisions beyond CHAMPUS.	86.84 .....	1578 .....	Inpatient Charge per DRG or APV or applicable Outpatient Clinic Rate.	(a b c)
Mandibular or Maxillary Repositioning.	76.41 .....	21194 .....	Inpatient Charge per DRG or APV or applicable Outpatient Clinic Rate.	(a b c)
Dermabrasion .....	86.25 .....	15780 .....	Inpatient Charge per DRG or APV or applicable Outpatient Clinic Rate.	(a b c)
Hair Restoration .....	86.64 .....	15775 .....	Inpatient Charge per DRG or APV or applicable Outpatient Clinic Rate.	(a b c)
Removing Tattoos .....	86.25 .....	15780 .....	Inpatient Charge per DRG or APV or applicable Outpatient Clinic Rate.	(a b c)
Chemical peel .....	86.24 .....	15790 .....	Inpatient charge per DRG or APV or applicable Outpatient clinic rate.	(a b c)
Arm/thigh dermolipectomy.	86.83 .....	15836/15832 .....	Inpatient charge per DRG or APV .....	(a b)
Refractive surgery .....	.....	.....	APV or applicable outpatient clinic rate .....	(b c e)
Radial keratotomy .....	.....	65771 .....	.....	.....
Other procedure (if applies to laser or other refractive surgery).	.....	66999 .....	.....	.....
Otoplasty .....	.....	69300 .....	APV or applicable outpatient clinic rate .....	(b c)
Brow lift .....	86.3 .....	15839 .....	Inpatient charge per DRG or APV or applicable outpatient clinic rate.	(a b c)

#### Notes on Cosmetic Surgery Charges

<sup>a</sup> Charges for Inpatient surgical care services are based on the cost per DRG. (See notes 8 through 10, below, for further details on reimbursable rates.)

<sup>b</sup> Charges for ambulatory procedure visits (formerly same day surgery) are listed in section II.B. (See notes 8 through 10, below, for further details on reimbursable rates.) The ambulatory procedure visit (APV) rate is used if the elective cosmetic surgery is performed in an ambulatory procedure unit (APU).

<sup>c</sup> Charges for outpatient clinic visits are listed in sections II.A. The outpatient clinic rate is not used for services provided in an APU. The APV rate should be used in these cases.

<sup>d</sup> Charge is solely determined by the location of where the care is provided and is not to be based on any other criteria. An APV rate can only be billed if the location has been established as an APU following all required DoD guidelines and instructions.

<sup>e</sup> Refer to Office of the Assistant Secretary of Defense (Health Affairs) policy on Vision Correction Via Laser Surgery For Non-Active Duty Beneficiaries, April 7, 2000, for further guidance on billing for these services. It can be downloaded from: <http://www.tricare.osd.mil/policy/2000poli.htm>.

#### Notes on Reimbursable Rates

<sup>1</sup> Percentages can be applied when preparing bills for both inpatient and outpatient services. Pursuant to the provisions of 10 U.S.C. 1095, the inpatient Diagnosis Related Groups and inpatient per diem percentages are 96 percent hospital and 4 percent professional charges. The outpatient per visit percentages are 89 percent outpatient services and 11 percent professional charges.

<sup>2</sup> DoD civilian employees located in overseas areas shall be rendered a bill when services are performed.

<sup>3</sup> The cost per Diagnosis Related Group (DRG) is based on the inpatient full reimbursement rate per hospital discharge, weighted to reflect the intensity of the principal and secondary diagnoses, surgical procedures, and patient demographics involved. The adjusted standardized amounts (ASA) per Relative Weighted Product (RWP) for use in the direct care system is comparable to procedures used by the Centers for Medicare and Medicaid Services (CMS) and the Civilian Health and Medical Program for the Uniformed Services (CHAMPUS). These expenses include all direct care expenses associated with direct patient care. The average cost per RWP for

large urban, other urban/rural, and overseas will be published annually as an adjusted standardized amount (ASA) and will include the cost of inpatient professional services. The DRG rates will apply to reimbursement from all sources, not just third party payers.

MTFs without inpatient services, whose providers are performing inpatient care in a civilian facility for a DoD beneficiary, can bill payers the percentage of the charge that represents professional services as provided in <sup>1</sup> above. The ASA rate used in these cases, based on the absence of a ASA rate for the facility, will be based on the average ASA rate for the type of metropolitan statistical area the MTF resides, large urban, other urban/rural, or overseas (see paragraph I.B.1.). The Uniform Business Office must receive documentation of care provided in order to produce a bill.

<sup>4</sup> The Medical Expense and Performance Reporting System (MEPRS) code is a three digit code which defines the summary account and the subaccount within a functional category in the DoD medical system. MEPRS codes are used to ensure that consistent expense and operating performance data is reported in the DoD military medical system. An example of the MEPRS hierarchical arrangement follows:

Outpatient Care (Functional Category), B (MEPRS CODE), Medical Care (Summary Account), BA (MEPRS CODE), Internal Medicine (Subaccount), BAA (MEPRS CODE).

<sup>5</sup> Ambulatory procedure visit is defined in DoD Instruction 6025.8, "Ambulatory Procedure Visit (APV)," dated September 23, 1996, as immediate (day of procedure) pre-procedure and immediate post-procedure care requiring an unusual degree of intensity and provided in an ambulatory procedure unit (APU). An APU is a location or organization within an MTF (or freestanding outpatient clinic) that is specially equipped, staffed, and designated for the purpose of providing the intensive level of care associated with APVs. Care is required in the facility for less than 24 hours. All expenses and workload are assigned to the MTF-established APU associated with the referring clinic. The BB and BE APV rates are to be used only by clinics that are subaccounts under these summary accounts (see <sup>4</sup> for an explanation of MEPRS hierarchical arrangement). The All Other APV rate is to be used only by those clinics that are not a subaccount under BB or BE. In addition, APV rates may only be utilized for clinics where there is a clinic rate established. For example, BLC, Neuromuscular Screening, no longer has an established rate. Therefore, an APU cannot be defined and an APV cannot be billed for this clinic.

<sup>6</sup> Third party payers (such as insurance companies) shall be billed for prescription services when beneficiaries who have medical insurance obtain medications from MTFs that are prescribed by providers external to the MTF (e.g., physicians and dentists). Eligible beneficiaries (family members or retirees with medical insurance) are not liable personally for this cost and shall not be billed by the MTF. Medical Services Account (MSA) patients, who are not beneficiaries as defined in 10 U.S.C. 1074 and 1076, are charged at the "Other" rate if they are seen by an outside provider and only come to the MTF for prescription services. The standard cost of medications ordered by an outside provider includes the DoD-wide average cost of the drug, calculated by lowest cost for the generic drugs with the same dosage and strength. The prescription charge is calculated by multiplying the number of units (e.g., tablets or capsules) by the unit cost and adding \$6.00 for the cost of dispensing the prescription. Dispensing costs include overhead, supplies, and labor, etc. to fill the prescription.

The list of drug reimbursement rates is too large to include in this document. Those rates are available from the TRICARE Management Activity's Uniform Business Office web site, [http://www.tricare.osd.mil/ebc/rm\\_home/imcp/ubo/ubo\\_01.htm](http://www.tricare.osd.mil/ebc/rm_home/imcp/ubo/ubo_01.htm).

<sup>7</sup> The list of rates for ancillary services requested by outside providers and obtained at a Military Treatment Facility is too large to include in this document. Those rates are available from the TRICARE Management Activity's Uniform Business Office website, [http://www.tricare.osd.mil/ebc/rm\\_home/imcp/ubo/ubo\\_01.htm](http://www.tricare.osd.mil/ebc/rm_home/imcp/ubo/ubo_01.htm).

Charges for ancillary services requested by an outside provider (e.g., physicians and dentists) are relevant to the Third Party Collection Program. Third party payers (such as insurance companies) shall be billed for ancillary services when beneficiaries who have medical insurance obtain services from the MTF which are prescribed by providers external to the MTF. Laboratory and Radiology procedure costs are calculated by multiplying the DoD-established weight for the Physicians' Current Procedural Terminology (CPT) 2001 code by either the laboratory or radiology multiplier (section III.E.). Radiology procedures performed by Nuclear Medicine use the same methodology as Radiology for calculating a charge because their workload and expenses are included in the establishment of the Radiology multiplier.

Eligible beneficiaries (family members or retirees with medical insurance) are not personally liable for this cost and shall not be billed by the MTF. MSA patients, who are not beneficiaries as defined by 10 U.S.C. 1074 and 1076, are charged at the "Other" rate if they are seen by an outside provider and only come to the MTF for ancillary services.

<sup>8</sup> The attending physician is to complete the CPT 2001 code to indicate the appropriate procedure followed during cosmetic surgery. The appropriate rate will be applied depending on the treatment modality of the patient: ambulatory procedure visit, outpatient clinic visit or inpatient surgical care services.

<sup>9</sup> Family members of active duty personnel, retirees and their family members, and survivors shall be charged elective cosmetic surgery rates. Elective cosmetic surgery procedure information is contained in section IV. The patient shall be charged the rate as specified in the FY 2002 reimbursable rates for an episode of care. The charges for elective cosmetic surgery are at the full reimbursement rate (designated as the "Other" rate) for inpatient care services based on the cost per DRG, ambulatory procedure visits as contained in section II.B. or the appropriate outpatient clinic rate in sections II.A. The patient is responsible for the cost of the implant(s) and the prescribed cosmetic surgery rate. (Note: The implants and procedures used for the augmentation mammoplasty are in compliance with Federal Drug Administration guidelines.)

<sup>10</sup> Each regional lipectomy shall carry a separate charge. Regions include head and neck, abdomen, flanks, and hips.

<sup>11</sup> Dental service rates are based on a dental rate multiplied by the DoD established weight for the American Dental Association (ADA) code performed. For example, for ADA code 00270, bite wing single film, the weight is 0.15. The weight of 0.15 is multiplied by the appropriate rate, IMET, IAR, or Full/Third Party rate to obtain the charge. If the Full/Third Party rate is used, then the charge for this ADA code will be \$11.55 (\$77 × .15 = \$11.55).

The list of ADA codes and weights for dental services is too large to include in this document. Those rates are available from the TRICARE Management Activity's Uniform Business Office web site, [http://www.tricare.osd.mil/ebc/rm\\_home/imcp/ubo/ubo\\_01.htm](http://www.tricare.osd.mil/ebc/rm_home/imcp/ubo/ubo_01.htm).

<sup>12</sup> Ambulance charges shall be based on hours of service in 15 minute increments. The rates listed in section III.G. are for 60 minutes or 1 hour of service. Providers shall calculate the charges based on the number of hours (and/or fractions of an hour) that the ambulance is logged out on a patient run. Fractions of an hour shall be rounded to the next 15 minute increment (e.g., 31 minutes shall be charged as 45 minutes).

<sup>13</sup> Air in-flight medical care reimbursement charges are determined by the status of the patient (ambulatory or litter) and are per patient during a 24-hour period. The appropriate charges are billed only by the Air Force Global Patient Movement Requirement Center (GPMRC). These charges are only for the cost of providing medical care. Flight charges are billed by GPMRC separately.

<sup>14</sup> Observation Services are billed at the hourly charge. Begin counting when the patient is placed in the observation bed and round to the nearest hour. For example, if a patient has received 1 hour and 20 minutes of observation, then you bill for 1 hour of service. If the status of a patient changes to inpatient, the charges for observation services are added to the DRG assigned to the case and not separately billed. If a patient is released from observation status and is sent to an APV, the charges for observation services are not billed separately but are added to the APV rate to recover all expenses.

<sup>15</sup> Subsistence is billed under the Medical Services Account (MSA) Program only. The MSA office shall collect subsistence charges from all persons, including inpatients and transient patients not entitled to food service at Government expense. Please refer to DoD 6010.15-M, Military Treatment Facility Uniform Business Office (UBO) Manual, April 1997 and the DoD 7000.14-R, "Department of Defense Financial Management Regulation", Volume 12, Chapter 19 for guidance on the use of these rates.

#### ATTACHMENT 1.—FY02 ADJUSTED STANDARDIZED AMOUNTS (ASA) BY MILITARY TREATMENT FACILITY

DMISID	MTF name	Serv	Full cost rate	Interagency rate	IMET rate	TPC rate
0003 .....	Lyster AH—Ft. Rucker .....	A	\$6,703	\$6,348	\$3,576	\$6,703
0005 .....	Bassett ACH—Ft. Wainwright .....	A	7,241	6,856	3,863	7,241
0006 .....	3rd Med Grp—Elmendorf AFB .....	F	7,109	6,732	3,793	7,109

## ATTACHMENT 1.—FY02 ADJUSTED STANDARDIZED AMOUNTS (ASA) BY MILITARY TREATMENT FACILITY—Continued

DMISID	MTF name	Serv	Full cost rate	Interagency rate	IMET rate	TPC rate
0009	56th Med Grp—Luke AFB	F	6,474	6,159	3,618	6,474
0014	60th Med Grp—Travis AFB	F	9,946	9,419	5,306	9,946
0024	NH Camp Pendleton	N	8,687	8,264	4,855	8,687
0028	NH Lemoore	N	7,034	6,661	3,752	7,034
0029	NH San Diego	N	10,904	10,374	6,094	10,904
0030	NH Twenty Nine Palms	N	6,596	6,274	3,686	6,596
0032	Evans ACH—Ft. Carson	A	6,985	6,615	3,726	6,985
0033	10th Med Grp—USAF Academy	F	7,062	6,687	3,767	7,062
0037	Walter Reed AMC—Washington DC	A	10,384	9,878	5,803	10,384
0038	NH Pensacola	N	8,704	8,242	4,643	8,704
0039	NH Jacksonville	N	8,539	8,123	4,772	8,539
0042	96th Med Grp—Eglin AFB	F	8,747	8,283	4,666	8,747
0045	6th Med Grp—MacDill AFB	F	6,482	6,167	3,623	6,482
0047	Eisenhower AMC—Ft. Gordon	A	8,677	8,217	4,629	8,677
0048	Martin ACH—Ft. Benning	A	8,118	7,688	4,331	8,118
0049	Winn ACH—Ft. Stewart	A	6,989	6,618	3,728	6,989
0052	Tripler AMC—Ft. Shafter	A	10,134	9,597	5,406	10,134
0053	366th Med Grp—Mountain Home AFB	F	7,056	6,682	3,764	7,056
0055	375th Med Grp—Scott AFB	F	8,579	8,161	4,794	8,579
0056	NH Great Lakes	N	6,538	6,220	3,654	6,538
0057	Irwin AH—Ft. Riley	A	6,498	6,154	3,467	6,498
0060	Blanchfield ACH—Ft. Campbell	A	6,577	6,228	3,509	6,577
0061	Ireland ACH—Ft. Knox	A	6,467	6,124	3,450	6,467
0064	Bayne-Jones ACH—Ft. Polk	A	6,602	6,252	3,522	6,602
0066	89th Med Grp—Andrews AFB	F	8,807	8,378	4,922	8,807
0067	NNMC Bethesda	N	10,913	10,382	6,099	10,913
0073	81st Med Grp—Keesler AFB	F	10,213	9,671	5,448	10,213
0075	Wood ACH—Ft. Leonard Wood	A	6,572	6,223	3,506	6,572
0078	55th Med Grp—Offutt AFB	F	9,245	8,755	4,932	9,245
0079	99th Med Grp—Nellis AFB	F	6,495	6,179	3,630	6,495
0084	49th Med Grp—Holloman AFB	F	7,068	6,693	3,771	7,068
0086	Keller ACH—West Point	A	7,342	6,953	3,917	7,342
0089	Womack AMC—Ft. Bragg	A	7,586	7,184	4,047	7,586
0091	NH Camp LeJeune	N	6,694	6,339	3,571	6,694
0092	NH Cherry Point	N	6,809	6,448	3,632	6,809
0093	319th Med Grp—Grand Forks AFB	F	6,966	6,597	3,716	6,966
0094	5th Med Grp—Minot AFB	F	6,965	6,595	3,715	6,965
0095	74th Med Grp—Wright-Patterson AFB	F	11,385	10,781	6,073	11,385
0098	Reynolds ACH—Ft. Sill	A	6,849	6,486	3,654	6,849
0100	NH Newport	N	6,486	6,170	3,625	6,486
0101	20th Med Grp—Shaw AFB	F	7,028	6,656	3,749	7,028
0104	NH Beaufort	N	6,940	6,572	3,702	6,940
0105	Moncrief ACH—Ft. Jackson	A	7,011	6,639	3,740	7,011
0106	28th Med Grp—Ellsworth AFB	F	7,049	6,675	3,760	7,049
0108	Wm Beaumont AMC—Ft. Bliss	A	8,575	8,120	4,575	8,575
0109	Brooke AMC—Ft. Sam Houston	A	9,404	8,946	5,255	9,404
0110	Darnall AH—Ft. Hood	A	7,904	7,485	4,216	7,904
0112	7th Med Grp—Dyess AFB	F	6,999	6,628	3,734	6,999
0113	82nd Med Grp—Sheppard AFB	F	6,970	6,600	3,718	6,970
0117	59th Med Wing F—Lackland AFB	F	9,977	9,491	5,575	9,977
0120	1st Med Grp—Langley AFB	F	6,421	6,108	3,588	6,421
0121	McDonald ACH—Ft. Eustis	A	6,103	5,806	3,411	6,103
0123	Dewitt AH—Ft. Belvoir	A	8,131	7,735	4,544	8,131
0124	NH Portsmouth	N	8,355	7,949	4,669	8,355
0125	Madigan AMC—Ft. Lewis	A	11,847	11,218	6,320	11,847
0126	NH Bremerton	N	8,400	7,955	4,481	8,400
0127	NH Oak Harbor	N	6,709	6,382	3,749	6,709
0131	Weed ACH—Ft. Irwin	A	7,064	6,689	3,769	7,064
0606	95th CSH—Heidelberg	A	9,742	9,293	3,958	9,742
0607	Landstuhl Rgn MC	A	9,742	9,293	3,958	9,742
0609	67th CSH—Wurzburg	A	9,742	9,293	3,958	9,742
0612	121st Gen Hosp—Seoul	A	9,742	9,293	3,958	9,742
0615	NH Guantanamo Bay	N	9,742	9,293	3,958	9,742
0616	NH Roosevelt Roads	N	9,742	9,293	3,958	9,742
0617	NH Naples	N	9,742	9,293	3,958	9,742
0618	NH Rota	N	9,742	9,293	3,958	9,742
0620	NH Guam	N	9,742	9,293	3,958	9,742
0621	NH Okinawa	N	9,742	9,293	3,958	9,742
0622	NH Yokosuka	N	9,742	9,293	3,958	9,742
0623	NH Keflavik	N	9,742	9,293	3,958	9,742
0624	BH Sigonella	N	9,742	9,293	3,958	9,742



## ATTACHMENT 1.—FY02 ADJUSTED STANDARDIZED AMOUNTS (ASA) BY MILITARY TREATMENT FACILITY—Continued

DMISID	MTF name	Serv	Full cost rate	Interagency rate	IMET rate	TPC rate
0633 .....	48th Med Grp—RAF Lakenheath .....	F	9,742	9,293	3,958	9,742
0635 .....	39th Med Grp—Incirlik AB .....	F	9,742	9,293	3,958	9,742
0638 .....	51st Med Grp—Osan AB .....	F	9,742	9,293	3,958	9,742
0639 .....	35th Med Grp—Misawa .....	F	9,742	9,293	3,958	9,742
0640 .....	374th Med Grp—Yokota AB .....	F	9,742	9,293	3,958	9,742
0805 .....	52nd Med Grp—Spangdahlem .....	F	9,742	9,293	3,958	9,742
0808 .....	31st Med Grp—Aviano .....	F	9,742	9,293	3,958	9,742

## 2. Department of Health and Human Services

For the Department of Health and Human Services, Indian Health Service, effective October 1, 2001 and thereafter:

<i>Hospital Care Inpatient Day</i>	
General Medical Care.	
Alaska .....	\$2,025
Rest of the United States .....	1,571
<i>Outpatient Medical Treatment</i>	
Outpatient Visit.	
Alaska .....	363
Rest of the United States .....	196

Beginning October 1, 2001, the rates prescribed herein superceded those established by the Director of the Office of Management and Budget October 31, 2000 (FR Doc. 00-27726).

Mitchell Daniels, Jr.,

Director, Office of Management and Budget.  
[FR Doc. 01-31663 Filed 12-21-01; 8:45 am]

BILLING CODE 3110-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-45160; File No. SR-Amex-2001-91]

### Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval to a Proposed Rule Change and Amendment No. 1 by the American Stock Exchange LLC Relating to the Listing and Trading of Balanced Strategy Notes

December 17, 2001.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on October 29, 2001, the American Stock Exchange LLC ("Amex" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "Sec") a proposed rule change, as described in Items I and II below, which Items have been prepared by the Exchange. The

Amex amended its proposal on November 21, 2001.<sup>3</sup> The Commission is publishing this notice to solicit comments on the proposed rule change and Amendment No. 1 from interested persons and to approve the proposal, as amended, on an accelerated basis.

#### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Amex proposes to list and trade Balanced Strategy Notes ("Balanced Strategy Notes" or "Notes"), the return on which is based on the Balanced Strategy Index ("Balanced Strategy Index"). The Balanced Strategy Index is based upon the performance of the Standard & Poor's ("S&P") 500 Total Return Index ("S&P 500 Total Return Index") and the U.S. Domestic Master Index ("U.S. Bond Index")<sup>4</sup> (each, an

<sup>3</sup> See letter from Jeffrey P. Burns, Assistant General Counsel, Amex, to Yvonne Fraticelli, Special Counsel, Division of Market Regulation ("Division"), Commission, dated November 20, 2001 ("Amendment No. 1"). In Amendment No. 1, the Amex enclosed a draft circular that the Amex will distribute to members. Among other things, the circular described the Balanced Strategy Notes and the suitability requirements applicable to the Balanced Strategy Notes. In addition, the Amex made the following clarifications: (1) with respect to suitability recommendations and risks, the Exchange will require members, member organizations and employees thereof recommending a transaction in the Balanced Strategy Notes to determine that such transaction is suitable for the customer, and to have a reasonable basis for believing that the customer can evaluate the special characteristics of, and is able to bear the financial risks of, such transactions; (2) Merrill Lynch & Co., Inc. has designed the Balanced Strategy Notes for investors who want to participate in the changes in U.S. domestic equity and bond markets and who are willing to forego market interest payments on the Balanced Strategy Notes; (3) the Amex represents that its surveillance procedures are adequate to properly monitor the trading of the Balanced Strategy Notes; and (4) the index divisor referenced in connection with the Standard and Poor's 500 Total Return Index keeps the index comparable over time to its base period (1941-1943) and is the reference point for all maintenance adjustments.

<sup>4</sup> The Amex clarified the definition of the U.S. Bond Index by indicating that it intends to refer to the U.S. Domestic Master Index as the U.S. Bond Index. Telephone conversation between Jeffrey P. Burns, Assistant General Counsel, Amex, and Yvonne Fraticelli, Special Counsel, Division, Commission, on December 7, 2001 ("December 7 Conversation"). As discussed more fully below, the

"Underlying Index," and together, the "Underlying Indexes") pursuant to the methodology set forth below. Initially, the Underlying Indexes will each have a weighting of 50% of the Balanced Strategy Index. The Amex will rebalance the Balanced Strategy Index annually to reset the weighting of the Underlying Indexes to 50% each of the weight of the Balanced Strategy Index.

#### II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the Amex included statements concerning the purpose of, and basis for, the proposed rule change, as amended, and discussed any comments it received on the proposed rule change, as amended. The text of these statements may be examined at the places specified in Item III below. The Amex has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

##### A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

###### (1) Purpose

Under Section 107A of the Amex Company Guide ("Company Guide"), the Exchange may approve for listing and trading securities which cannot be readily categorized under the listing criteria for common and preferred stocks, bonds, debentures, or warrants.<sup>5</sup> The Amex proposes to list for trading under Section 107A of the Company Guide notes based on the Balanced Strategy Index ("Balance Strategy Notes" or "Notes"), as described below. The Balanced Strategy Index will be

U.S. Bond Index, which is comprised of over 4,000 issues, is an indicator of the performance of the investment grade U.S. domestic bond market.

<sup>5</sup> See Securities Exchange Act Release No. 27753 (March 1, 1990), 55 FR 8626 (March 8, 1990) (order approving File No. SR-Amex-89-29) ("Hybrid Approval Order").

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240. 19b-4.