b. The extent to which proposed staffing, staff qualifications and experience, and project organization indicates ability to accomplish the active case findings and other objectives of the program.

5. Evaluation (10 points):

The degree to which the applicant includes plans to evaluate the attainment of proposed objectives and to evaluate the quality of the data collected.

6. Human Subjects (not scored):

Does the application adequately address the requirements of Title 45 CFR part 46 for the protection of human subjects? (Not scored; however, an application can be disapproved if the research risks are sufficiently serious and protection against risks are so inadequate as to make the entire application unacceptable.)

7. Budget (not scored):

The budget will be evaluated for the extent to which it is reasonable, clearly justified, and consistent with the intended use of the cooperative agreement funds.

I. Other Requirements

Technical Reporting Requirements

Provide CDC with original plus two copies of:

1. Interim progress report, no less than 90 days before the end of the budget period. The interim progress report will serve as your non-competing continuation application and must include the following elements:

a. Current Budget Period Activities Objectives.

b. Current Budget Period Financial Progress.

c. New Budget Period Proposed Activity Objectives.

d. Detailed Line-Item Budget and Justification.

e. Additional Requested Information.

2. Financial status report, no more than 90 days after the end of the budget period.

3. Final financial and performance reports, no more than 90 days after the end of the project period.

Send all reports to the Grants Management Specialist identified in the ''Where to Obtain Additional Information'' section of this announcement.

Additional Requirements

The following additional requirements are applicable to this program. For a complete description of each, see Attachment IV of the program announcement as posted on the CDC web site.

AR–1 Human Subjects Requirements
AR–7 Executive Order 12372 Review
AR–9 Paperwork Reduction Act Requirements
AR–10 Smoke-Free Workplace Requirements
AR–11 Healthy People 2010
AR–12 Lobbying Restrictions

J. Where to Obtain Additional Information

This and other CDC announcements, the necessary applications, and associated forms can be found on the CDC home page Internet address: *http://www.cdc.gov*. Click on ''Funding'' then ''Grants and Cooperative Agreements.''

For general questions about this announcement, contact: Technical Information Management, CDC Procurement and Grants Office, 2920 Brandywine Road, Atlanta, GA 30341–4146, Telephone: 770–488–2700.

For business management and budget assistance, contact: Sheryl L. Heard, Grants Management Specialist, Procurement and Grants Office, Centers for Disease Control and Prevention, Announcement 03070, 2920 Brandywine Road, Atlanta, GA 30341–4146, Telephone: (770) 488–2723, Email address: *slh3@cdc.gov*.

For program technical assistance contact: Aileen Kenneson, National Center on Birth Defects and Developmental Disabilities, Centers for Disease Control and Prevention, 1600 Clifton Road, MailStop F–35, Atlanta, GA 30333, Telephone: (404) 498–3039, Email address: *alk6@cdc.gov*.

Dated: May 14, 2003.

Sandra R. Manning,

Director, Procurement and Grants Office, Centers for Disease Control and Prevention.

[FR Doc. 03–12708 Filed 5–20–03; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Disease Control and Prevention

Disease, Disability, and Injury Prevention and Control Special Emphasis Panel: South Carolina Traumatic Brain Injury Follow-Up Study, Program Announcement #02073

In accordance with section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92–463), the Centers for Disease Control and Prevention (CDC) announces the following meeting:

Name: Disease, Disability, and Injury Prevention and Control Special Emphasis Panel (SEP): South Carolina Traumatic Brain Injury Follow-Up Study, Program Announcement #02073.

Times and dates: 7:30 p.m.–7:45 p.m., June 11, 2003. (Open). 7:45 p.m.–9:30 p.m., June 11, 2003. (Closed). 8 a.m.–6:30 p.m., June 12, 2003. (Closed).

Place: The Francis Marion Hotel, 387 King Street, Charleston, SC 29403, Telephone 843–722–0600.

Status: Portions of the meeting will be closed to the public in accordance with provisions set forth in section 552b(c) (4) and (6), Title 5 U.S.C., and the Determination of the Director, Management Analysis and Services Office, CDC, pursuant to Public Law 92–463.

Matters to be Discussed: The meeting will include the review, discussion, and evaluation of applications received in response to Program Announcement #02073.

For Further Information Contact: Richard W. Sattin, M.D., F.A.C.P., Associate Director for Science, Associate Director for Division of Injury and Disability Outcomes and Programs, National Center for Injury Prevention and Control, CDC, 4770 Buford Highway, NE, MS–K02, Chamblee, GA 30341, Telephone 770–488–4031.

The Director, Management Analysis and Services Office, has been delegated the authority to sign **Federal Register** notices pertaining to announcements of meetings and other committee management activities, for both CDC and the Agency for Toxic Substances and Disease Registry.

Dated: May 14, 2003.

Alvin Hall,

Director, Management Analysis and Services Office, Centers for Disease Control and Prevention.

[FR Doc. 03–12706 Filed 5–20–03; 8:45 am]

BILLING CODE 4163–18–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

Notice of Hearing: Reconsideration of Disapproval of Michigan State Plan Amendment (SPA) 02–021

AGENCY: Centers for Medicare & Medicaid Services (CMS), HHS.

ACTION: Notice of hearing.

SUMMARY: This notice announces an administrative hearing on July 10, 2003, at 10 a.m., at the Centers for Medicare & Medicaid Services (CMS), Chicago Regional Office, 233 North Michigan Avenue; Suite R5–5 NW Minnesota; Chicago, Illinois 60601.

Closing Date: Requests to participate in the hearing as a party must be filed with the presiding officer by June 5, 2003.

FOR FURTHER INFORMATION CONTACT: Kathleen Scully-Hayes, Presiding Officer, CMS, 2520 Lord Baltimore

Drive, Suite L, Baltimore, Maryland 21244–2670, Telephone: (410) 786–2055.

SUPPLEMENTARY INFORMATION: This notice announces an administrative hearing to reconsider the decision to disapprove Michigan SPA 02–021, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on December 23, 2002. This SPA was disapproved on February 14, 2003. In this amendment, Michigan proposes to allow the imposition of prior authorization requirements in the Medicaid program on prescription drugs when the manufacturer of the drug does not offer rebates to two State-funded, non-Medicaid programs. The State-funded programs are the Children's Special Health Care Services program (CSHCS) and the State Medical program (SMP).

At issue is whether CMS properly concluded as a basis for disapproving the amendment that: (1) The State had not demonstrated that its proposed prior authorization program would be consistent with simplicity of administration and the best interests of Medicaid recipients, as required by section 1902(a)(19) of the Social Security Act (the Act); and (2) the State had not demonstrated that its proposed prior authorization program would be consistent with efficiency, economy, or quality of care, as required by section 1902 (a)(30)(A) of the Act. In addition, Michigan contends that CMS does not have the authority to review the State's implementation of prior authorization requirements in the Medicaid program, other than for consistency with section 1927(d)(5) of the Act.

As indicated in a letter to state Medicaid directors dated September 18, 2002, CMS stated that it would review proposed state plan amendments seeking to secure prescription drug benefits, rebates, or discounts for non-Medicaid populations for consistency with the goals and objectives of the Medicaid program. After review, CMS did not find the evidence presented by the State in support of this SPA demonstrated that its prior authorization program furthered Medicaid goals and objectives. The CMS concluded that Michigan failed to show that a significant proportion of beneficiaries in either the CSHCS or SMP programs would meet the requirements needed to become eligible for Medicaid if their pharmacy benefit was terminated. In light of the burden that prior authorization may impose on Medicaid beneficiaries and the absence of documented benefit to current or potential Medicaid eligibles, CMS determined that the State had failed to document that such prior authorization procedures would further the goals and objectives of the Medicaid program and thus be consistent with sections 1902(a)(19) and 1902(a)(30) of the Act.

Therefore, based on the reasoning above, and after consultation with the Secretary as required under 42 CFR 430.15 (c)(2), CMS disapproved Michigan SPA 02–021.

Section 1116 of the Act and 42 CFR part 430 establish Departmental procedures that provide an administrative hearing for reconsideration of a disapproval of a state plan or plan amendment. The CMS is required to publish a copy of the notice to a state Medicaid agency that informs the agency of the time and place of the hearing and the issues to be considered. If we subsequently notify the agency of additional issues that will be considered at the hearing, we will also publish that notice.

Any individual or group that wants to participate in the hearing as a party must petition the presiding officer within 15 days after publication of this notice, in accordance with the requirements contained at 42 CFR 430.76(b)(2). Any interested person or organization that wants to participate as amicus curiae must petition the presiding officer before the hearing begins, in accordance with the requirements contained at 42 CFR 430.76(c). If the hearing is later rescheduled, the presiding officer will notify all participants.

The notice to Michigan announcing an administrative hearing to reconsider the disapproval of its SPA reads as follows:

Janet Olszewski,
Director, Michigan Department of Community Health,
Lewis Cass Building,
320 South Walnut Street—Sixth Floor
Lansing, Michigan 48913

Dear Ms. Olszewski:

I am responding to your request for reconsideration of the decision to disapprove Michigan State Plan Amendment (SPA) 02–021, which was submitted on December 23, 2002. This SPA was disapproved on February 14, 2003. In this amendment, Michigan proposes to allow the imposition of prior authorization requirements in the Medicaid program on prescription drugs when the manufacturer of the drug does not offer rebates to two State-funded, non-Medicaid programs. The State-funded programs are the Children's Special Health Care Services program (CSHCS) and the State Medical program (SMP).

At issue is whether the Centers for Medicare & Medicaid Services (CMS) properly concluded as a basis for disapproving the amendment that: (1) The State had not demonstrated that its proposed prior authorization program would be consistent with simplicity of administration and the best interests of Medicaid recipients, as required by section 1902(a)(19) of the Social Security Act (the Act); and (2) the State had not demonstrated that its proposed prior authorization program would be consistent with efficiency, economy, or quality of care, as required by section 1902 (a)(30)(A). In addition, Michigan contends that CMS does not have the authority to review the State's implementation of prior authorization requirements in the Medicaid program, other than for consistency with section 1927(d)(5) of the Act.

As indicated in a letter to state Medicaid directors dated September 18, 2002, CMS stated that it would review proposed state plan amendments seeking to secure prescription drug benefits, rebates, or discounts for non-Medicaid populations for consistency with the goals and objectives of the Medicaid program. After review, CMS did not find that the evidence presented by the State in support of this SPA demonstrated that its prior authorization program furthered Medicaid goals and objectives. The CMS concluded that Michigan failed to show that a significant proportion of beneficiaries in either the CSHCS or SMP programs would meet the requirements needed to become eligible for Medicaid if their pharmacy benefit was terminated. In light of the burden that prior authorization may impose on Medicaid beneficiaries and the absence of documented benefit to current or potential Medicaid eligibles, CMS determined that the State had failed to document that such prior authorization procedures would further the goals and objectives of the Medicaid program and thus be consistent with sections 1902(a)(19) and 1902(a)(30) of the Act. Therefore, based on the reasoning set forth above, and after consultation with the Secretary as required under 42 CFR 430.15(c)(2), CMS disapproved Michigan SPA 02–021.

I am scheduling a hearing on your request for reconsideration to be held on July 10, 2003, at 10 a.m., Centers for Medicare & Medicaid Services, Chicago Regional Office, 233 Michigan Avenue; Suite R5–5 NW Minnesota; Chicago, Illinois 60601.

If this date is not acceptable, we would be glad to set another date that is mutually agreeable to the parties. The hearing will be governed by the procedures prescribed at 42 CFR, part 430.

I am designating Ms. Kathleen Scully-Hayes as the presiding officer. If these arrangements present any problems, please contact the presiding officer. In order to facilitate any communication which may be necessary between the parties to the hearing, please notify the presiding officer to indicate acceptability of the hearing date that has been scheduled and provide names of the individuals who will represent the State at the hearing.

The presiding officer may be reached at (410) 786–2055.

Sincerely,
Thomas A. Scully.

(Sect. 1116 of the Social Security Act (42 U.S.C. section 1316); (42 CFR 430.18))

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

Dated: May 12, 2003.

Thomas A. Scully,

Administrator, Centers for Medicare & Medicaid Services.

[FR Doc. 03–12697 Filed 5–20–03; 8:45 am]

BILLING CODE 4120–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

Notice of Hearing: Reconsideration of Disapproval of Arkansas (SPA) 02–17 State Plan Amendment

AGENCY: Centers for Medicare & Medicaid Services (CMS), HHS.

ACTION: Notice of hearing.

SUMMARY: This notice announces an administrative hearing on June 25, 2003, at 10 a.m., at the Centers for Medicare & Medicaid Services (CMS), Dallas Regional Office, 1301 Young Street, Room 1119; Dallas, Texas 75202.

Closing Date: Requests to participate in the hearing as a party must be received by the presiding officer by June 5, 2003.

FOR FURTHER INFORMATION CONTACT: Kathleen Scully-Hayes, Presiding Officer CMS, 2520 Lord Baltimore Drive, Suite L, Baltimore, Maryland 21244–2670, Telephone: (410) 786–2055.

SUPPLEMENTARY INFORMATION: This notice announces an administrative hearing to reconsider the decision to disapprove Arkansas State Plan Amendment (SPA) 02–17, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on July 29, 2002. This amendment proposes to provide supplemental payments to physicians and other allied health professionals who provide services through Faculty Group Practices associated with the University of Arkansas School of Medicine. The supplemental payment would be equal to the difference between the existing fee schedule rates and Faculty Group Practices' charges. CMS issued its initial determination disapproving Arkansas SPA 02–17 on March 6, 2003.

Arkansas timely requested reconsideration by letter dated April 14, 2003. At issue is whether the State has demonstrated that this SPA is consistent with the requirements of section 1902 (a)(30)(A) of the Social Security Act (the Act). The CMS concluded that the information provided with this SPA was insufficient to document consistency with economy, efficiency, and quality of care. Arkansas indicated that no other major payers in the State pay these Faculty Group Practices at these levels; indeed, Arkansas indicated that the five largest private third-party payers pay less than half of these levels. Arkansas provided no documentation to show that the Faculty Group Practices have higher costs than other providers of the same type in the State. In the light of evidence, CMS found that the State had not established that it was consistent with economy or efficiency for Medicaid to pay twice the rate paid by other third-party insurers for the same services. Moreover, the annualized payment methodology proposed by the State is not a customary method for paying physicians and other allied health professionals. The methodology would make it difficult to track payments for specific services and would complicate auditing processes. In the initial decision, CMS also cited the complicated nature of this payment scheme and difficulty in tracking and auditing payments for services as a reason why the proposed payment methodology was not consistent with section 1902(a)(30)(A) of the Act.

Section 1116 of the Act and 42 CFR part 430 establish Department procedures that provide an administrative hearing for reconsideration of a disapproval of a State plan or plan amendment. The Centers for Medicare & Medicaid Services (CMS) is required to publish a copy of the notice to a state Medicaid agency that informs the agency of the time and place of the hearing and the issues to be considered. If we subsequently notify the agency of additional issues that will be considered at the hearing, we will also publish that notice. Any individual or group that wants to participate in the hearing as a party must petition the presiding officer within 15 days after publication of this notice, in accordance with the requirements contained at 42 CFR 430.76(b)(2). Any interested person or organization that wants to participate as amicus curiae must petition the presiding officer before the hearing begins in accordance with the requirements contained at 42 CFR 430.76(c). If the hearing is later rescheduled, the presiding officer will notify all participants.

The notice to Arkansas announcing an administrative hearing to reconsider the disapproval of the SPA reads as follows:

Mr. Kurt Knickrehm, Director
Arkansas Department of Human Services
Donaghey Plaza South
PO Box 1437, Slot S401
Little Rock, Arkansas 72203–1437

Dear Mr. Knickrehm:

I am responding to your request for reconsideration of the decision to disapprove Arkansas State Plan Amendment (SPA) 02–17, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on July 29, 2002. This amendment proposes to provide supplemental payments to physicians and other allied health professionals who provide services through Faculty Group Practices associated with the University of Arkansas School of Medicine. The supplemental payment would be equal to the difference between the existing fee schedule rates and Faculty Group Practices' charges. The CMS issued its initial determination disapproving Arkansas SPA 02–17 on March 6, 2003. Arkansas timely requested reconsideration by letter dated April 14, 2003.

At issue is whether the State has demonstrated that this SPA is consistent with the requirements of section 1902(a)(30)(A) of the Social Security Act. The CMS concluded that the information provided with this SPA was insufficient to document consistency with economy, efficiency and quality of care. Arkansas indicated that no other major payers in the State pay these Faculty Group Practices at these levels; indeed, Arkansas indicated that the five largest private third-party payers pay less than half of these levels. Arkansas provided no documentation to show that the Faculty Group Practices have higher costs than other providers of the same type in the State. In the light of evidence,CMS found that the State had not established that it was consistent with economy or efficiency for Medicaid to pay twice the rate paid by other third-party insurers for the same services. Moreover, the annualized payment methodology proposed by the State is not a customary method for paying physicians and other allied health professionals. The methodology would make it difficult to track payments for specific services and would complicate auditing processes. In the initial decision, CMS also cited the complicated nature of this payment scheme and difficulty in tracking and auditing payments for services as a reason why the proposed payment methodology was not consistent with section 1902(a)(30)(A).

This notice announces an administrative hearing on June 25, 2003, at 10 a.m., Centers for Medicare & Medicaid Services (CMS), Dallas Regional Office, 1301 Young Street, Room 1119; Dallas, Texas 75202.

If this date is not acceptable, we would be glad to set another date that is mutually agreeable to the parties. The hearing will be governed by the procedures prescribed at 42 CFR, part 430.

I am designating Ms. Kathleen Scully-Hayes as the presiding officer. If these arrangements present any problems, please contact the presiding officer. In order to facilitate any communication which may be necessary between the parties to the hearing, please notify the presiding officer to indicate acceptability of the hearing date that has been scheduled and provide names of the individuals who will represent the State at the hearing. The presiding officer may be reached at (410) 786–2055.