

expected cost of insolvencies for the Medicare program is low.

E. Alternatives Considered

As previously discussed, the PSO solvency standards were developed through a formal negotiated rulemaking process. During the negotiated rulemaking, a number of alternatives were considered in the process of developing a consensus regarding the PSO solvency regulations. Please refer to the interim final PSO solvency regulation published in the **Federal Register** on May 7, 1998 for details on the negotiated rulemaking process including the solvency alternatives considered.

F. Conclusion

We conclude that this regulation will have an indeterminable impact on small health service providers. The provisions of this final rule are expected to be favorable for the managed care community as a whole, as well as for the beneficiaries that they serve. We have also determined, and the Secretary certifies, that this final rule will not result in a significant economic impact on a substantial number of small entities and will not have a significant impact on the operations of a substantial number of rural hospitals.

In accordance with the provisions of Executive order 12866, this regulation was reviewed by the Office of Management and Budget.

G. Federalism

Executive Order 13132, Federalism, establishes certain requirements that an agency must meet when it promulgates regulations that impose substantial direct compliance costs on State and local governments, preempt State law, or otherwise have Federalism implications.

In this final rule, we focus solely on the solvency standards that apply to PSOs that have obtained a waiver from State licensure requirements. The PSO waiver provisions that describe the process by which a PSO obtains a waiver from HCFA of State licensure requirements will be addressed in the final M+C regulation expected to be published in the first quarter of 2000.

The solvency portion of the PSO regulation in this final regulation is based on the work of the PSO negotiated rulemaking committee, as required at section 1856(a) of the Act, which provides that we establish through a negotiated rulemaking the solvency standards that entities will be required to meet if they obtain a waiver of the otherwise applicable requirement that they be licensed by a State. The

negotiated rulemaking process and participants are discussed in the preamble to the interim final waiver and solvency regulations published in the **Federal Register** on May 7, 1998 (63 FR 25364). Among the participants in the negotiated rulemaking were the National Association of Insurance Commissioners, which is the organization of the chief insurance regulators from the 50 States, the District of Columbia, and four U.S. territories. This final solvency regulation is consistent with the solvency standards agreed upon by all participants in the negotiated rulemaking process, which, as noted, included the NAIC. We received no comments on the interim final waiver and solvency regulation and made no determinations that materially altered the PSO solvency standards agreed upon in the negotiated rulemaking. It is also notable that with limited exceptions these solvency standards track those in the HMO model act which are the model solvency standards developed by all of the States through the NAIC. Accordingly, we believe this final regulation meets Federalism requirements because we have consulted with the appropriate State officials who are in agreement with these solvency standards.

List of Subjects in 42 CFR Part 422

Health maintenance organizations (HMO), Medicare+Choice, Provider sponsored organizations (PSO).

For the reasons set forth in the preamble, 42 CFR Chapter IV, part 422, is amended as follows:

PART 422—MEDICARE—CHOICE PROGRAM

1. The authority citation for part 422 continues to read as follows:

**Authority:** Secs. 1851 and 1855 of the Social Security Act.

Subpart H—Provider-Sponsored Organization

2. In § 422.382, the introductory text to paragraph (b) is republished, and the introductory text to paragraph (b)(4) and paragraph (b)(4)(iii) are revised to read as follows:

§ 422.382 Minimum net worth amount.

(b) After the effective date of a PSO's M+C contract, a PSO must maintain a minimum net worth amount equal to the greater of—

(4) Using the most recent financial statement filed with HCFA, an amount equal to the sum of—

(iii) Annual health care expenditures that are paid on a capitated basis to affiliated providers are not included in the calculation of the net worth requirement (regardless of downstream arrangements from the affiliated provider) under paragraphs (a) and (b)(4) of this section.

§ 422.384 [Amended]

3. In § 422.384, in paragraph (b)(5), the phrase “qualified health maintenance organization actuary” is removed and the phrase “qualified actuary” is added in its place.

4. In § 422.386, the introductory text to paragraph (d) and paragraph (e) are revised to read as follows:

§ 422.386 Liquidity.

(d) If HCFA determines that a PSO fails to meet the requirement of paragraph (b)(2) of this section, HCFA may require the PSO to initiate corrective action to—

(e) If HCFA determines that there has been a change in the availability of outside financial resources as required by paragraph (b)(3) of this section, HCFA requires the PSO to obtain funding from alternative financial resources.

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

Dated: August 3, 1999.

Michael M. Hash,

Deputy Administrator, Health Care Financing Administration.

Approved: August 16, 1999.

Donna E. Shalala,  
Secretary.

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FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Part 64

[Docket No. FEMA–7721]

Suspension of Community Eligibility

**AGENCY:** Federal Emergency Management Agency, FEMA.

**ACTION:** Final rule.

**SUMMARY:** We, FEMA, are suspending one community on the effective date of

this rule because of its failure to enforce its floodplain management regulations under the National Flood Insurance Program (NFIP). If we receive documentation that the community has acted to bring its floodplain management program into compliance with NFIP requirements before the effective suspension date, we will withdraw the suspension by publication in the **Federal Register**.

**EFFECTIVE DATE:** The third date ("Susp.") listed in the third column of the table.

**FOR FURTHER INFORMATION CONTACT:** Robert F. Shea Jr., Division Director, Program Support Division, Mitigation Directorate, Federal Emergency Management Agency, 500 C Street, SW., room 417, Washington, DC 20472, (202) 646-3619, or (email) [Bob.Shea@fema.gov](mailto:Bob.Shea@fema.gov).

**SUPPLEMENTARY INFORMATION:** The National Flood Insurance Program (NFIP) enables property owners to purchase flood insurance that is generally not commercially available. In return, communities agree to adopt and administer local floodplain management aimed at protecting lives and new construction from future flooding. Section 1315 of the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4022), prohibits flood insurance coverage authorized under the National Flood Insurance Program (42 U.S.C. 4001-4128) unless an appropriate public body adopts adequate floodplain management measures with effective enforcement measures.

The community listed in this notice no longer meets that statutory requirement for compliance with program regulations (44 CFR part 59 *et seq.*). Accordingly, we will suspend unincorporated areas of Hamilton County, Illinois, on the effective date in the third column of the table. As of that date, the purchase of new flood insurance policies or the renewal of

existing flood insurance policies will no longer be available.

However, Hamilton County, Illinois may submit the documentation required to correct the deficiencies and to remedy the violations identified in the suspension notice to the maximum extent possible, before the actual suspension date. If the County does this, we will not suspend the County and it will continue its eligibility for the sale of insurance. And if so, we will publish in the **Federal Register** notice withdrawing the suspension of the community. In the interim, if you wish to determine whether we suspend the County on the suspension date, please contact the appropriate FEMA Regional Office or the NFIP servicing contractor.

We have also identified the special flood hazard areas in this community by publishing a Flood Insurance Rate Map. The date of this flood map is indicated in the fourth column of the table. By law no Federal officer or agency may approve any financial assistance for acquisition or construction purposes for use in any area that has been identified by the Director of FEMA as an area having special flood hazards unless the community in which that area is located is participating in the NFIP (42 USC 4106). Formally identified flood-prone communities that do not qualify for the NFIP within one year after such notification or other specified date are subject to the prohibition in 42 USC 4106. The prohibition against certain types of Federal assistance becomes effective for Hamilton County, Illinois on the date shown in the last column.

The Administrator finds that notice and public comment procedure under 5 U.S.C. 553(b) are impracticable and unnecessary because the community listed in this final rule has been adequately notified. The community received a 90-day probationary letter on November 11, 1998, and a 30-day show cause letter was sent October 18, 1999. We addressed these notifications to the

Hamilton County Board Chairman indicating that we will suspend the County unless the County takes the required corrective actions and remedial measures before the effective suspension date. Since we have made these notifications, this final rule may take effect within less than 30 days.

Under the provisions of 5 U.S.C. 605(b), I certify as Associate Director for Mitigation that this rule will not have a significant economic impact on a substantial number of small entities. As stated in section 2 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4002), the establishment of local floodplain management together with the availability of flood insurance decreases the economic impact of future flood losses to both the particular community and the nation as a whole. This rule in and of itself does not have a significant economic impact. Any economic impact results from the community's decision not to enforce adequate floodplain management, thus not complying with the Federal standards required for community participation. In each entry, a complete chronology of the effective date appears for the listed community.

#### List of Subjects in 44 CFR Part 64

Flood insurance—floodplains.

Accordingly, we are amending 44 CFR part 64 as follows:

#### PART 64—[AMENDED]

1. The authority citation for Part 64 continues to read as follows:

**Authority:** 42 U.S.C. 4001 *et seq.*; Reorganization Plan No. 3 of 1978, 43 FR 41943, 3 CFR, 1978 Comp., p. 329; E.O. 12127 of Mar. 31, 1979, 44 FR 19367, 3 CFR, 1979 Comp., p. 376.

#### § 64.6 [Amended]

2. The tables published under the authority of § 64.6 are amended as follows:

#### § 64.6—LIST OF ELIGIBLE COMMUNITIES

State and location	Community No.	Effective date authorization/cancellation of sale of flood insurance in community	Current effective map date	Date certain Federal assistance no longer available in special flood hazard areas
Region V: Illinois: Hamilton, County of.	170910	July 3, 1975, Emerg.; Aug. 19, 1985, Reg.; Jan. 17, 2000, Susp.	02-01-90	Jan. 17, 2000

Code for reading third column: Emerg.—Emergency; Reg.—Regular; Susp.—Suspension.

Dated: December 9, 1999.

Michael J. Armstrong,

Associate Director for Mitigation.

[FR Doc. 99-33008 Filed 12-21-99; 8:45 am]

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## DEPARTMENT OF THE INTERIOR

### Fish and Wildlife Service

#### 50 CFR Part 17

RIN 1018-AE32

#### Endangered and Threatened Wildlife and Plants; Determination of Endangered Status for *Sidalcea oregana* var. *calva* (Wenatchee Mountains Checker-Mallow)

**AGENCY:** Fish and Wildlife Service, Interior.

**ACTION:** Final rule.

**SUMMARY:** We, the U.S. Fish and Wildlife Service (Service), determine endangered species status under the Endangered Species Act (Act) of 1973, as amended, for *Sidalcea oregana* var. *calva* (Wenatchee Mountains checker-mallow). This plant species is endemic to meadows that have surface water or saturated soil in the spring and early summer at middle elevations in the Wenatchee Mountains of Chelan County, Washington. Although five populations of this plant are known, three of these have very few individuals. The estimated total number of plants is about 3,300. The primary threats to *S. oregana* var. *calva* include habitat fragmentation and destruction due to alterations of hydrology, rural residential development and associated activities, competition from native and alien plants, recreation, fire suppression, and activities associated with fire suppression. To a lesser extent, the species is threatened by livestock grazing, road construction, and timber harvesting and associated impacts including changes in surface runoff in the small watersheds in which the plant occurs. This rule implements the Federal protections provided by the Act for this plant.

**EFFECTIVE DATE:** This final rule is effective January 21, 2000.

**ADDRESSES:** The complete file for this rule is available for inspection, by appointment, during normal business hours at the Western Washington Office, North Pacific Coast Ecoregion, U.S. Fish and Wildlife Service, 510 Desmond Drive, Suite 102, Lacey, WA 98503-1273.

**FOR FURTHER INFORMATION CONTACT:** Gerry Jackson, Supervisor, at the above

address (telephone 360/753-4327; facsimile 360/753-9815).

#### SUPPLEMENTARY INFORMATION:

##### Background

*Sidalcea oregana* var. *calva* (Wenatchee Mountains checker-mallow) is known only from the Wenatchee Mountains of central Washington. Specimens assignable to var. *calva* were first collected from Icicle Creek near Leavenworth in Chelan County and from wet meadows near the town of Peshastin in Chelan County by Sandberg and Leiberg on July 25, 1893 (herbarium collection, stored in permanent collection at the Smithsonian Institution and the University of Oregon herbaria (Sandberg and Leiberg #586)). Occasional collections were made over subsequent decades until the type specimen was collected by Hitchcock on June 21, 1951, from Camas Land in Chelan County (herbarium collection, stored in permanent collection at Washington State University and the University of Oregon (Hitchcock #19,427)). The taxon was first recognized as a distinct variety named *S. oregana* ssp. *oregana* var. *calva* by Hitchcock and Kruckeberg (1957). Hitchcock and Cronquist (1973) reduced *S. oregana* ssp. *oregana* to varietal status (*S. oregana* var. *spicata*), thereby eliminating the need to include the subspecies *oregana* as part of the scientific name for this taxon. No further taxonomic revisions have been made for this taxon. In recent discussions, knowledgeable individuals confirmed the distinctness of this variety (Arthur Kruckeberg, University of Washington, pers. comm. 1995; John Gamon, Washington Natural Heritage Program, pers. comm. 1996).

A member of the mallow family (Malvaceae), *Sidalcea oregana* var. *calva* is a perennial plant with a stout taproot that branches at the root-crown and gives rise to several stems that are 20 to 150 centimeters (cm) (8 to 60 inches (in)) tall. Plants vary from glabrous (lacking hairs and glands) to pubescent (hairy) or stellate (with star-shaped hairs) below, are finely stellate above, and have flower clusters with one to many stalked flowers arranged singly along a common stem. The flowers have pink petals 1 to 2 cm (0.4 to 0.8 in) long. The flowers are borne on stalks ranging from 1 to 10 millimeters (mm) (0.04 to 0.4 in) in length; the calyx (outer whorl of floral parts) ranges from uniformly finely stellate to bristly with a mixture of longer, simple to four-rayed, spreading hairs sometimes as long as 2.5 to 3 mm (0.1 to 0.12 in) (Hitchcock and Cronquist 1961). Flowering begins in

the middle of June and peaks in the middle to end of July. Fruits are ripe by August. *Sidalcea oregana* var. *calva* is similar morphologically to *S. oregana* var. *procera*, which occurs in the same general region but with a more southerly distribution. *Sidalcea oregana* var. *calva* can be distinguished from var. *procera* by the type and degree of pubescence on the stems and calyx and its large, fleshy, basal leaves, which are smooth to the touch on both surfaces (Gamon 1987).

The historical site location of the 1893 collection near the town of Peshastin and three other early (pre-1940) collections in the Peshastin area have not been relocated (Gamon 1987). The location given for each of these early collections was too vague to allow for relocation. Conversion of the Peshastin and Leavenworth area to orchards or other agricultural uses and rural residential development has likely extirpated *Sidalcea oregana* var. *calva* from this area. Resurveying of three other locations thought to have *Sidalcea oregana* var. *calva* revealed plants found to be *S. oregana* var. *procera* (Gamon 1987). At another three sites where *S. oregana* var. *calva* was discovered in 1984, no plants were found in 1987, possibly because the few plants found in 1984 went undetected in 1987, the original location information was imprecise, or the few plants found in 1984 did not survive due to changes in the hydrologic regimes of the area (J. Gamon, pers. comm. 1997).

Currently, *Sidalcea oregana* var. *calva* is known to occur at five sites (populations). The largest population is located in an area called Camas Land, a wetland and moist meadow complex surrounded by ponderosa pine and Douglas-fir forests. The area is a mixture of private land, State of Washington land managed as the Camas Land Natural Area Preserve (NAP) by the Washington Department of Natural Resources (WDNR), and land administered by the Wenatchee National Forest (U.S. Forest Service). Camas Land is located and named on U.S. Forest Service and WDNR maps. Based on a recent inventory, about 2,470 individuals occur on 36 hectares (ha) (90 acres (ac)) of WDNR property in Camas Land (Washington Natural Heritage Program 1997). These plants are thought to represent about 75 percent of the Camas Land population (David Wilderman, WDNR, pers. comm. 1997). The second largest population, discovered in 1987 on private land at Mountain Home Meadow, consists of about 100 plants within a few hectares (Ted Thomas, Service, pers. obs. 1995). Two other populations on the Wenatchee National Forest have a total