Medicare beneficiaries. Under the BBA, the Secretary of Health and Human Services (the Secretary) was required to implement a risk adjustment methodology that adjusts M+C payments to account for variations in per capita costs based on health status and other demographic factors. The BBA also gave the Secretary the authority to collect inpatient hospital data for discharges on or after July 1, 1997, and additional data for other services occurring on or after July 1, 1998. The Secretary developed an initial risk adjustment methodology that incorporated only inpatient hospital data. As required by the BBA, this methodology was implemented beginning on January 1, 2000. Currently, only 10 percent of the M+C payment rate is risk adjusted under the existing risk adjustment methodology, with the other 90 percent subject only to demographic adjustments. The Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (BIPA), enacted in December 2000, stipulates that the risk adjustment methodology for 2004 and succeeding years should be based on data from inpatient hospital and ambulatory settings. The BIPA also contains a provision that phases in future risk adjusted payments as follows: 30 percent in 2004; 50 percent in 2005; 75 percent in 2006; and 100 percent in 2007.

The collection of physician encounter data, which began on October 1, 2000, and hospital outpatient encounter data, which began on April 1, 2001, was suspended from May 25, 2001 through July 1, 2002. The Secretary suspended the submission of physician and hospital outpatient encounter data in May 2001 and directed us to develop a risk adjustment approach that balanced payment accuracy with data burden. We worked with M+C organizations, their associations, and other interested parties to develop a risk adjustment approach that significantly reduced the burden of data collection for M+C organizations compared to the approach that was suspended in May of 2001. The result of this effort was to reduce burden by approximately 98 percent. The reduction in burden was accomplished by decreasing the number of data elements submitted (from 50 to 5 elements), only requiring submission of diagnoses that are needed for calculating payments, and creating a simplified data submission format and processing system. The draft CMS–HCC risk adjustment payment model was released on March 29, 2002. The CMS–HCC risk adjustment payment model is a 61 disease group selected significant disease model. Also released on March 29, 2002, was a file of ICD–9–CM codes required to group diagnosis codes for risk adjustment. On April 15, 2002, a reduced set of ICD–9–CM codes were released to further simplify the collection of diagnoses. The Risk Adjustment Processing System (RAPS) became operational on October 1, 2002. Submission of ambulatory risk adjustment data (physician and hospital outpatient) resumed on October 1, 2002 for dates of service beginning July 1, 2002. On March 28, 2003 we will announce the proposed final version of the CMS–HCC risk adjustment payment model that affects risk adjustment payment beginning January 2004 and incorporates hospital inpatient, hospital outpatient and physician data.

This public meeting will cover proposed changes to the draft version of the CMS–HCC risk adjustment model released on March 29, 2002. These changes include proposed adjustments to account for higher costs for community-based enrollees, as well as proposed implementation approaches for 2004. The meeting will focus on the risk adjustment model and data collection and include the following topics:

- Proposed final version of the CMS-HCC risk adjustment payment model.
- Frailty adjuster (soliciting public comment).
- Elimination of the lag between the data collection period and payment (soliciting public comment).
- Risk adjustment data processing.
- Risk adjustment schedule.

A copy of the public meeting agenda is available at: http://*www.aspenxnet.com/meetingagenda.htm.*

The agenda will include presentations by CMS staff, Aspen training staff, as well as question and answer sessions. Written public comments are preferred following the meeting and will be accepted until February 18, 2003, 5 p.m., e.s.t.

Registration

Registration for this public meeting is required and will be on a first-come, first-serve basis, limited to three attendees per organization.

This public meeting is intended for Medicare+Choice organizations, Medicare capitated demonstration projects, PACE plans, Evercare plans, Social Health Maintenance Organizations, Wisconsin Partnership program, Minnesota Senior Health Options, providers, practitioners, and other interested parties. A waiting list will be available for additional requests. The registration deadline is January 29, 2003 at 5 p.m., e.s.t. Registration must be completed via the Internet at the following Web site: http://*www.aspenxnet.com/registration.* A confirmation notice with specific meeting location information will be sent to attendees upon finalization of registration.

Persons who are not registered in advance will not be permitted into the Federal Building and thus not be able to attend the public meeting. Persons attending the public meeting will be required to show photographic identification, preferably a valid driver's license, before entering the building. Please note that if the public meeting is cancelled, then a notice will be posted on our Web site (http://*www.cms.hhs.gov).*

Attendees will be provided with meeting materials at the time of the meeting. Meeting materials will be available at http://*www.mcoservice.com* after February 3, 2003.

Written questions about meeting logistics or requests for meeting materials after February 3, 2003 must be directed to: Kim Slaughter, Aspen Systems Corporation, Telephone Number: (301) 519–5388, Fax Number: (301) 519–6360, e-mail: *encounterdata@aspensys.com.*

Written public comments will be accepted until February 18, 2003, 5 p.m., e.s.t. Written public comments should be sent to Angela Porter at *aporter@cms.hhs.gov* or fax to (410) 786–1048.

(Authority: Sections 1851 through 1859 of the Social Security Act (42 U.S.C. 1395w–21 through 1395w–28)) (Catalog of Federal Domestic Assistance Program No. 93.773 Medicare—Hospital Insurance Program; and No. 93.774, Medicare— Supplementary Medical Insurance Program**)**

Dated: December 4, 2002.

Thomas A. Scully,

Administrator, Centers for Medicare & Medicaid Services.

[FR Doc. 02–31410 Filed 12–26–02; 8:45 am]

BILLING CODE 4120–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[CMS–1202–CN]

Medicare Program; Prospective Payment System and Consolidated Billing for Skilled Nursing Facilities—Correction Notice

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

ACTION: Correction notice.

SUMMARY: This correction notice corrects technical errors that appeared in the notice published in the **Federal Register** on July 31, 2002 entitled ''Medicare Program; Prospective Payment System and Consolidated Billing for Skilled Nursing Facilities—Update.''

EFFECTIVE DATE: This correction is effective October 1, 2002.

FOR FURTHER INFORMATION CONTACT: Bill Ullman, (410) 786–5667.

SUPPLEMENTARY INFORMATION: In the July 31, 2002 notice entitled ''Prospective Payment System and Consolidated Billing for Skilled Nursing Facilities—Update'' (67 FR 49798), there were two technical errors in the preamble involving the Skilled Nursing Facilities Prospective Payment System (SNF PPS) wage index values. In addition, the list of urban areas in one of the wage index tables inadvertently omitted the name of a constituent county for a particular urban area. Finally, the preamble explanation of another table, Table 12, inadvertently cited the wrong figure from that table. Accordingly, we are correcting the SNF PPS wage index values and the list of urban areas, as published in Table 7, and are also correcting the total change figure provided in the explanation of Table 12.

Specifically, in the discussion of Table 12 (''Projected Impact of FY 2003 Update to the SNF PPS'') that appeared on page 49817, the explanation of column 5 of that table erroneously cited the figure at the bottom of the column (−9.1 percent) as the projected total change in aggregate payments for FY 2003. In fact, the figure at the bottom of column 5 represents the projected change in payments only for voluntary facilities, while the figure representing the total projected change for all facilities (−8.8 percent) actually appears at the top of column 5.

In addition, in Table 7, the wage index value for the Kankakee, IL Metropolitan Statistical Area (MSA) (area 3740) is corrected from 0.8122 to 1.0790, and the wage index value for the Killeen-Temple, TX MSA (area 3810) is corrected from 0.9570 to 1.0399. In addition, the county of Bell, TX is added to the list of constituent counties for the Killeen-Temple, TX MSA (area 3810). Finally, in the discussion of Table 12, the figure representing the projected decrease in aggregate payments is corrected from 9.1 percent to 8.8 percent. These corrections are effective October 1, 2002.

In accordance with our longstanding policies, these technical and tabulation errors are being corrected prospectively, effective October 1, 2002. This correction notice conforms the published SNF PPS wage index values to the prospectively revised values. As such, this correction does not represent any changes to the policies set forth in the notice.

The corrections appear in this document under the heading ''Correction of Errors.'' The provisions in this correction notice are effective as if they had been included in the document published in the **Federal Register** on July 31, 2002.

Waiver of Proposed Rulemaking

We ordinarily publish a notice of proposed rulemaking in the **Federal Register** to provide a period for public comment before provisions of a notice such as this take effect. We can waive this procedure, however, if we find good cause that a notice and comment procedure is impracticable, unnecessary, or contrary to the public interest and incorporate a statement of the finding and its reasons in the notice issued.

We find it unnecessary to undertake notice and comment rulemaking because this notice merely provides technical corrections to the regulations and does not make any substantive changes to the regulations. Therefore, for good cause, we waive notice and comment procedures.

Correction of Errors

In FR Doc. 02–19373 of July 31, 2002 (67 FR 49798), we are making the following corrections:

Corrections to Preamble

1. On page 49809, in column 3 of Table 7, ''Wage Index for Urban Areas,'' the entry of ''0.8122'' for the Kankakee, IL MSA (area 3740) is revised to read ''1.0790'' (effective October 1, 2002).

2. On page 49809, in column 3 of Table 7, ''Wage Index for Urban Areas'', the entry of ''0.9570'' for the Killeen-Temple, TX MSA (area 3810) is revised to read ''1.0399'' (effective October 1, 2002).

3. On page 49809, in column 3 of Table 7, ''Bell, TX'' is added to the list of constituent counties for the Killeen-Temple, TX MSA (area 3810) (effective October 1, 2002).

4. On page 49817, in column 3, in the fifth paragraph, the phrase ''9.1 percent'' is revised to read ''8.8 percent.''

Authority: Section 1888 of the Social Security Act (42 U.S.C. 1395yy))

(Catalog of Federal Domestic Assistance Program No. 93–773, Medicare— Hospital Insurance; and Program No. 93.774, Medicare—Supplementary Medical Insurance Program)

Dated: December 7, 2002.

Ann Agnew,

Executive Secretary to the Department.

[FR Doc. 02–31408 Filed 12–26–02; 8:45 am]

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[CMS–3105–N]

Medicare Program; Meeting of the Medicare Coverage Advisory Committee—February 12, 2003

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

ACTION: Notice.

SUMMARY: This notice announces a public meeting of the Medicare Coverage Advisory Committee (the Committee). The Committee provides advice and recommendations to us about clinical issues. Among other things, the Committee advises us on whether adequate evidence exists to determine whether specific medical items and services are reasonable and necessary under Medicare law. The Committee will discuss and make recommendations concerning the quality of the evidence and related issues for the use of implantable cardioverter defibrillators (ICDs). We received a request from Guidant Corporation to cover ICDs for patients with a prior myocardial infarction and a left ventricular ejection fraction of ≤.30. We are taking the opportunity to review all indications for ICDs. Notice of this action is given under the Federal Advisory Committee Act (5 U.S.C. App. 2, section 10(a)(1) and (a)(2)).

DATES: *The Meeting:* The public meeting announced will be held on Wednesday, February 12, 2003 from 7:30 a.m. until 3:30 p.m., E.S.T.

Deadline for Presentations and Comments: Interested persons may present data, information, or views orally or in writing, on issues pending before the committee. Written presentations and comments must be submitted to the Executive Secretary by January 29, 2003, 5 p.m., E.S.T.

Special Accommodations: Persons attending the meeting who are hearing or visually impaired, or have a condition that requires special assistance or accommodations, are asked to notify the Executive Secretary by January 29, 2003 (see **FOR FURTHER INFORMATION CONTACT**).