

review of an initial claim determination by telephone in addition to the current writing procedure. A telephone review is the first level of appeal for Part B claims and is performed by carrier staff who had no part in making the initial claim determination in accordance with current MCM instructions. A telephone review is considered to be less costly to all parties and is a more expeditious way of handling appeals than a written review.

Also, section 1102(b)(2) of the Act requires us to prepare a regulatory impact analysis for any final rule that may have a significant impact on the operations of a substantial number of small rural hospitals. Such an analysis must conform to the provisions of section 604 of the RFA. For purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital that is located outside a Metropolitan Statistical Area and has fewer than 50 beds.

We are not preparing analyses for either the RFA or section 1102(b)(2) of the Act because we have determined and certify that this final rule will not have a significant economic impact on a substantial number of small entities or a significant impact on the operations of a substantial number of small rural hospitals.

In accordance with the provisions of Executive Order 12866, this final rule was reviewed by the Office of Management and Budget.

We have reviewed this notice under the threshold criteria of Executive Order 12612, Federalism. We have determined that it does not significantly affect the States rights, roles, and responsibilities.

#### List of Subjects in 42 CFR Part 405

Administrative practice and procedure, Health facilities, Health professions, Kidney diseases, Medicare, Reporting and recordkeeping requirements, Rural areas, X-rays.

For the reasons set forth in the preamble, 42 CFR chapter IV is amended as set forth below:

#### PART 405—FEDERAL HEALTH INSURANCE FOR THE AGED AND DISABLED

##### Subpart H—Appeals Under the Medicare Part B Program

1. The authority citation for part 405, subpart H is revised to read as follows:

**Authority:** Secs. 1102, 1842(b)(3)(C), 1869(b), and 1871 of the Social Security Act (42 U.S.C. 1302, 1395u(b)(3)(C), 1395ff(b), and 1395hh).

2. Section 405.805 is revised to read as follows:

#### § 405.805 Parties to the initial determination.

The parties to the initial determination (see § 405.803) may be any party described in § 405.802.

3. Section 405.807 is revised to read as follows:

#### § 405.807 Request for review of initial determination.

(a) *General.* A party to an initial determination by a carrier, that is dissatisfied with the initial determination and wants to appeal the matter, may request that the carrier review the determination. The request for review by the party to an initial determination must clearly indicate that he or she is dissatisfied with the initial determination and wants to appeal the matter. The request for review does not constitute a waiver of the party's right to a hearing (under § 405.815) after the review.

(b) *Place and method of filing a request.* A request by a party for a carrier to review the initial determination may be made in one of the following ways:

(1) In writing and filed at an office of the carrier, SSA, or HCFA.

(2) By telephone to the telephone number designated by the carrier as the appropriate number for the receipt of requests for review.

(c) *Time of filing request.* (1) The carrier must provide a period of 6 months after the date of the notice of the initial determination within which the party to the initial determination may request a review.

(2) The carrier may, upon request by the party, extend the period for requesting the review of the initial determination.

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

Dated: October 6, 1998.

**Nancy-Ann Min DeParle,**  
*Administrator, Health Care Financing Administration.*

Dated: February 22, 1999.

**Donna E. Shalala,**  
*Secretary.*

**Editorial Note:** This document was received at the Office of the Federal Register September 27, 1999.

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## DEPARTMENT OF DEFENSE

### 48 CFR Part 204

[DFARS Case 99-D011/98-D017]

#### Defense Federal Acquisition Regulation Supplement; Fiscal Year 2000 Contract Action Reporting Requirements; Correction

**AGENCY:** Department of Defense, (DoD).

**ACTION:** Correction to the final rule.

**SUMMARY:** DoD is issuing a correction to the final rule published at 64 FR 45197-45207 on August 19, 1999. The correction reflects the change in name of the "Defense Fuel Supply Center" to the "Defense Energy Support Center".

**EFFECTIVE DATE:** October 1, 1999.

**FOR FURTHER INFORMATION CONTACT:** Ms. Michele Peterson, (703) 602-0311.

#### Correction

In the issue of Thursday, August 19, 1999, on page 45198, in the first column, in 204.670-2(c)(7)(ii), in the first line, remove the words "Fuel Supply" and add in their place the words "Energy Support".

**Michele P. Peterson,**

*Executive Editor, Defense Acquisition Regulations Council.*

[FR Doc. 99-25165 Filed 9-29-99; 8:45 am]

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## DEPARTMENT OF DEFENSE

### 48 CFR Parts 205, 206, 217, 219, 225, 226, 236, 252, and 253

[DFARS Case 98-D007]

#### Defense Federal Acquisition Regulation Supplement; Reform of Affirmative Action in Federal Procurement

**AGENCY:** Department of Defense (DoD).

**ACTION:** Final rule.

**SUMMARY:** The Director of Defense Procurement is adopting as final, with changes, an interim rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) policy concerning programs for small disadvantaged business (SDB) concerns. The amendments conform to a Department of Justice (DoJ) proposal to reform affirmative action in Federal procurement, and are consistent with the changes made to the Federal Acquisition Regulation (FAR) in Federal Acquisition Circulars (FACs) 97-06 and 97-13. DoJ's proposal is designed to ensure compliance with the constitutional standards established by the Supreme Court in *Adarand*

*Constructors, Inc. v. Pena*, 115 S. Ct. 2097 (1995).

**EFFECTIVE DATE:** October 1, 1999.

**FOR FURTHER INFORMATION CONTACT:** Ms. Susan Schneider, Defense Acquisition Regulations Council, PDUSD (A&T) DP (DAR), IMD 3D139, 3062 Defense Pentagon, Washington, DC 20301-3062. Telephone (703) 602-0326; telefax (703) 602-0350. Please cite DFARS Case 98-D007.

**SUPPLEMENTARY INFORMATION:**

**A. Background**

This rule finalizes, with changes, the interim rule published at 63 FR 41972 on August 6, 1998. The interim rule was issued to conform the DFARS to the interim FAR rule published in FAC 97-06, at 63 FR 35719 on June 30, 1998, pertaining to reform of affirmative action in Federal procurement. A final FAR rule on this subject was published in FAC 97-13, at 64 FR 36222 on July 2, 1999, and will become effective on October 1, 1999.

Two sources submitted comments on the interim DFARS rule published on August 6, 1998. All comments were considered in the development of the final rule. The final rule differs from the interim rule in that it (1) amends DFARS 226.7008(b) to remove language requiring use of the provision at FAR 52.226-2 when the clause at FAR 52.219-23 is used, since FAC 97-13 added this requirement to the FAR; and (2) removes the provision at 252.226-7001, since this provision duplicates the provision at FAR 52.226-2.

This rule was not subject to Office of Management and Budget review under Executive Order 12866, dated September 30, 1993.

**B. Regulatory Flexibility Act**

DoD certifies that this final rule will not have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601, *et seq.*, because most of the changes merely conform the DFARS to the FAR rules in FACs 97-06 and 97-13. Two source selection considerations for SDB concerns currently in the DFARS, but not in the FAR, are amended by this rule to conform to the DoJ model: Leader company contracting (DFARS 217.401); and architect-engineer (A-E) services (DFARS 236.602). These two changes are not expected to have a significant economic impact on a substantial number of small entities, since (1) leader company contracting is infrequently used by DoD; and (2) the primary factor in A-E selection is the determination of the most highly

qualified firm; the SDB consideration is one of several secondary source selection factors.

**C. Paperwork Reduction Act**

The Paperwork Reduction Act does not apply because the rule does not impose any information collection requirements that require the approval of the Office of Management and Budget under 44 U.S.C. 3501, *et seq.*

**List of Subjects in 48 CFR Parts 205, 206, 217, 219, 225, 226, 236, 252, and 253**

Government procurement.

**Michele P. Peterson**,  
*Executive Editor, Defense Acquisition Regulations Council.*

**Interim Rule Adopted as Final With Changes**

Accordingly, the interim rule amending 48 CFR parts 205, 206, 217, 219, 225, 226, 236, 252, and 253, which was published at 63 FR 41972 on August 6, 1998, and amended at 63 FR 64427 on November 20, 1998, is adopted as a final rule with the following changes:

1. The authority citation for 48 CFR parts 205, 206, 217, 219, 225, 226, 236, 252, and 253 continues to read as follows:

**Authority:** 41 U.S.C. 421 and 48 CFR Chapter 1.

**PART 226—OTHER SOCIOECONOMIC PROGRAMS**

2. Section 226.7008 is amended by revising paragraph (b) to read as follows:

**226.7008 Solicitation provision and contract clause.**

\* \* \* \* \*

(b) Use the provision at FAR 52.226-2, Historically Black College or University and Minority Institution Representation, in solicitations set aside for HBCU/MIs.

**PART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES**

**252.226-7001 [Removed]**

3. Section 252.226-7001 is removed.

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**DEPARTMENT OF DEFENSE**

**48 CFR Parts 215, 217, 219, 226, 236, 252, and Appendix I to Chapter 2**

[DFARS Case 98-D021]

**Defense Federal Acquisition Regulation Supplement; Reform of Affirmative Action in Federal Procurement, Part II**

**AGENCY:** Department of Defense (DoD).

**ACTION:** Final rule.

**SUMMARY:** The Director of Defense Procurement is adopting as final, without change, an interim rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) policy concerning programs for small disadvantaged business (SDB) concerns. The amendments conform to a Department of Justice (DoJ) proposal to reform affirmative action in Federal procurement, and are consistent with the changes made to the Federal Acquisition Regulation (FAR) in Federal Acquisition Circulars (FACs) 97-07 and 97-13. DoJ's proposal is designed to ensure compliance with the constitutional standards established by the Supreme Court in *Adarand Constructors, Inc. v. Pena*, 115 S. Ct. 2097 (1995).

**EFFECTIVE DATE:** October 1, 1999.

**FOR FURTHER INFORMATION CONTACT:** Ms. Susan Schneider, Defense Acquisition Regulations Council, PDUSD(A&T)DP(DAR), IMD 3D139, 3062 Defense Pentagon, Washington, DC 20301-3062. Telephone (703) 602-0326; telefax (703) 602-0350. Please cite DFARS Case 98-D021.

**SUPPLEMENTARY INFORMATION:**

**A. Background**

This rule finalizes, without change, the interim rule published at 63 FR 64427 on November 20, 1998. The interim rule was issued to conform the DFARS to the interim FAR rule published in FAC 97-07, at 63 FR 36120 on July 1, 1998, pertaining to reform of affirmative action in Federal procurement. A final FAR rule on this subject was published in FAC 97-13, at 64 FR 36222 on July 2, 1999, and will become effective on October 1, 1999.

No comments were received in response to the interim DFARS rule published on November 20, 1998.

This rule was not subject to Office of Management and Budget review under Executive Order 12866, dated September 30, 1993.

**B. Regulatory Flexibility Act**

DoD certifies that this final rule will not have a significant economic impact