TABLE C.—IMPACT OF HOSPICE WAGE INDEX CHANGE

	Number of hospices	Number of routine home care days in thousands	Payments using FY 1999 wage index in thousands	Estimated payments using FY 2000 wage index in thousands	Percent change in hospice payments
	(1)	(2)	(3)	(4)	(5)
All	2,161	18,455	2,135,750	2,128,347	−0.3
Urban Hospices	1,375	15,717	1,877,146	1,868,228	−0.5
Rural Hospices	786	2,738	258,604	260,118	0.6
Region (Urban):					
New England	98	607	79,780	82,145	3.0
Middle Atlantic	176	1,970	249,012	252,129	1.3
South Atlantic	188	3,509	433,746	433,786	0.0
East North Central	223	2,546	301,352	295,253	−2.0
East South Central	101	890	92,734	91,468	−1.4
West North Central	98	930	97,912	98,233	0.3
West South Central	185	2,090	224,483	218,502	−2.7
Mountain	90	945	125,720	123,558	−1.7
Pacific	187	2,028	257,817	259,665	0.7
Puerto Rico	29	203	14,592	13,489	−7.6
Region (Rural):					
New England	25	69	7,178	7,372	2.7
Middle Atlantic	36	162	16,287	16,306	0.1
South Atlantic	115	601	55,752	55,890	0.2
East North Central	132	490	46,469	46,864	0.9
East South Central	81	376	34,460	34,534	0.2
West North Central	168	358	33,204	33,579	1.1
West South Central	88	279	24,492	24,408	−0.3
Mountain	84	181	17,817	17,872	0.3
Pacific	54	202	21,593	22,098	2.3
Puerto Rico	3	19	1,352	1,195	−11.6
Size (Routine Home Care Days):					
0–1,754 Days	540	457	46,196	46,452	0.6
1,754–4,373 Days	539	1,603	164,904	164,822	0.0
4,372–9,681 Days	541	3,616	385,755	385,020	−0.2
9,681+Days	541	12,778	1,538,895	1,532,054	−0.4
Type of Ownership:					
Voluntary	1,374	12,342	1,427,656	1,427,863	0.0
Proprietary	574	5,535	648,731	640,829	−1.2
Government	180	494	50,974	51,319	0.7
Other	33	83	8,389	8,335	−0.6
Hospice Base:					
Freestanding	841	10,368	1,211,588	1,202,380	−0.8
Home Health Agency	757	4,852	558,520	559,505	0.3
Hospital	542	3,107	349,520	349,793	0.1
Skilled Nursing Facility	21	127	16,597	16,669	0.4

Authority: Section 1814(I) of the Social Security Act (42 U.S.C. 1395f (I)(1))

(Catalog of Federal Domestic Assistance Program No. 93.743 Medicare—Hospital Insurance Program; and No. 93.774, Medicare—Supplementary Medical Insurance Program)

Dated: May 27, 1999.

Nancy-Ann Min DeParle,

Administrator.

Dated: July 2, 1999.

Donna E. Shalala,

Secretary.

[FR Doc. 99–20013 Filed 7–30–99; 1:30 pm]

BILLING CODE 4120–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Care Financing Administration

[HCFA–0002–N]

Medicare Program; Year 2000 Readiness Letters

AGENCY: Health Care Financing Administration (HCFA), HHS.

ACTION: Notice.

On May 24, 1999 the Health Care Financing Administration (HCFA) sent the following letters regarding Y2K readiness to physicians, hospitals, managed care organizations and other health care partners that provide services to Medicare beneficiaries. The letters are a follow-up to a January 1999

letter published in the **Federal Register** (64 FR 5667) that had been sent to the over one million providers of Medicare services.

The recent letters include several very important messages regarding Y2K and health care providers. First, HCFA's internal systems and the 75 mission-critical claims processing systems operated by the Medicare carriers and fiscal intermediaries are fully ready to handle all appropriately formatted claims and other data exchanges on January 1, 2000. Second, providers need to be aware that the Y2K computer problem goes beyond the matter of billing and can have a serious impact on the quality of patient care. Finally, the letters provide a list of steps and a number of web site resources that

providers can use to help them get ready for the Year 2000, including the preparation of contingency plans.

These letters from the Administrator are part of an extensive outreach effort that the agency has undertaken to keep health care providers informed about the status of HCFA's Y2K readiness and to encourage providers to take all steps necessary to become Y2K ready. We have received many questions from concerned providers and others during the last year about the status of agency's Y2K readiness. Our claims processing systems have been fully renovated, implemented and tested and are paying claims today. We will continue to retest systems through the end of the year. However, it should be recognized that HCFA readiness is not enough. In addition, providers must be ready and able to submit claims that can be processed in a Y2K environment. Medicare's fiscal intermediaries and carriers make Y2K compliant billing software available to all providers and claims submitters for free or at a minimal cost.

The best method for providers to be assured that they are Y2K ready and that we are able to process their claims is to test their systems with their Medicare contractor using test claims with future dates. Medicare contractors are prepared to conduct "front end" testing with providers and in some instances "end to end" testing may also be available. We recommend that providers test with as many of their payers as possible.

Many providers that use billing vendors to submit claims to HCFA and other payers appear to be under the incorrect impression that the Y2K transition does not affect them. Providers need to assure that they are able to interface with their bill submitters and that submitters are ready to submit bills and exchange data with Medicare contractors and other payers in a Y2K ready environment. In addition, providers should be aware that any system or equipment with an embedded chip can be affected by Y2K including patient management systems, medical devices, payroll systems, security and fire systems, telephones and other systems that are integral to providing quality patient care and supporting provider business operations.

We have developed very specific contingency plans to assure that we will be able to process claims and make payments to providers in the event of an unforseen failure of Medicare hardware, software or networks due to the Y2K transition. These contingency plans do not include estimated payments to providers who cannot submit a bill that

can be processed. Being able to submit a valid bill is the minimal requirement that HCFA believes is necessary to assure that the provider is able to operate in a Year 2000 environment and is actually furnishing covered services. HCFA's accountability to taxpayers requires that payment be made only when a provider can document that a covered service has been delivered through submission of a proper claim. HCFA has always been able to receive paper claims, but this is not a preferred option. Processing paper claims requires additional human resources. Any significant increase in submission of paper claims could slow down the payment process. Payments will be processed more quickly and accurately if claims can be submitted electronically.

Health care providers must have business continuity and contingency plans in place in case of unanticipated problems. Contingency plans help ensure that providers can submit accurate and timely claims to Medicare, and continue to furnish safe and quality care to their patients. HCFA makes a variety of contingency planning resources available to providers, including the HCFA Year 2000 Business Continuity Plan Handbook published on HCFA's web site.

In addition to these letters to providers and the resource information on its web site, www.hcfa.gov, HCFA has established a Y2K Speakers Bureau and is prepared to make speakers available to health care provider meetings and conferences on request. In addition HCFA is holding a series of Y2K provider readiness conferences and public learning sessions in locations across the country. (See web site for locations). Also, a toll-free number is available specifically for providers with questions and concerns about Y2K. That number is 1–800–958–HCFA and is available Monday through Friday, 8:00 a.m. to 8:00 p.m. Eastern time.

FOR FURTHER INFORMATION CONTACT: Joe Broseker 410–786–1950 or Anita Shalit 202–690–7179.

(Catalog of Federal Domestic Assistance Program No. 93.778, Medical Assistance Program)
(Catalog of Federal Domestic Assistance Program No. 93.773, Medicare—Hospital Insurance; and Program No. 93.774, Medicare—Supplementary Medical Insurance Program)

Dated: July 28, 1999.

Michael M. Hash,

Deputy Administrator, Health Care Financing Administration.

Dear Doctor:

In January, the Health Care Financing Administration (HCFA) wrote to you about

the progress it had made in correcting problems in Medicare computer systems caused by the Year 2000 or "Y2K" problem. Many of you responded with letters and further questions. The two most frequently asked questions were: "When will HCFA be fully ready to process our claims?" and "What do we as physicians need to be doing to be ready for the Year 2000?"

We are pleased to tell you that HCFA and its Medicare contractors are fully ready to handle all appropriately formatted claims and other data exchanges on January 1, 2000. All of HCFA's internal systems have been renovated, tested, certified; and necessary changes were implemented by the government-wide Year 2000 deadline of March 31, 1999. Among other things, these internal systems operate HCFA's accounts receivable and payable operations; manage the eligibility, enrollment, and premium status of our 39 million Medicare beneficiaries; and make payments to more than 400 managed care plans on behalf of over 6 million beneficiaries. All 75 mission-critical claims processing systems operated by our Medicare contractors are also certified as compliant, including end-to-end and future-date testing. We continue to test and retest our renovated systems. We want to be sure that you get paid for the valuable work you do.

The Y2K computer problem is far more than a billing problem. We are pleased so many of you are asking the second question about what you need to do. This is a patient care and quality of care issue as well as a technical one. Our expectation is that you will continue to provide the quality of care your patients depend upon. As physicians, you will need to prepare your internal office systems to communicate with HCFA systems and prepare other aspects of your practice to continue to function reliably after January 2000. We urge you to take the following steps toward Y2K readiness: (Please see the enclosed attachments for more details.)

• Understand the issue so that you can assure your patients of continued quality care.

• Access the numerous public and private websites offering Y2K guidance.

• Inventory your practice for other Y2K problems with the attached checklist.

• Contact your Medicare carrier now for testing of your billing submissions.

• Contact your other major third party payers and your State Medicaid Agency.

• Develop business contingency plans in the event something might go wrong.

More detail on each of these steps is attached. This is not an exhaustive list but is meant to guide you in your Y2K readiness efforts. I have also attached a Sample Provider Y2K Readiness Checklist for your information. Many of you have taken steps to prepare for Y2K and have helped us get ready for January 1, 2000, and we thank you. Please continue to let us know, through our Medicare contractors, our toll-free Y2K provider line (1–800–958–HCFA [4232]), and our website (www.hcfa.gov/y2k), what further HCFA activities would help you to get ready.

Sincerely,

Michael M. Hash,

Deputy Administrator.

Robert A. Berenson,

Director, Center for Health Plans and Providers.

Enclosures

Dear Health Care Partner:

I wrote to you in January about the substantial progress that the Health Care Financing Administration ((HCFA) had made in eliminating the Y2K bug from Medicare computer systems and about your part in assuring the continued quality of the health care system. Many of you responded with letters and further questions. The two most frequently asked questions were: ''When will HCFA be fully ready to process our claims?'' and ''What do we as providers need to be doing to be ready for the Year 2000?'

We are pleased to inform you that HCFA and its Medicare contractors are fully ready to handle all appropriately formatted claims and information exchanges on January 1, 2000. All of HCFA's mission critical internal systems were renovated, tested, certified, and implemented by the government-wide Year 2000 deadline of March 31, 1999. Among other things, these internal systems manage the eligibility, enrollment, and premium status of our 39 million Medicare beneficiaries; make payments to more than 400 managed care plans on behalf of over 6 million beneficiaries; and operate HCFA's accounts receivable and payable operations. All 75 mission-critical claims processing systems operated by our Medicare contractors are also certified as compliant, including end-to-end and future-date testing. We continue to test and retest our renovated systems. We want to be sure that you get paid for the valuable work you do.

The available surveys indicate that health care providers, particularly physicians, clinics, and skilled nursing facilities, have not resolved the problems that may occur on January 1, 2000. This so-called ''Y2K Bug'' is far more than a billing problem. We are pleased so many of you are asking the second question about what you need to do. This is a patient care and quality of care issue as well as a technical one. Our expectation is that you will continue to provide the quality of care your patients depend upon. We urge you to take the following steps toward Y2K readiness:

• Understand the issue so that you can assure your patients of continued quality care.

• Access the numerous public and private websites offering Y2K guidance.

• Inventory your business for other Y2K problems with the attached checklist.

• Contact your Medicare contractor now for testing of your billing submissions.

• Contact your other major third party payers and your State Medicaid Agency.

• Develop business contingency plans in the event something might go wrong.

More detailed information on each of these steps is attached as well as a Sample Provider Y2K Readiness Checklist. This is not an exhaustive list but is meant to guide you in your Y2K readiness efforts. Also, we want to thank the many of you who have already taken steps to prepare for the millennium and have helped us get ready for January 1, 2000. Please continue to let us know, through your Medicare contractors, our toll-free Y2K provider line (1–800–958–HCFA [4232]), and our website (www.hcfa.gov/y2k) what further HCFA activities would help you to get ready.

Sincerely,

Michael M. Hash,

Deputy Administrator.

Enclosures

Attachment A—Suggested Steps Toward Y2K Readiness

Understand the issue so that you can assure your patients of continued quality care.

Become informed about your office's readiness for the Year 2000. If any patients develop concerns in the upcoming months about how Y2K may affect the continuity of their health care, they will be greatly reassured by informed responses from you and your staff.

Access the numerous public and private websites offering Y2K guidance.

• The Food & Drug Administration (FDA) website, www.fda.gov/cdrh/yr2000/year2000.html, offers an extensive listing of the status of medical equipment readiness, by manufacturer.

• The General Services Administration (GSA) website, www.itpolicy.gsa.gov/mks/yr2000/y2khome.htm, offers valuable information to assess your building and infrastructure.

• The Small Business Administration (SBA) website, www.sba.gov/financing/fry2k.html, offers information on how to obtain SBA-guaranteed bank loans that may help small, for profit providers pay for a variety of Y2K-generated needs, including: Y2K adjustments, repair, and acquisition of hardware, software, and consultants.

• Professional organizations such as your state, national and specialty medical societies and associations, and your professional liability carrier offer additional specialized Y2K information.

• Attend programs that will be provided throughout this year from HCFA, continuing medical education providers and professional organizations. HCFA sponsored programs are listed on our website, www.hcfa.gov/y2k.

Inventory your practice for other Y2K problems.

Anything that depends on a microchip or date entry could be affected, whether it belongs to you or to an organization you depend upon. The attached checklist, which can also be found on the HCFA website (www.hcfa.gov/y2k), will help you in this inventory. Don't forget to:

• Identify your mission critical items, that is, those items without which you cannot run your practice, and focus on those first.

• Contact the vendors and service contractors for your computer hardware and software, service companies such as your security company or paging system, and your medical equipment suppliers (EKG machines, for example, may actually give inaccurate diagnostic results) to obtain information regarding the Y2K status or impact on their products.

• Update or replace systems, software programs, and devices that are not Y2K ready and that you decide are critical for your business continuity. There is no time to lose on this activity as the replacement systems you need may be back-ordered.

Keep notes on all your communications and testing information for possible use later and do not assume that a system or a program is Y2K ready just because someone said it is. For critical items, get assurance in writing and/or attempt to have them tested.

• The original manufacturer of a product knows the product best and is in the best position to assess the Y2K status of it and provide advice. Industry experts recommend that you not test biomedical devices until you have checked with the supplier or manufacturer to determine the advisability of such testing. Particular attention should be given to interconnected devices or systems whose components share or communicate data and that are not from a single manufacturer or source.

Contact your Medicare contractor now for testing of your billing submissions.

• Medicare carrier and fiscal intermediary Y2K information numbers can be found on HCFA's website, www.hcfa.gov/y2k, or can be obtained from our toll free provider information line at 1–800–958–HCFA [4232].

• HCFA is now requiring all Medicare contractors to establish a test environment that will allow Medicare claim formats from providers/submitters to be validated. In some instances, you may be able to arrange with your contractor to have ''end to end'' testing done, whereby your billing submissions are tested into their system and back again to your system. This latter form of test is only available on a limited basis, provided time and resources are available at the contractor.

• HCFA has dedicated software that will give you a way to submit electronic claims in a compliant format in the event your system is not fully compliant. This software is available from your Medicare contractor.

Contact other major third party payers.

• The above considerations are equally applicable for transactions with your other payers. Contact them directly to arrange Y2K testing.

Develop business contingency plans in the event something goes wrong. Focus on the things that would be most problematic for you and your patients.

• While storing claims information on paper may be a part of your contingency, actually submitting them for payment is ill advised, as an enormous increase in paper claims cannot be accommodated by payor systems, and this could significantly delay your payments. We recommend that your billing office work with your carrier to create the appropriate electronic contingency, as noted above.

The Health Care Financing Administration does not assume any responsibility for your Y2K compliance.

Attachment B—Sample Provider Y2K Readiness Checklist

This checklist is intended as a supplemental guide to help you determine your Y2K readiness. Consider using this, along with other diagnostic and reference tools you have obtained for this venture. The purpose of this checklist is to aid you in determining your Y2K readiness. This information is not intended to be all inclusive. The Health Care Financing Administration does not assume any responsibility for your Y2K compliance.

Item	Y2K Ready	Not Y2K Ready
Appointment scheduling system.		
Answering machines.		
Bank debit/credit card expiration dates.		
Banking interface.		
Billing system.		
Building access cards.		
Clocks.		
Computer hardware (list).		
Computer software (list).		
Custom applications (list).		
Diagnostic equipment (list).		
Elevators.		
Fire/smoke alarm.		
Indoor lighting.		
Insurance/pharmacy coverage dates.		
Medical devices (list).		
Membership cards.		
Monitoring equipment (list).		
Office forms (claims, order, referral).		
Outdoor lighting.		
Paging system.		
Payroll system.		
Physician referral forms.		
Security system.		
Telephone system.		
Television/VCR.		
Sprinkler system.		
Treatment equipment (list).		
Safety vaults.		

[FR Doc. 99–19940 Filed 8–3–99; 8:45 am]
BILLING CODE 4120–01–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Program Support Center; Agency Information Collection Activities: Submission for OMB Review; Comment Request

The Department of Health and Human Services, Program Support Center (PSC), publishes a list of information collections it has submitted to the Office of Management and Budget (OMB) for clearance in compliance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35) and 5 CFR 1320.5. The following information collection was recently submitted to OMB:

1. Proposed Project: Application to the Board for Correction of Public Health Service (PHS) Commissioned Corps Records (PSC–54) (Formerly PHS–6190)—OMB 0937–0095— Revision.

An application is submitted by commissioned officers of the PHS Commissioned Corps, former officers, their spouses or heirs who appeal to the Board for Correction to request removal of an alleged error or injustice in an officer's record. The information submitted is used by the Board for Correction to determine if an error or injustice has occurred and to rectify such error or injustice. An appeal cannot be considered without the information furnished on this form. The form has been revised to reflect: (1) Organizational changes which have occurred since its last revision in May 1985; (2) a streamlined form to permit a more logical entry of data; and (3) a need for additional information to process appeals and release records.

Respondents: Individuals or households and Federal employees. *Total Number of Respondents:* ten per calendar year. *Number of Responses per Respondent:* one response per request. *Average Burden per Response:* four hours. *Estimated Annual Burden:* 40 hours.

OMB Desk Officer: Allison Eydt.
The information collection package listed above can be obtained by calling the PSC Reports Clearance Officer on (301) 443–2045. Written comments and recommendations for the proposed information collection should be sent directly to the OMB desk officer designated above at the following address: Human Resources and Housing Branch, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street NW, Washington, DC 20503.

Comments may also be sent to Norman E. Prince, Jr., Acting PSC Reports Clearance Officer, Room 17A–08, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857. Written comments should be received within 30 days of this notice.

Dated: July 28, 1999.

Lynnda M. Regan,
Director, Program Support Center.
[FR Doc. 99–19980 Filed 8–3–99; 8:45 am]
BILLING CODE 4168–17–M

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

Endangered and Threatened Species Permit Application

AGENCY: Fish and Wildlife Service, Interior.
ACTION: Notice of receipt of application.

The following applicant has applied for a permit to conduct certain activities with endangered species. This notice is provided pursuant to section 10(c) of