

# Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## OFFICE OF PERSONNEL MANAGEMENT

### 5 CFR Part 875

RIN 3206-AK99

#### Federal Long Term Care Insurance Program: Miscellaneous Changes, Corrections, and Clarifications

**AGENCY:** Office of Personnel Management.

**ACTION:** Proposed regulations.

**SUMMARY:** The Office of Personnel Management (OPM) is issuing proposed regulations to amend the Federal Long Term Care Insurance Program (FLTCIP) regulations. The proposed regulations will make miscellaneous changes, corrections, and clarifications to the FLTCIP regulations.

**DATES:** OPM must receive comments on or before June 13, 2006.

**ADDRESSES:** Send written comments to Anne S. Easton, Manager, Insurance Group, Center for Employee and Family Support Policy, Strategic Human Resources Policy Division, Office of Personnel Management, 1900 E Street, NW., Washington, DC 20415; or deliver to OPM, Room 3425, 1900 E Street, NW., or FAX to (202) 606-0633.

**FOR FURTHER INFORMATION CONTACT:** Anne Easton at (202) 606-0770.

**SUPPLEMENTARY INFORMATION:** The final FLTCIP regulations were published in the *Federal Register* May 27, 2005 (70 FR 30605). In those regulations OPM replaced references to "Federal civilian and Postal employees and members of the uniformed services" with "active workforce member" in several places. We are making a similar change in 2 additional places: §§ 875.405 and 875.410. We are also correcting an incorrect section reference in § 875.209 of the previously published regulations.

Section 875.408 of the FLTCIP regulations discusses incontestability, a provision that allows coverage based on an erroneous application to continue under certain circumstances. The FLTCIP contractor often doesn't learn

that coverage is based on an erroneous application until someone files a claim, and the contractor becomes aware that the information on the individual's application differed from what is shown in that individual's medical records. If the erroneous coverage has been in effect less than 2 years, or if the application contained knowingly false or misleading information, the contractor may rescind (void) the coverage and refund the individual's premiums. Section 875.104 of the FLTCIP regulations contains procedures for resolving disputes concerning eligibility for benefits and payment of claims. These proposed regulations clarify that the claims dispute procedures apply only to persons who have valid coverage under the Program. They do not apply to individuals whose erroneous coverage has been rescinded.

#### Executive Order 12866, Regulatory Review

This rule has been reviewed by the Office of Management and Budget in accordance with Executive Order 12866.

#### Regulatory Flexibility Act

I certify that these regulations will not have a significant economic impact on a substantial number of small entities because they affect only enrollees in the Federal Long Term Care Insurance Program.

#### List of Subjects in 5 CFR Part 875

Administrative practices and procedures, Employee benefit plans, Government contracts, Government employees, Health insurance, Military personnel, Organization and functions, Retirement.

Office of Personnel Management.

**Linda M. Springer,**  
*Director.*

Accordingly, OPM proposes to amend 5 CFR part 875, as follows:

#### PART 875—FEDERAL LONG TERM CARE INSURANCE PROGRAM

1. The authority citation for 5 CFR part 875 continues to read as follows:

**Authority:** 5 U.S.C. 9008.

2. In § 875.104 add paragraph (f) to read as follows:

#### § 875.104 What are the steps required to resolve a dispute involving benefit eligibility or payment of a claim?

\* \* \* \* \*

(f) The procedures described in paragraphs (a), (b), (c), (d), and (e) of this section apply only if you have valid coverage under the FLTCIP. If the Carrier determines that your coverage was based on an erroneous application and voids the coverage as described in § 875.408 of this part, these provisions do not apply. The Carrier will provide you with information on your review rights in its rescission letter (letter voiding your coverage).

3. In § 875.209 revise the last sentence of paragraph (b) to read as follows:

#### § 875.209 How do I demonstrate that I am eligible to apply for coverage?

\* \* \* \* \*

(b) \* \* \* The incontestability provisions in § 875.408 do not apply to this section.

(4) In § 875.405 revise the first sentence of paragraph (a)(1) to read as follows:

#### § 875.405 If I marry, may my new spouse apply for coverage?

(a)(1) If you are an active workforce member and you have married, your spouse is eligible to submit an application for coverage under this section within 60 days from the date of your marriage and will be subject to the underwriting requirements in force for the spouses of active workforce members during the most recent open season. \* \* \*

\* \* \* \* \*

5. In § 875.408 revise paragraph (a) to read as follows:

#### § 875.408 What is the significance of incontestability?

(a) *Incontestability* means coverage issued based on an erroneous application may remain in effect. Such coverage will not remain in effect under any of the following conditions:

(1) If your coverage has been in force for less than 6 months, the Carrier may void your coverage upon a showing that information on your signed application that was material to your approval for coverage is different from what is shown in your medical records.

(2) If your coverage has been in force for at least 6 months but less than 2 years, the Carrier may void your coverage upon a showing that information on your signed application that was material to your approval for coverage is different from what is shown in your medical records and pertains to

the condition for which benefits are sought.

(3) After your coverage has been in effect for 2 years, the Carrier may void your coverage only upon a showing that you knowingly and intentionally made a false or misleading statement or omitted information in your signed application for coverage regarding your health status that was material to your approval for coverage.

(4) If your coverage is voided, as described in paragraph (a)(1), (a)(2), or (a)(3) of this section, no claims will be paid. In addition, the provisions of § 875.104 relating to the procedures for resolving a dispute involving benefits eligibility or claims denials do not apply to your situation. You may request a review by the Carrier if you believe that your coverage was voided in error. You must submit your request in writing to the Carrier within 30 days of the date of this rescission letter (letter voiding your coverage).

6. In § 875.410 revise the first sentence to read as follows:

**§ 875.410 May I continue my coverage when I leave Federal or military service?**

If you are an active workforce member, your coverage will automatically continue when you leave active service, as long as the Carrier continues to receive the required premium when due. \* \* \*

[FR Doc. 06-3585 Filed 4-13-06; 8:45 am]

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## TENNESSEE VALLEY AUTHORITY

### 18 CFR Part 1310

#### Administrative Cost Recovery

**AGENCY:** Tennessee Valley Authority (TVA).

**ACTION:** Proposed rule.

**SUMMARY:** TVA proposed to amend its administrative cost recovery regulations by eliminating cost recovery exemptions from the following: Conveyances of land pursuant to section 4(k)(d) of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. 831c(k)(d)); TVA phosphate land transactions; and permits and licenses for use of TVA land by distributors of TVA power.

The implementation of this rule amendment would allow TVA to recover more of its administrative cost incurred in processing certain actions from those who directly benefit from the actions.

**DATES:** Comments must be submitted on or before May 15, 2006.

**ADDRESSES:** You may submit comments by any of the following methods:

- Mail/Hand Delivery: Teresa C. McDonough, Manager, Resource Stewardship Process Initiatives, 400 West Summit Hill Drive, WT 11B, Knoxville, Tennessee 37902.

- E-mail: [tcmcdonough@tva.gov](mailto:tcmcdonough@tva.gov). Include CFR citation in the subject of the message.

- Fax: (865) 632-2345. Attention to Teresa C. McDonough, Manager, Resource Stewardship Process Initiatives.

**FOR FURTHER INFORMATION CONTACT:**

Teresa C. McDonough, Manager, Resource Stewardship Process Initiatives, (865) 632-6512.

**SUPPLEMENTARY INFORMATION:** In order to help ensure that TVA land management and permitting activities are self-sustaining to the full extent possible, the agency has determined that its administrative cost recovery regulations should be amended by eliminating certain mandatory cost recovery exemptions. This determination is consistent with the objectives of increasing efficiency and recovery the cost of government services from those who most directly benefit from the services.

TVA now proposed to amend its administrative cost recovery regulation by eliminating the following exemptions: Conveyance of land pursuant to section 4(k)(d) of the Tennessee Valley Authority of 1933, as amended (16 U.S.C. 831c(k)(d)); TVA phosphate land transactions; and permits and licenses for use of TVA land by distributors of TVA power.

This proposed amendment does not impose an information collection burden under the provision of the Paperwork Reduction Act, 44 U.S.C. 3501 *et seq.* This proposed action will not have a significant impact on a substantial number of small entities as described in the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.* There will be no significant economic impact from the amendments include the proposed rule would not significantly add to the cost of one who conducts an activity upon or acquires TVA property. Any economic impact that would occur as a result of the rule amendment would not affect a substantial number of small entities because TVA only receives about ten land use applications from the currently exempted parties each year. Pursuant to the Unfunded Mandates Reform Act, 2 U.S.C. 1501 *et seq.*, the proposed rule does not include any Federal mandates for state, local, and tribal government or the private sector. In addition, any expenditures by state, local, and tribal

government or the private sector in connection with the rule would be substantially less than \$100 million in any one year.

#### List of Subjects in 18 CFR Part 1310

Government property, Hunting.

For the reasons set out in the preamble, TVA proposed to amend 18 CFR 1310 as follows:

#### PART 1310—ADMINISTRATIVE COST RECOVERY

1. The authority citation from part 1310 continues to read as follows:

**Authority:** 16 U.S.C. 831-831dd; 31 U.S.C. 9701.

2. Revise paragraph (b) of § 1310.2 to read as follows:

#### § 1310.2 Application.

\* \* \* \* \*

(b) *Exemption.* An administrative charge shall not be made for the following actions:

(1) Releases of unneeded mineral right options.

(2) TVA mineral transactions.

\* \* \* \* \*

**Authority:** 16 U.S.C. 831-831dd (2000 & Supp. III 2003).

Dated: March 30, 2006.

**Kathryn J. Jackson,**

*Executive Vice President, River System Operations & Environment and Environment Executive, Tennessee Valley Authority.*

[FR Doc. 06-3451 Filed 4-13-06; 8:45 am]

BILLING CODE 8120-08-M

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## DEPARTMENT OF HOMELAND SECURITY

### Coast Guard

#### 33 CFR Part 165

[CGD05-06-030]

RIN 1625-AA00

#### Safety Zone: Yorktown July Fourth Fireworks Celebration, York River, Yorktown, VA

**AGENCY:** Coast Guard, DHS.

**ACTION:** Notice of proposed rulemaking.

**SUMMARY:** The Coast Guard proposes establishing a safety zone in the vicinity of the Yorktown Fishing Pier in Yorktown, VA on July 4, 2006 in support of the Yorktown July Fourth Fireworks Celebration. This action is intended to restrict vessel traffic on York River as necessary to protect mariners from the hazards associated with fireworks displays.