

portion of a meeting shall inform the contact person listed above, either orally or in writing, prior to the meeting. Any person attending the hearing who does not in advance of the meeting request an opportunity to speak will be allowed to make an oral presentation at the hearing's conclusion, if time permits, at the chairperson's discretion.

The agenda, the questions to be addressed by the committee, and a current list of committee members will be available at the meeting location on the day of the meeting.

Transcripts of the open portion of the meeting may be requested in writing from the Freedom of Information Office (HF1-35), Food and Drug Administration, rm. 12A-16, 5600 Fishers Lane, Rockville, MD 20857, approximately 15 working days after the meeting, at a cost of 10 cents per page. The transcript may be viewed at the Dockets Management Branch (HFA-305), Food and Drug Administration, rm. 1-23, 12420 Parklawn Dr., Rockville, MD 20857, approximately 15 working days after the meeting, between the hours of 9 a.m. and 4 p.m., Monday through Friday. Summary minutes of the open portion of the meeting may be requested in writing from the Freedom of Information Office (address above) beginning approximately 90 days after the meeting.

This notice is issued under section 10(a)(1) and (a)(2) of the Federal Advisory Committee Act (5 U.S.C. app. 2), and FDA's regulations (21 CFR part 14) on advisory committees.

Dated: March 13, 1997.

Michael A. Friedman, M.D.,

Deputy Commissioner for Operations.

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Health Resources and Services Administration

Program Announcement for Scholarships for Health Professions Students From Disadvantaged Backgrounds

The Health Resources and Services Administration (HRSA) announces that applications for fiscal year (FY) 1997 Scholarships for Disadvantaged Students (SDS) program are being accepted under the authority of section 737 of the Public Health Service Act (the Act), Title VII, Part B, as amended by the Health Professions Education Extension Amendments of 1992, Pub. L. 102-408, dated October 13, 1992. Schools that received funds for academic year 1996-97 will be funded based on the information provided in

last year's Financial Status Report (FSR), and do not need to reapply.

Purpose

The SDS program provides funds to health professions and nursing schools for the purpose of assisting such schools in providing scholarships to individuals from disadvantaged backgrounds who are enrolled (or accepted for enrollment) as full-time students in the schools, as well as to undergraduate students who have demonstrated a commitment to pursuing a career in health professions.

For purposes of the SDS program in FY 1997, an "individual from disadvantaged background" is defined in 42 CFR part 57.1804, subpart S, as one who:

(1) Comes from an environment that has inhibited the individual from obtaining the knowledge, skill, and abilities required to enroll in and graduate from a health professions school, or from a program providing education or training in allied health professions; or

(2) Comes from a family with an annual income below a level based on low-income thresholds according to family size published by the U.S. Bureau of the Census, adjusted annually for changes in the Consumer Price Index, and adjusted by the Secretary for use in all health professions and nursing programs. The Secretary will periodically publish these low income levels in the **Federal Register**.

The following income figures determine what constitutes a low-income family for purposes of the SDS program for FY 1997.

Size of parents' family ¹	Income level ²
1	\$10,500
2	13,700
3	16,300
4	20,800
5	24,600
6 or more	27,600

¹ Includes only dependents listed on Federal income tax forms.

² Adjusted gross income for calendar year 1996, rounded to nearest \$100. These low income figures are published in this issue of the **FEDERAL REGISTER**.

Under the Omnibus Consolidated Appropriations Act, for FY 1997, approximately \$18.6 million has been appropriated for this program. Of the funds available for FY 1997, 30 percent shall be made available to schools agreeing to expend the funds only for nursing scholarships. An estimated \$5.6 million will support approximately 4,300 scholarships averaging \$1,300 for students at schools of nursing. The balance of \$13 million will support

approximately 4,225 scholarships averaging \$3,100 for eligible health professions students. The period of fund availability will be for one academic year.

Use of Funds

Funds awarded to a school under this program may be used as follows:

(1) To award scholarships to eligible students enrolled in the school, to be expended only for tuition expenses, other reasonable educational expenses, and reasonable living expenses (as defined by the school for all students attending the school) incurred while enrolled in a school as a full-time student. The amount of the scholarship may not, for any year of attendance, exceed the total amount required for the year for the expenses specified above.

(2) To provide financial assistance to undergraduate students who have demonstrated a commitment to pursuing a career in the health professions, in order to facilitate the completion of the educational requirements for such careers, provided that the total amount used for this purpose may not exceed 25 percent of the funds awarded to the school under this program.

Any school receiving SDS funds will be required to maintain separate accountability for these funds.

School Eligibility

Funds under this program will be made available to accredited public or nonprofit private health professions schools. For purposes of the SDS program, as defined in section 737(a)(3) of the Act, the term "health professions schools" means schools of medicine, nursing, osteopathic medicine, dentistry, pharmacy, podiatric medicine, optometry, veterinary medicine, public health, or allied health or schools offering graduate programs in clinical psychology and which are accredited as provided in section 799(l)(E) of the Act, schools of allied health as defined in section 799(4) of the Act, and which are located in States as defined in section 799(9) of the Act, and schools of nursing as defined in section 853 of the Act.

As required by statute, to qualify for participation in the SDS program, a school must be:

(1) carrying out a program for recruiting and retaining students from disadvantaged backgrounds, including racial and ethnic minorities; and
(2) carrying out a program for recruiting and retaining minority faculty.

In addition, each school that received funds in FY 1996 must be carrying out

all of the statutory requirements listed below:

(1) Ensure that adequate instruction regarding minority health issues is provided for in the curricula of the school. This does not include normal course work, that by definition includes minority health issues (e.g., sickle cell anemia in a pathology class), but refers to course work reflecting an institutional awareness of the special health needs of minority populations;

(2) Enter into arrangements with one or more health clinics providing services to a significant number of individuals who are from disadvantaged backgrounds, including members of minority groups, for the purpose of providing students of the school with experience in providing clinical services to such individuals;

(3) Enter into arrangements with one or more public or nonprofit private secondary educational institutions and undergraduate institutions of higher education (feeder schools), for the purpose of carrying out programs regarding:

(a) the educational preparation of disadvantaged students, including minority students, to enter the health professions; and

(b) the recruitment of disadvantaged students, including minority students, into the health professions; and

(4) Establish a mentor program for assisting disadvantaged students, including minority students, regarding the completion of the educational requirements for degrees from the school. This program may include the involvement of students, community health professionals, faculty, alumni, past recipients of Health Career Opportunity Program (HCOP) funds, faculty/staff of feeder schools, etc., in institutionally organized activity (e.g., tutoring, counseling, and summer/bridge programs).

Each school funded for the first time in FY 1997 will also be required to carry out each of the activities specified above by not later than 12 months from receipt of award. Funds awarded to a school under the SDS program may not be used to carry out any of the above activities which the school must be doing, or must agree to do. In addition, a school will be required to continue to carry out all described activities, and also the student/faculty recruitment and retention activities, for as long as the SDS program is in operation at the school.

Evaluation Criteria for Fiscal Year 1997

For FY 1997, applications from newly participating schools will be evaluated on the degree to which the schools meet

the statutory requirements listed above. Guidance for presenting the information will be provided in the FY 1997 application materials. Schools that received funds for academic year 1996-97 will be funded based on the information provided in last year's financial status report, and do not need to reapply.

Student Eligibility

As required by statute, to qualify for the SDS program, a student must:

(1) be a resident of the U. S. and either be a U. S. citizen, a U.S. national, an alien lawfully admitted for permanent residence in the U.S., a citizen of the Commonwealth of the Northern Mariana Islands, a citizen of the Commonwealth of Puerto Rico, or a citizen of the Republic of Palau, or a citizen of the Marshall Islands, or a citizen of the Federated States of Micronesia;

(2) meet the definition of an "individual from a disadvantaged background" as defined above; and

(3) (a) be enrolled in or accepted by an eligible school for enrollment as a full-time student; or

(b) be an undergraduate student who has demonstrated a commitment to pursuing a career in health professions, including nursing.

Statutory Preference

The law requires that in providing SDS scholarships, the school give preference to students who are from disadvantaged backgrounds and for whom the cost of attending an SDS school would constitute a severe financial hardship. Severe financial hardship will be determined by the school in accordance with standard need analysis procedures prescribed by the Department of Education for its Federal student aid programs.

The following Criteria for Undergraduate Students, Definitions, Methodology for Implementing the Statutory Special Consideration, the Nonstatutory Special Consideration for Baccalaureate Nursing Programs, and the Procedures for Calculating Scholarship Awards were established in FY 1991 after public comment (at 56 FR 49779) on October 1, 1991, and are being extended in FY 1997. The Funding Preference and Priority were established in FY 1994 after public comment (at 59 FR 44740) on August 30, 1994, and are being extended in FY 1997.

Criteria for Undergraduate Students

In the instance of (3)(b) above, it has been established that the undergraduate students eligible for scholarships must be at feeder schools and have signed

statements that they are interested in health professions or nursing careers.

Definitions

"Black" means a person having origins in any of the black racial groups of Africa.

"Hispanic" means a person of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race.

"American Indian or Alaskan Native" means a person having origins in any of the original peoples of North America, and who maintains cultural identification through tribal affiliation or community recognition.

Definitions listed above are contained in Directive No. 15 of Office of Management and Budget Circular No. A-46, dated May 3, 1974.

"Native American" as defined in Pub. L. 101-527, means American Indian, Alaskan Native, Aleut, or Native Hawaiian.

"Minority" with respect to faculty, refers to Blacks, Hispanics, Native Americans, Filipinos, Koreans, Pacific Islanders, and Southeast Asians whose percentage among the total supply of practitioners in the applicable health profession is below that group's percentage in the total population.

Methodology for Implementing the Statutory Special Consideration

In accordance with the statute, in making awards under section 737(a), the Secretary shall give special consideration to eligible schools that have enrollments of underrepresented minorities above the national average for its particular discipline.

For purposes of determining eligibility of a school, Asians will not be included in the definition of underrepresented minorities for the school. Although certain Asian subgroups (i.e. Filipinos, Koreans, Pacific Islanders, and Southeast Asians) are considered to be underrepresented in the health professions and are included as minorities for purposes of program requirements relating to faculty recruitment and retention (see above), national data on these subgroups are not available as a basis for establishing national average enrollment of underrepresented minorities.

For purposes of the FY 1997 award cycle, the national average enrollments of Blacks, Hispanics, and Native Americans (in combination) are: for medicine 15.2 percent; osteopathic medicine 7.9 percent; nursing (RN only) 13.6 percent; dentistry 12.0 percent; pharmacy 11.5 percent; optometry 9.1 percent; podiatric medicine 9.6 percent; veterinary medicine 5.8 percent; public

health 17.1 percent; allied health 18.2 percent; and clinical psychology 18 percent.

Nonstatutory Special Consideration for Baccalaureate Nursing Programs

Among schools of nursing, additional special consideration will be given to baccalaureate programs. One of the distinguishing features of baccalaureate education is the substantial focus on preparation for community health practice. Training nurses for community health practice is an integral component of the Department's access strategy.

It is not required that new applicants request consideration for a funding factor. Applications from new schools which do not request consideration for funding factors will be reviewed and given full consideration for funding.

Procedures for Calculating Awards

Awards to eligible schools will be calculated by comparing the enrollment of disadvantaged students in each eligible school with the total enrollment of the disadvantaged students in all eligible schools.

A school with an enrollment of underrepresented minority students which is above the national average (for each discipline) will be given double credit (i.e., its enrollment of disadvantaged students would be doubled for awarding purposes). A baccalaureate nursing school will be given double credit. A baccalaureate nursing school with an underrepresented minority enrollment above the national average will be given quadruple credit (i.e., its enrollment of disadvantaged students will be multiplied by four for awarding purposes).

Other Consideration

Other funding factors may be applied in determining the funding of eligible schools.

A funding preference is defined as the funding of a specific category or group of eligible schools ahead of other categories or groups of eligible schools.

A funding priority is defined as the favorable adjustment of aggregate review scores of individual approved applications when applications meet specified criteria.

It is not required that new applicants request consideration for a funding factor. Applications from new schools which do not request consideration for funding factors will be reviewed and given full consideration for funding.

Funding Preference and Priority

For fiscal year 1997, among allied health schools or programs, preference

will be given to the following baccalaureate and graduate programs: dental hygiene, medical laboratory technology, occupational therapy, physical therapy and radiologic technology. In addition, priority among allied health applicants will be given to dental hygiene. A priority for dental hygiene will be implemented by taking the total funds allocated to the allied health disciplines in the initial allocation and recalculating this part of the allocation. Dental hygiene schools will receive double credit for their disadvantaged enrollments in the reallocation of the allied health funds.

National Health Objectives for the Year 2000

The Public Health Service is committed to achieving the health promotion and disease prevention objectives of Healthy People 2000, a PHS-led national activity for setting priority areas. The Scholarships for Disadvantaged Students program is related to the priority area of Academic and Community Partnership Programs. 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 (202) 783-3238).

Smoke-Free Workplace

The Public Health Service strongly encourages all award recipients to provide a smoke-free workplace and promote the non-use of all tobacco products, and Public Law 103-227, the Pro-Children Act of 1994, prohibits smoking in certain facilities that receive Federal funds in which education, library, day care, health care, and early childhood development services are provided to children.

Application Requests

Applications are not required from schools of medicine, osteopathic medicine, dentistry, pharmacy, optometry, podiatric medicine, veterinary medicine, nursing, public health, clinical psychology and allied health which received SDS awards in FY 1996. Upon request, materials will be mailed to schools in the disciplines identified above which did not participate in the SDS program in FY 1996.

Requests for materials and questions regarding business management and program policy should be directed to: Office for Campus Based Programs, Division of Student Assistance, Bureau

of Health Professions, Health Resources and Services Administration, Parklawn Building, Room 8-34, 5600 Fishers Lane, Rockville, Maryland 20857. Telephone: (301) 443-4776; FAX: (301) 443-0846.

The deadline date for submitting materials from new schools is April 21, 1997. Applications shall be considered as meeting the deadline if they are either:

- (1) *Received on or before* the established deadline date, or
- (2) *Sent on or before* the established deadline and received in time for orderly processing. (Applicants should request a legibly dated U.S. Postal Service postmark or obtain a legibly dated receipt from a commercial carrier or the U.S. Postal Service. Private metered postmarks shall not be acceptable as proof of timely mailing.)

Late applications not accepted for processing will be returned to the applicant.

The materials for this program (SF 269) have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act. The OMB clearance number is 0348-0039. In addition, applicants are required to provide certification that there is at least one minority faculty member on staff at the applicant institution.

The Catalog of Federal Domestic Assistance Number for the Scholarships for Disadvantaged Students program is 93.925. This program is not subject to the provisions of Executive Order 12372, Intergovernmental Review of Federal Programs (as implemented through 45 CFR part 100).

This program is not subject to the Public Health System Reporting Requirements.

Dated: March 13, 1997.

Ciro V. Sumaya,

Administrator.

[FR Doc. 97-7140 Filed 3-20-97; 8:45 am]

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Public Health Service

Notice Regarding Section 602 of the Veterans Health Care Act of 1992—Withdrawal of Rebate Mechanism

AGENCY: Health Resources and Services Administration (HRSA), Department of Health and Human Services (HHS).

ACTION: Notice.

SUMMARY: Section 602 of Public Law 102-585, the "Veterans Health Care Act of 1992," enacted section 340B of the Public Health Service Act, "Limitation on Prices of Drugs Purchased by Covered Entities." Section 340B