

(d) 16 U.S.C. 825(o)–1(b), Federal Power Act: from \$10,000 to \$11,000.

[FR Doc. 02–20284 Filed 8–9–02; 8:45 am]

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DEPARTMENT OF VETERANS AFFAIRS

38 CFR Part 9

RIN 2900–AJ80

Accelerated Benefits Option for Servicemembers' Group Life Insurance and Veterans' Group Life Insurance

AGENCY: Department of Veterans Affairs.

ACTION: Final rule.

SUMMARY: The Veterans Programs Enhancement Act of 1998 authorized the payment of accelerated benefits to terminally ill persons insured under Servicemembers' Group Life Insurance (SGLI) or Veterans' Group Life Insurance (VGLI). This document amends the Department of Veterans Affairs (VA) regulations to establish a mechanism for implementing these statutory provisions.

DATES: *Effective Date.* August 12, 2002.

FOR FURTHER INFORMATION CONTACT: Greg Hosmer, Senior Attorney/Insurance Specialist, Insurance Program Administration and Oversight, Department of Veterans Affairs Regional Office and Insurance Center, PO Box 8079, Philadelphia, Pennsylvania 19101, (215) 842–2000, ext. 4280 (this is not a toll-free number).

SUPPLEMENTARY INFORMATION: In a document published in the **Federal Register** on July 20, 2000 (65 FR 44999), the Department of Veterans Affairs proposed to establish a mechanism for the payment of accelerated death benefits to terminally ill Servicemembers' Group Life Insurance (SGLI) and Veterans' Group Life Insurance (VGLI) policyholders. We requested comments for a 60-day period that ended September 18, 2000. We received no comments. Based on the rationale set forth in the proposed rule, we are adopting the proposed rule as a final rule with minor nonsubstantive changes.

At the time of the publication of the proposed rule, the accelerated benefit provisions were only authorized for servicemembers and veterans. Recently, Public Law 107–14 amended 38 U.S.C. 1965 and 1967 to expand the provisions to SGLI family coverage. Accordingly, the final rule would apply also to SGLI family coverage. SGLI family coverage is provided as a rider to an insured member's SGLI coverage and therefore

only the insured member may apply for SGLI family coverage accelerated benefits.

The final rule also reflects a change in the address for submitting an application for accelerated benefits. For consistency, this change also revises § 9.1(b). In addition, changes are made for purposes of clarification.

Paperwork Reduction Act

This document contains provisions constituting collections of information under the Paperwork Reduction Act (44 U.S.C. 3501–3520) approved by OMB under Control No. 2900–0618.

Unfunded Mandates

The Unfunded Mandates Reform Act requires (in section 202) that agencies prepare an assessment of anticipated costs and benefits before developing any rule that may result in an expenditure by State, local, or tribal governments, in the aggregate, or by the private sector of \$100 million or more in any given year. This rule would have no consequential effect on State, local, or tribal governments.

Executive Order 12866

This document has been reviewed by the Office of Management and Budget under Executive Order 12866.

Regulatory Flexibility Act

The Secretary hereby certifies that this regulatory amendment will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act (RFA), 5 U.S.C. 601–612. This amendment would not directly affect any small entities. Only persons insured under the government's SGLI and VGLI programs could be directly affected. Therefore, pursuant to 5 U.S.C. 605(b), this regulatory amendment is exempt from the initial and final regulatory flexibility analysis requirements of sections 603 and 604.

Catalog of Federal Domestic Assistance Number

The Catalog of Federal Domestic Assistance number for the program affected by this document is 64.103.

List of Subjects in 38 CFR Part 9

Life insurance, Military personnel, Veterans.

Approved: June 6, 2002.

Anthony J. Principi,
Secretary of Veterans Affairs.

For the reasons set out in the preamble, 38 CFR part 9 is amended as set forth below:

PART 9—SERVICEMEMBERS' GROUP LIFE INSURANCE AND VETERANS' GROUP LIFE INSURANCE

1. The authority citation for part 9 is revised to read as follows:

Authority: 38 U.S.C. 501, 1965–1980, unless otherwise noted.

2. Section 9.1(b) is revised to read as follows:

§ 9.1 Definitions.

* * * * *

(b) The term *administrative office* means the Office of Servicemembers' Group Life Insurance located at 290 W. Mt. Pleasant Avenue, Livingston, New Jersey 07039.

* * * * *

3. Section 9.14 is added to read as follows:

§ 9.14 Accelerated Benefits.

(a) *What is an Accelerated Benefit?*

An Accelerated Benefit is a payment of a portion of your Servicemembers' Group Life Insurance or Veterans' Group Life Insurance to you before you die.

(b) *Who is eligible to receive an Accelerated Benefit?* You are eligible to receive an Accelerated Benefit if you have a valid written medical prognosis from a physician of 9 months or less to live, and otherwise comply with the provisions of this section.

(c) *Who can apply for an Accelerated Benefit?* Only you, the insured member, can apply for an Accelerated Benefit. No one can apply on your behalf.

(d) *How much can you request as an Accelerated Benefit?* (1) You can request as an Accelerated Benefit an amount up to a maximum of 50% of the face value of your insurance coverage.

(2) Your request for an Accelerated Benefit must be \$5,000 or a multiple of \$5,000 (for example, \$10,000, \$15,000).

(e) *How much can you receive as an Accelerated Benefit?* You can receive as an Accelerated Benefit the amount you request up to a maximum of 50% of the face value of your insurance coverage, minus the interest reduction. The interest reduction is the amount the Office of Servicemembers' Group Life Insurance actuarially determines to be the amount of interest that would be lost because of the early payment of part of your insurance coverage. This means that if you have \$100,000 in coverage and you request the maximum amount that you are eligible to request as an Accelerated Benefit, you will be paid \$50,000 minus the interest reduction.

(f) *How do you apply for an Accelerated Benefit?* (1) You can obtain an application form entitled "Claim for Accelerated Benefits" by writing the

Office of Servicemembers' Group Life Insurance, 290 W. Mt. Pleasant Avenue, Livingston, New Jersey 07039; calling the Office of Servicemembers' Group Life Insurance toll-free at 1-800-219-1473; or downloading the form from the Internet at www.insurance.va.gov. You must submit the completed application form to the Office of Servicemembers' Group Life Insurance, 290 W. Mt. Pleasant Avenue, Livingston, New Jersey 07039.

(2) As stated on the application form, you will be required to complete part of the application form and your physician will be required to complete part of the application form. If you are an active duty servicemember, your branch of service will also be required to complete part of the form.

To Be Completed by Insured

Claim for Accelerated Benefits

Your name: _____
 Social Security Number: _____
 Your home address: _____
 Date of birth: _____
 Branch of Service (if covered under SGLI): _____
 Your mailing address (if different from above): _____
 Amount of SGLI coverage: \$ _____
 Amount of claim (can be no more than one-half of coverage in increments of \$5,000): _____
 Type of coverage (check one):
 SGLI (circle one of the following): *Active*
 Duty Ready Reserve Army or Air
 National Guard Separated or
 Discharged
 VGLI

Note: If you checked SGLI, you must also have your military unit complete the attached form.

I acknowledge that I have read all of the attached information about the accelerated benefit. I understand that I can get this benefit only once during my lifetime and that I can use it for any purpose I choose. I further understand that the face amount of my coverage will reduce by the amount of accelerated benefit I choose to receive now.

Your signature: _____
 Date: _____

Authorization To Release Medical Records

To all physicians, hospitals, medical service providers, pharmacists, employers, other insurance companies, and all other agencies and organizations:

You are authorized to release a copy of all my medical records, including examinations, treatments, history, and prescriptions, to the Office of Servicemembers' Group Life Insurance (OSGLI) or its representatives.

Printed name: _____
 Signature: _____
 Date: _____

A photocopy of this authorization will be considered as effective and valid as the original.

Valid for one year from date signed.

To Be Completed by Physician

Attending Physician's Certification

Patient's name: _____
 Patient's Social Security Number: _____
 Diagnosis: _____
 ICD-9-CM Disease Code *: _____
 Description of present medical condition (please attach results of x-rays, E.K.G. or other tests): _____

Is the patient capable of handling his/her own affairs? Yes _____ No _____

The patient applied for an accelerated benefit under his/her government life insurance coverage. To qualify, the patient must have a life expectancy of nine (9) months or less.

Does your patient meet this requirement? Yes _____ No _____

Attending Physician's name (please print): _____
 State in which you are licensed to practice: _____
 Specialty: _____
 Mailing address: _____
 Telephone number: _____
 Fax Number: _____
 Signature: _____
 Date: _____

*ICD-9-CM is an acronym for International Classification of Diseases, 9th revision, Clinical Modification.

To Be Completed by Personnel Office of Servicemember's Unit

(Complete this form only if the applicant for Accelerated Benefits is covered under SGLI.)

Branch of Service Statement

Servicemember's name: _____
 Social Security Number: _____
 Branch of Service: _____
 Amount of SGLI coverage: \$ _____
 Monthly premium amount: \$ _____
 Name of person completing this form: _____
 Telephone Number: _____
 Fax Number: _____
 Title of person completing this form: _____
 Duty Station and address: _____
 Signature of person completing this form: _____
 Date: _____

Notice: It is fraudulent to complete these forms with information you know to be false or to omit important facts. Criminal and/or civil penalties can result from such acts.

(g) *Who decides whether or not an Accelerated Benefit will be paid to you?* The Office of Servicemembers' Group Life Insurance will review your application and determine whether you meet the requirements of this section for receiving an Accelerated Benefit.

(1) They will approve your application if the requirements of this section are met.

(2) If the Office of Servicemembers' Group Life Insurance determines that your application form does not fully and legibly provide the information requested by the application form, they will contact you and request that you or your physician submit the missing information to them. They will not take action on your application until the information is provided.

(h) *How will an Accelerated Benefit be paid to you?* An Accelerated Benefit will be paid to you in a lump sum.

(i) *What happens if you change your mind about an application you filed for Accelerated Benefits?* (1) An election to receive the Accelerated Benefit is made at the time you have cashed or deposited the Accelerated Benefit. After that time, you cannot cancel your request for an Accelerated Benefit. Until that time, you may cancel your request for benefits by informing the Office of Servicemembers' Group Life Insurance in writing that you are canceling your request and by returning the check if you have received one. If you want to change the amount of benefits you requested or decide to reapply after canceling a request, you may file another application in which you request either the same or a different amount of benefits.

(2) If you die before cashing or depositing an Accelerated Benefit payment, the payment must be returned to the Office of Servicemembers' Group Life Insurance. Their mailing address is 290 W. Mt. Pleasant Avenue, Livingston, New Jersey 07039.

(j) *If you have cashed or deposited an Accelerated Benefit, are you eligible for additional Accelerated Benefits?* No.

(Approved by the Office of Management and Budget under control number 2900-0618)

(Authority: 38 U.S.C. 1965, 1966, 1967, 1980)

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ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[AZ 112-0052c; FRL-7253-7]

Interim Final Determination That the State of Arizona Has Corrected Deficiencies and Stay of Sanctions, Maricopa County Environmental Services Department

AGENCY: Environmental Protection Agency (EPA).

ACTION: Interim final determination.

SUMMARY: Elsewhere in today's **Federal Register**, EPA has published a direct final rulemaking fully approving the State of Arizona's submittal of a revision to the Maricopa County Environmental Services Department (MCESD) portion of the State Implementation Plan (SIP). We have also published a proposed rulemaking to provide the public with an opportunity to comment on EPA's action. If a person submits adverse