

#### V. Removal of Approval of Oregon State Exemption

We will remove the CLIA exemption of laboratories located in the State of Oregon that possess a valid license if we determine the outcome and comparability review of validation inspections are not acceptable as described under § 493.521 or if the State fails to pay the required fee as stated under § 493.645(a).

#### VI. Laboratory Data

In accordance with § 493.513(d)(2)(iii), Oregon State will provide us with changes to a laboratory's specialties or subspecialties based on the State's survey and with changes in a laboratory's licensure status.

#### VII. Required Administrative Actions

CLIA is a user-fee funded program. The registration fee paid by the laboratories is used to cover the cost of the development and administration of the program. However, when a State's application for exemption is approved, we may not charge a fee to laboratories in the State that are covered by the exemption. The State's share of the costs associated with CLIA must be collected from the State. Section 493.645 specifies that Health and Human Services assesses fees that a State must pay for the following:

- Costs of Federal inspection of laboratories in the State to verify that standards are enforced in an appropriate manner. The average cost per validation survey nationally is multiplied by the number of surveys that will be conducted.
- Costs incurred for Federal investigations and surveys triggered by complaints that are substantiated. We bill the State for these costs. We anticipate that most of these surveys will be referred to the State and that there will be little Federal activity in this area.
- The State's proportionate share of general overhead costs for the items and services it benefits from and only for those paid for out of registration or certificate fees we collected.

In order to estimate Oregon State's proportionate share of the general overhead costs, we determined the ratio of laboratories in Oregon State to the total number of laboratories nationally. In that the general overhead costs apply equally to all laboratories, we determined the cumulative overhead costs that should be assumed by the State of Oregon.

The State of Oregon has agreed to pay us its pro rata share of the overhead

costs and anticipated costs of actual validation and complaint investigation surveys. A final reconciliation for all laboratories and all expenses will be made. We will reimburse the State for any overpayment or bill it for any balance.

In accordance with the provisions of Executive Order 12866, this notice was not reviewed by the Office of Management and Budget.

Authority: Section 353 of the Public Health Service Act (42 U.S.C. 263a).

Dated: May 13, 1996.

Bruce C. Vladeck,

*Administrator, Health Care Financing Administration.*

[FR Doc. 96-14969 Filed 6-12-96; 8:45 am]

BILLING CODE 4120-01-P

#### Health Resources and Services Administration

##### Availability of Funds for the Community Scholarship Programs

**AGENCY:** Health Resources and Services Administration, HHS.

**ACTION:** Notice of available funds.

**SUMMARY:** The Health Resources and Services Administration (HRSA) announces the availability of approximately \$100,000 under section 338L of the Public Health Service (PHS) Act for competing and project period renewal Grants to States for Community Scholarship Programs (CSP).

The purpose of the CSP is to enable States to increase the availability of primary health care in urban and rural federally designated health professional shortage areas (HPSAs) by assisting community organizations to provide scholarships for the education of individuals to serve as health professionals in these communities.

The PHS is committed to achieving the health promotion and disease prevention objectives of *Healthy People 2000*, a PHS-led national activity. This grant program is related to the objectives of improving access to and availability of primary health care services for all Americans, especially the underserved populations. Potential applicants may obtain a copy of *Healthy People 2000* (Full Report: Stock No. 017-001-00474-0) or *Healthy People 2000* (Summary Report; Stock No. 017-001-00473-1) through the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402-9325 (telephone number 202-783-3238).

PHS strongly encourages all grant recipients to provide a smoke-free workplace and promote the non-use of all tobacco products. In addition, Public

Law 103-227, the Pro-Children Act of 1994, prohibits smoking in certain facilities (or in some cases, any portion of a facility) in which regular or routine education, library, day care, health care or early childhood development services are provided to children.

**DATES:** Applications are due July 15, 1996. Applications will be considered to have met the deadline if they are (1) received on or before the deadline date; or (2) postmarked on or before the established deadline date and received in time for orderly processing. Applicants should request a legibly dated U.S. Postal Service postmark or obtain a receipt from a commercial carrier. Private metered postmarks will not be acceptable as proof of timely mailing. Late applications not accepted for processing will be returned to the applicant.

**ADDRESSES:** Application materials may be obtained from, and completed applications should be returned to: Ms. Alice H. Thomas, Grants Management Officer, Bureau of Primary Health Care (BPHC), 4350 East-West Highway, 11th Floor, Bethesda, Maryland 20814, (301) 594-4250. The Grants Management staff is available to provide assistance on business management issues. Applications for these grants will be made on PHS Form 5161-1 with revised face sheet DHHS Form 424, as approved by the Office of Management and Budget (OMB) under control number 0937-0189.

**FOR FURTHER INFORMATION CONTACT:** For general program information and technical assistance, please contact Sharley L. Chen, Division of Scholarships and Loan Repayments, BPHC, HRSA, 4350 East-West Highway, 10th Floor, Bethesda, Maryland 20814, at (301) 594-4400.

**SUPPLEMENTARY INFORMATION:** In FY 1996, approximately \$100,000 will be awarded for 3-5 new and project period renewal grants ranging from \$5,000 to \$75,000 for a 12-month budget period and up to a 3-year project period. Under this program, States enter into agreements with public or private nonprofit community organizations located in federally designated HPSAs. These organizations will recruit qualified residents of their communities and provide scholarships to them to become physicians, certified nurse practitioners, certified nurse midwives, or physician assistants based on the needs of the communities.

This grant program is intended to be consistent with the efforts of the National Health Service Corps (NHSC) Scholarship Program, NHSC Loan Repayment Program and NHSC State

Loan Repayment Program to meet the needs of underserved populations in federally designated HPSAs through the placement of primary care practitioners. For purposes of this program, the term "primary health care" means health services regarding family medicine, general internal medicine, general pediatrics, or obstetrics and gynecology, that are provided by physicians, certified nurse practitioners, certified nurse midwives, or physician assistants. The Secretary is required by statute [Section 338L(l)(3) of the PHS Act] to ensure that, to the extent practicable, not less than 50 percent of the amount appropriated will be in the aggregate expended by the States for making grants to community organizations that are located in rural federally designated HPSAs.

#### Eligibility Requirements

In order for a State to receive a grant under this program, the State must:

1. Receive funding for at least one grant, cooperative agreement, or contract under any provisions of the PHS Act other than section 338L for the fiscal year for which the State is applying;

2. Agree that the grant program will be administered directly by a single State agency;

3. Agree to make grants to community organizations located in federally designated HPSAs in order to assist those community organizations in providing scholarships to individuals enrolled or accepted for enrollment as full-time students in health professions schools accredited by a body or bodies recognized for accreditation purposes by the Secretary of Education;

4. Agree that 40 percent of the total costs of the scholarships will be paid from the Federal grant made to the State; and

5. Agree that 60 percent of the total costs of the scholarships will be paid from non-Federal contributions made in cash by the State and the community organization through which the scholarship is provided.

- a. The State must make available through these cash contributions not less than 15 percent nor more than 25 percent of the scholarship costs.

- b. The community organization must make available through these cash contributions not less than 35 percent nor more than 45 percent of the scholarship costs.

- c. Non-Federal contributions provided in cash by the State and community organization (as described in a and b above) may not include any amounts provided by the Federal Government to the State, or community organization

involved, or to any other entity. Non-Federal contributions required may be provided directly by the State and community organization involved, and may be provided through donations from public and private entities. States should be aware, however, that donations from providers may be subject to provisions of Public Law 102-234, the Medicaid Voluntary Contribution and Provider-Specific Tax Amendments of 1991.

#### Scholarship Requirement

To receive a grant, the State must agree that it will award a grant to a community organization for scholarships only if:

1. The individual who is to receive the scholarship under a contract is a resident of a federally designated HPSA in which the community organization is located and will provide primary health care services for:

- a. A number of years equal to the number of years for which the scholarship is provided, or for a period of 2 years, whichever period is greater; or

- b. Such greater period of time as the individual and the community organization may agree.

2. The individual agrees, while enrolled in a health professions school, to maintain an acceptable level of academic standing (as determined by the school) at the school as a full-time student in accordance with regulation issued by the Secretary pursuant to Section 338A (f)(1)(B) (iii) of the PHS Act;

3. The individual and the community organization agree that the scholarship:

- a. Will be expended only for tuition expenses, other reasonable educational expenses, reasonable living expenses incurred while in attendance at the school, and/or payment to the individual of a monthly stipend of not more than the amount authorized for NHSC scholarship recipients under Section 338A(g)(1)(B) of the PHS Act; and

- b. Will not, for any year of such attendance for which the scholarship is provided, be in an amount exceeding the total amount required for the year for the purposes indicated in paragraph (a) above.

4. The individual agrees to meet the educational and certification or licensure requirements necessary to become a primary care physician, certified nurse practitioner, certified nurse midwife, or physician assistant in the State in which the individual is to practice under the contract; and,

5. The individual agrees that, in providing primary health care pursuant to the scholarship, he/she:

- a. Will not, in the case of an individual seeking care, discriminate on the basis of the ability of the individual to pay for such care or on the basis that payment for such care will be made pursuant to the programs established in Titles XVIII (Medicare) or XIX (Medicaid) of the Social Security Act; and,

- b. Will accept assignment under Section 1842(b)(3)(B)(ii) of the Social Security Act for all services for which payment may be made under Part B of Title XVIII, and will enter into an appropriate agreement with the State agency that administers the State plan for medical assistance under Title XIX to provide service to individuals entitled to medical assistance under the plan.

#### Evaluation Criteria

For new and competing continuation grants the following criteria will be used to evaluate applications: (a) The magnitude and extent of the need for the grant to provide primary health care, as described in the proposal; (b) The extent to which the applicant's and community's recruitment plans are consistent with the State's plans for meeting the needs of the community's primary care system; (c) The adequacy of the methodology for selecting community organizations, and for monitoring and evaluating the community organization's compliance with the terms and conditions of the grant; (d) The degree of documented community commitment to and involvement with the grant; (e) The appropriateness of the proposed plan to administer and manage the grant; and (f) The soundness of the budget and the budget justification for assuring effective utilization of grant funds. For competing continuation applications, evaluation will also be made of program outcomes and the degree to which stated goals and objectives were achieved.

#### Other Grant Information

The CSP is subject to the provisions of Executive Order 12372, as implemented by 45 CFR Part 100, which allows States the option of setting up a system for reviewing applications from within their States for assistance under certain Federal programs. The application package for this program will include a list of States with review systems and the single point of contact (SPOC) in each State for the review. Applicants (other than federally-recognized Indian tribal governments)

should contact their State SPOCs as early as possible to alert them to the prospective applications and receive any necessary instructions on the State process. For proposed projects serving more than one State, the applicant is advised to contact the SPOC of each affected State. The due date for State process recommendations is 60 days after the application deadline. The BPHC does not guarantee that it will accommodate or explain its response to State process recommendations received after that date. Grants will be administered in accordance with HHS regulations in 45 CFR Part 92. The OMB Catalog of Federal Domestic Assistance number for this program is 93.931.

Dated: June 7, 1996.

Ciro V. Sumaya,  
*Administrator.*

[FR Doc. 96-15024 Filed 6-12-96; 8:45 am]

BILLING CODE 4160-15-P

### **Project Grants for Renovation or Construction of Non-Acute Health Care Facilities**

**AGENCY:** Health Resources and Services Administration.

**ACTION:** Notice of availability of funds.

**SUMMARY:** The Bureau of Health Resources Development (BHRD), Health Resources and Services Administration (HRSA), announces that fiscal year (FY) 1996 funds are available for project grants for the construction or renovation of health facilities. Funds were appropriated for these purposes by the Balanced Budget Downpayment Act, II, Pub. L. 104-134, for FY 1996, under the authority of Section 1610 of the Public Health Service (PHS) Act. The categories for funds are: A—Women's Health Care, B—Rural Health Care, and C—Oral Health Care.

**DATES:** To receive consideration, applications for the renovation or construction of facilities must be received by the close of business July 29, 1996 by the Grants Management Officer, Ms. Glenna Wilcom, at the address below. Applications will meet the deadline if they are either: (1) Received on or before the deadline date; or (2) postmarked on or before the deadline date. A legibly dated receipt from a commercial carrier or the U.S. Postal Service will be accepted instead of a postmark.

Private metered postmarks will not be acceptable as proof of timely mailing. Hand delivered applications must be received by 5 p.m. July 29, 1996. Grant applications that are received after the

deadline date will be returned to the applicant.

#### **FOR FURTHER INFORMATION CONTACT:**

Additional information related to technical and program issues may be obtained from Mrs. Charlotte G. Pascoe, Director, Division of Facilities Compliance and Recovery, Bureau of Health Resources Development, Health Resources and Services Administration, Parklawn Building, Room 7-47, 5600 Fishers Lane, Rockville, Maryland 20857, (301) 443-4303. Grant applications and additional information regarding business, administrative or fiscal issues related to the awarding of grants under this Notice may be requested from Ms. Glenna Wilcom, Grants Management Officer, Bureau of Health Resources Development, Health Resources and Services Administration, Parklawn Building, Room 7-27, 5600 Fishers Lane, Rockville, Maryland 20857, (301) 443-2280. Applicants for grants will use Form PHS 5161-1, approved under OMB Control Number 0937-0189.

#### **SUPPLEMENTARY INFORMATION:**

##### **Program Background and Objectives**

Pub. L. 104-134 provides funds for grants under the authority of Section 1610 of the PHS Act. Section 1610(b) provides that the amount of any grant may not exceed 80 percent of the cost of the project for which the grant is made unless the project is located in an area determined by the Secretary to be an urban or rural poverty area, in which case the grant may cover up to 100 percent of such costs. (Urban or rural poverty area is defined as a medically underserved area designated by the Secretary (42 CFR 51c.102).) To determine if the proposed project location is in a medically underserved area, the applicant may contact the Analysis and Reporting Branch, Division of Facilities Compliance and Recovery, (301) 443-4303. However, before a determination can be made, the census tract of the facility must be known. Appendix III provides the telephone numbers for regional offices of the Census Bureau. The regional offices can provide information about census tracts.

##### **Availability of Funds**

A total of \$10,000,000 is available in FY 1996 to be awarded in the following categories:

##### **A—Health Care for Women**

Construction or modernization of an outpatient medical facility located apart from a hospital or conversion of an existing facility to an outpatient facility

which will provide services for women with diverse socioeconomic and medical needs and which serves medically underserved populations. Approximately \$3.3 million is available to fund between one and six projects in this category.

##### **B—Rural Health Care**

Construction or modernization of an outpatient medical facility located apart from a hospital or conversion of an existing facility to an outpatient facility which will serve medically underserved populations and will improve rural health care access. Approximately \$3.3 million is available to fund between one and six projects in this category.

##### **C—Oral Health Care**

Construction or modernization of an oral health care facility located apart from a hospital or conversion of an existing facility to an oral health care facility providing dental services to medically and dentally underserved populations, which also conducts oral health services research. Approximately \$3.3 million is available to fund between one and six projects in this category.

##### **Eligible Applicants**

To be eligible, an applicant must:

(1) Be a public or private non-profit entity;

(2) Have a source of funding to meet the non-Federal portion of the eligible construction cost; and

(3) Have title to a building site or have a lease which includes the time of construction plus 20 years of operation, or have a written commitment to acquire such title or lease within 3 months from the date of the grant award.

In addition to the above general eligibility criteria, the following applies to specific categories:

##### **A—Women's Health Care**

The applicant must serve a socio-economically diverse population of women with diverse health needs.

##### **B—Rural Health Care**

The applicant must meet one of the three requirements stated below.

(1) The proposed project is *NOT* located in a Metropolitan Statistical Area as defined by the Office of Management and Budget. A list of the cities and counties that are designated as Metropolitan Statistical Areas is included in Appendix I. IF THE PROPOSED PROJECT IS LOCATED IN ONE OF THESE AREAS, IT IS NOT ELIGIBLE FOR THE PROGRAM *unless* it meets one of the other two criteria listed below.