

DEPARTMENT OF DEFENSE**Office of the Secretary****Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); Fiscal Year 2000 DRG Updates****AGENCY:** Office of the Secretary, DoD.**ACTION:** Notice of DRG revised rates.

SUMMARY: This notice describes the changes made to the TRICARE/CHAMPUS DRG-based payment system in order to conform to changes made to the Medicare Prospective Payment System (PPS).

It also provides the updated fixed loss cost outlier threshold, cost-to-charge ratios and the Internet address for accessing the updated adjusted standardized amounts, DRG relative weights, and beneficiary cost-share per diem rates to be used for FY 2000 under the TRICARE/CHAMPUS DRG-based payment system.

EFFECTIVE DATES: The rates, weights and Medicare PPS changes which affect the TRICARE/CHAMPUS DRG-based payment system contained in this notice are effective for admissions occurring on or after October 1, 1999.

ADDRESSES: TRICARE Management Activity (TMA), Medical Benefits and Reimbursement Systems, 16401 East Centretech Parkway, Aurora, CO 80011-9043.

For copies of the **Federal Register** containing this notice, contact the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402, (202) 783-3238. The charge for the **Federal Register** is \$1.50 for each issue payable by check or money order to the Superintendent of Documents.

FOR FURTHER INFORMATION CONTACT: Marty Maxey, Medical Benefits and Reimbursement Systems, TMA, telephone (303) 676-3627.

To obtain copies of this document, see the **ADDRESSES** section above. Questions regarding payment of specific claims under the TRICARE/CHAMPUS DRG-based payment system should be addressed to the appropriate contractor.

SUPPLEMENTARY INFORMATION: The final rule published on September 1, 1987 (52 FR 32992) set forth the basic procedures used under the CHAMPUS DRG-based payment system. This was subsequently amended by final rules published August 31, 1988 (53 FR 33461), October 21, 1988 (53 FR 41331), December 16, 1988 (53 FR 50515), May 30, 1990 (55 FR 21863), October 22, 1990 (55 FR 42560), and September 10, 1998 (63 FR 48439).

An explicit tenet of these final rules, and one based on the statute authorizing the use of DRGs by TRICARE/CHAMPUS, is that the TRICARE/CHAMPUS DRG-based payment system is modeled on the Medicare PPS, and that, whenever practicable, the TRICARE/CHAMPUS system will follow the same rules that apply to the Medicare PPS. HCFA publishes these changes annually in the **Federal Register** and discusses in detail the impact of the changes.

In addition, this notice updates the rates and weights in accordance with our previous final rules. The actual changes we are making, along with a description of their relationship to the Medicare PPS, are detailed below.

I. Medicare PPS Changes Which Affect the TRICARE/CHAMPUS DRG-Based Payment System

Following is a discussion of the changes the Health Care Financing Administration (HCFA) has made to the Medicare PPS that affect the TRICARE/CHAMPUS DRG-based payment system.

A. DRG Classifications

Under both the Medicare PPS and the TRICARE/CHAMPUS DRG-based payment system, cases are classified into the appropriate DRG by a Grouper program. The Grouper classifies each case into a DRG on the basis of the diagnosis and procedure codes and demographic information (that is, sex, age, and discharge status). The Grouper used for the TRICARE/CHAMPUS DRG-based payment system is the same as the current Medicare Grouper with two modifications. The TRICARE/CHAMPUS system has replaced Medicare DRG 435 with two age-based DRGs (900 and 901), and we have implemented thirty-four (34) neonatal DRGs in place of Medicare DRGs 385 through 390. For admissions occurring on or after October 1, 1995, the CHAMPUS grouper hierarchy logic was changed so the age split (age <29 days) and assignments to MDC 15 occur before assignment of the PreMDC DRGs. This resulted in all neonate tracheostomies and organ transplants to be grouped to MDC 15 and not to DRGs 480-483 or 495. For admissions occurring on or after October 1, 1998, the CHAMPUS grouper hierarchy logic was changed to move DRG 103 to the PreMDC DRGs and to assign patients to PreMDC DRGs 480, 103 and 495 before assignment to MDC 15 DRGs and the neonatal DRGs. Grouping for all other DRGs under the TRICARE/CHAMPUS system is identical to the Medicare PPS. For FY 2000, HCFA will implement classification changes, including

surgical hierarchy changes. The CHAMPUS Grouper will incorporate all changes made to the Medicare Grouper.

B. Wage Index and Medicare Geographic Classification Review Board Guidelines

TRICARE/CHAMPUS will continue to use the same wage index amounts used for the Medicare PPS. In addition, TRICARE/CHAMPUS will duplicate all changes with regard to the wage index for specific hospitals that are redesignated by the Medicare Geographic Classification Review Board.

C. Hospital Market Basket

TRICARE/CHAMPUS will update the adjusted standardized amounts according to the final updated hospital market basket used for the Medicare PPS according to HCFA's July 30, 1999, final rule.

D. Outlier Payments

Since TRICARE/CHAMPUS does not include capital payments in our DRG-based payments, we will use the fixed loss cost outlier threshold calculated by HCFA for paying cost outliers in the absence of capital prospective payments. For FY 2000, the fixed loss cost outlier threshold is based on the sum of the applicable DRG-based payment rate plus any amounts payable for IDME plus a fixed dollar amount. Thus, for FY 2000, in order for a case to qualify for cost outlier payments, the costs must exceed the TRICARE/CHAMPUS DRG base payment rate (wage adjusted) for the DRG plus the IDME payment plus \$12,827 (wage adjusted). The marginal cost factor for cost outliers continues to be 80 percent.

E. Blood Clotting Factor

TRICARE/CHAMPUS will add HCPCS code J7191 (clotting factor, porcine) to the list of covered blood clotting factors for hemophilia patients and adopt changes to the payment rates as outlined in HCFA's July 30, 1999, final rule, effective for admissions on or after October 1, 1999.

F. Hospitals Excluded From the Prospective Payment System

TRICARE/CHAMPUS will adopt the changes outlined in HCFA's July 30, 1999, final rule as they apply to hospitals and units excluded from the Medicare PPS.

II. Cost to Charge Ratio

For FY 2000, the cost-to-charge ratio used for the TRICARE/CHAMPUS DRG-based payment system will be 0.5429, which is increased to 0.5489 to account for bad debts. This shall be used to

calculate the adjusted standardized amounts and to calculate cost outlier payments, except for children's hospitals. For children's hospital cost outliers, the cost-to-charge ratio used is 0.6004.

III. Updated Rates and Weights

The updated rates and weights are accessible through the Internet at www.tricare.osd.mil under the heading TRICARE Provider Information. Table 1 provides the ASA rates and Table 2 provides the DRG weights to be used under the TRICARE/CHAMPUS DRG-based payment system during FY 2000 and which is a result of the changes described above. The implementing regulations for the TRICARE/CHAMPUS DRG-based payment system are in 32 CFR Part 199.

Dated: November 3, 1999.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 99-29237 Filed 11-8-99; 8:45 am]

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DEPARTMENT OF DEFENSE

Office of the Secretary

Department of Defense Wage Committee; Notice of Closed Meetings

Pursuant to the provisions of section 10 of Public Law 92-463, the Federal Advisory Committee Act, notice is hereby given that closed meetings of the Department of Defense Wage Committee will be held on December 7, 1999, December 14, 1999, December 21, 1999, and December 28, 1999, at 10:00 a.m. in Room A105, The Nash Building, 1400 Key Boulevard, Rosslyn, Virginia.

Under the provisions of section 10(d) of Public Law 92-463, the Department of Defense has determined that the meetings meet the criteria to close meetings to the public because the matters to be considered are related to internal rules and practices of the Department of Defense and the detailed wage data to be considered were obtained from officials of private establishments with a guarantee that the data will be held in confidence.

However, members of the public who may wish to do so are invited to submit material in writing to the chairman concerning matters believed to be deserving of the Committee's attention.

Additional information concerning the meetings may be obtained by writing to the Chairman, Department of Defense Wage Committee, 4000 Defense Pentagon, Washington, DC 20301-4000.

Dated: November 3, 1999.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 99-29231 Filed 11-8-99; 8:45 am]

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DEPARTMENT OF DEFENSE

Department of the Air Force

Local Redevelopment Authority and Available Surplus Building and Land at the Former Lowry Air Force Base (AFB), Located in Denver, CO

AGENCY: Department of the Air Force; DoD.

ACTION: Notice.

SUMMARY: This notice provides information regarding surplus Federal real property, Building 1432, at the former Lowry AFB and the redevelopment authority responsible for planning the reuse of the base and addressing the balance between economic redevelopment and homeless assistance. Lowry is located in the cities of Denver and Aurora, Colorado.

FOR FURTHER INFORMATION: Mr. John P. Carr, Program Manager, Air Force Base Conversion Agency (AFBCA), 703-696-5547. For more detailed information regarding the property, contact Mr. Mark Ashton, AFBCA, Lowry AFB, 303-361-0406.

SUPPLEMENTARY INFORMATION: This surplus property is available under the provisions of the Federal Property and Administrative Services Act of 1949 and the Base Closure Community Redevelopment and Homeless Assistance Act of 1994.

Notice of Surplus Property

Pursuant to paragraph (7)(B) of § 2905(b) of the Defense Base Closure and Realignment Act of 1990, as amended by the Base Closure Community Redevelopment Homeless Assistance Act of 1994 (Public Law 103-421), the following information regarding the redevelopment authority and surplus property at the former Lowry AFB, Denver, CO is published in the **Federal Register**.

Redevelopment Authority

The redevelopment authority for the former Lowry AFB, Denver, CO, for the purposes of implementing the provisions of the Defense Base Closure and Redevelopment Act of 1990, as amended, is the Lowry Redevelopment Authority. The Executive Director is Mr. Thomas Markham in Denver, CO, 303-343-0276.

Surplus Property Description

Building 1432 (60,420 sq. ft.) with approximately 4.9 acres of land. This two-story building was originally constructed as a missile assembly facility and was remodeled as an administrative facility in the late 1960's.

Expressions of Interest

Pursuant to paragraph 7(C) of § 2905(b) of the Defense Base Closure and Realignment Act of 1990, as amended by the Base Closure Community Redevelopment and Homeless Assistance Act of 1994, state and local governments, representatives of the homeless and other interested parties located in the vicinity of the former Lowry AFB shall submit notices of interest in acquiring the property to the Lowry Redevelopment Authority. Pursuant to the Act, the Lowry Redevelopment Authority will publish in a paper of general circulation the availability of the property, the period during which it will receive notices of interest in acquiring the property, and the required content for notices of interest.

Janet A. Long,

Air Force Federal Register Liaison Officer.

[FR Doc. 99-29323 Filed 11-8-99; 8:45 am]

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DENALI COMMISSION

Denali Commission Work Plan for Federal Fiscal Year 2001

ACTION: Notice and opportunity for public comment.

SUMMARY: The Denali Commission was established by The Denali Commission Act of 1998 to deliver the services of Federal Government in the most cost-effective manner practicable to communities throughout rural Alaska, many of which suffer from unemployment rates in excess of 50%. Its purposes include, but are not limited to, providing necessary rural utilities and other infrastructure that promote health, safety and economic self-sufficiency.

The Denali Commission Act requires that the Commission develop proposed work plans for future spending. In accordance with the Act, the Commission solicited project proposals from local governments and other entities. The Act further requires that the Commission publish annual work plans in the **Federal Register** for a 30-day period, providing an opportunity for public review and comment.

This **Federal Register** Notice serves to announce the 30-day opportunity for