

amount cannot be included in the NLP calculation as a negative number. In other words, a bidder cannot change a long holdings position to a short position through use of the exclusion amount.

We will publish the specific optional exclusion amount in the offering announcement for each particular auction. We expect that the exclusion amount will be approximately 35 percent of the outstanding amount of the particular security (CUSIP) being auctioned, less the amount of the outstanding security held by the Federal Reserve for its own account. However, bidders must carefully read each offering announcement to ensure they are aware of the exact exclusion amount for the auction and other details of the particular offering. As provided in § 356.10, if the provisions of an offering announcement are different from the provisions of the UOC, the announcement takes precedence.

IV. Procedural Requirements

This final rule is not a significant regulatory action for purposes of Executive Order 12866. Although we issued an Advance Notice of Proposed Rulemaking on July 25, 2001 to benefit from public comment, the notice and public procedures requirements of the Administrative Procedure Act do not apply, under 5 U.S.C. 553(a)(2).

Since no notice of proposed rulemaking is required, the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) do not apply.

List of Subjects in 31 CFR Part 356

Bonds, Federal Reserve System, Government securities, Securities.

For the reasons stated in the preamble, we amend 31 CFR Part 356 as follows:

PART 356—SALE AND ISSUE OF MARKETABLE BOOK-ENTRY TREASURY BILLS, NOTES, AND BONDS (DEPARTMENT OF THE TREASURY CIRCULAR, PUBLIC DEBT SERIES NO. 1-93)

1. The authority citation for Part 356 continues to read as follows:

Authority: 5 U.S.C. 301; 31 U.S.C. 3102 *et seq.*; 12 U.S.C. 391.

2. Section 356.13 is amended by revising paragraph (b) to read as follows:

§ 356.13 Net long position.

* * * * *

(b) *Determination of net long position.*
(1) The net long position must be determined as of the designated reporting time, which is one-half hour prior to the closing time for receipt of

competitive bids. Except as modified in (b)(2) in the event of a reopening, a net long position includes the par amount of:

(i) Holdings of outstanding securities with the same CUSIP number as the security being auctioned;

(ii) Holdings of STRIPS principal components of the security being auctioned; and

(iii) Positions, in the security being auctioned, in

(A) When-issued trading, including when-issued trading positions of the STRIPS principal components;

(B) Futures contracts that require delivery of the specific security being auctioned (but not futures contracts for which the security being auctioned is one of several securities that may be delivered, and not futures contracts that are cash-settled); and

(C) Forward contracts that require delivery of the specific security being auctioned or of the STRIPS principal component of that security.

(2) In a reopening (i.e., additional issue) of an outstanding security, a bidder may subtract the published exclusion amount for that security from: its holdings of the outstanding securities (paragraph (b)(1)(i) of this section) combined with its holdings of STRIPS principal components of the security being auctioned (paragraph (b)(1)(ii) of this section). The amount of holdings that may be excluded from the net long position calculation will be specified in the Treasury offering announcement for that auction. A bidder may not take the exclusion if its combined holdings are zero or less than zero. The exclusion is optional for bidders. However, if a bidder takes the exclusion, it must include any holdings in excess of the exclusion amount in calculating its net long position. If the published exclusion amount is greater than the bidder's combined holdings (paragraphs (b)(1)(i) and (ii) of this section), the combined holdings may be calculated as zero, but cannot be included in the calculation as a negative number.

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Dated: November 7, 2001.

Donald V. Hammond,

Fiscal Assistant Secretary.

[FR Doc. 01-28435 Filed 11-8-01; 1:19 pm]

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DEPARTMENT OF LABOR

Veterans' Employment and Training Service

41 CFR Part 61-250

RIN 1293-AA07

Annual Report From Federal Contractors

AGENCY: Veterans' Employment and Training Service (VETS), Labor.

ACTION: Final rule; correction.

SUMMARY: This document contains a correction to the final regulation which was published Thursday, October 11, 2001 (66 FR 51998-52008). The regulation pertains to annual reporting of efforts in hiring of targeted veterans by contractors and subcontractors.

EFFECTIVE DATE: This rule is effective November 13, 2001.

FOR FURTHER INFORMATION CONTACT:

Norm Lance, Chief of Investigations and Compliance Division, VETS, at (202) 693-4731 or by e-mail at Lance-Norman@dol.gov. Individuals with hearing impairments may call (800) 670-7008 (TTY/TDD).

SUPPLEMENTARY INFORMATION:

Background

The final regulation that is the subject of this correction provides amended reporting procedures required of contractors and subcontractors to conform with the provisions of the Veterans' Employment Opportunities Act of 1998.

Need for Correction

As published, the final regulation contained an error which may prove to be misleading. The change below will correct the misleading language to conform to that used in the rest of the document, i.e., later in § 61-250.11(b) and in the preamble.

Correction of Publication

Accordingly, the publication of October 11, 2001, of the final regulation at 66 FR 51998-52008 is corrected as follows:

PART 61-250 [CORRECTED]

§ 61-250.11 [Corrected]

On page 52006, in the second column in § 61-250.11, the first sentence of paragraph (b) is corrected to read as follows:

* * * * *

(b) Contractors and subcontractors that submit computer-generated output for more than 10 hiring locations to satisfy their VETS-100 reporting

obligations must submit the output in the form of an electronic file. * * *

* * * * *

Signed at Washington, DC, this 7th day of November, 2001.

Charles S. Ciccolella,

Deputy Assistant Secretary, Veterans' Employment and Training Service.

[FR Doc. 01-28433 Filed 11-9-01; 8:45 am]

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

42 CFR Part 416, 482, and 485

[CMS-3070-F]

RIN 0938-AK95

Medicare and Medicaid Programs; Hospital Conditions of Participation: Anesthesia Services

AGENCY: Centers for Medicare & Medicaid Services (CMS), HHS.

ACTION: Final rule.

SUMMARY: This final rule amends the Anesthesia Services Condition of Participation (CoP) for hospitals, the Surgical Services Condition of Participation for Critical Access Hospitals (CAH), and the Surgical Services Condition of Coverage for Ambulatory Surgical Centers (ASCs), and, with its publication, withdraws the January 18, 2001 final rule (66 FR 4674). This final rule maintains the current physician supervision requirement for certified registered nurse anesthetists (CRNAs), unless the Governor of a State, in consultation with the State's Boards of Medicine and Nursing, exercises the option of exemption from this requirement consistent with State law.

DATES: The rule published in the **Federal Register** on January 18, 2001 (66 FR 4674) was delayed at 66 FR 15352 (March 19, 2001) and was further delayed at 66 FR 27598 (May 18, 2001) is withdrawn as of November 13, 2001. The amendments set forth in this final rule are effective November 13, 2001.

FOR FURTHER INFORMATION CONTACT: Stephanie Dyson, (410) 786-9226. Jeannie Miller, (410) 786-3164.

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I. Background

A. Legislation

Sections 1861(e)(1) through (e)(8) of the Social Security Act (the Act) provide that a hospital participating in the Medicare program must meet certain specified requirements. Section 1861(e)(9) of the Act specifies that a hospital also must meet such other requirements as the Secretary finds necessary in the interest of the health and safety of the hospital's patients. Section 1820 of the Act contains criteria for application for States establishing a Critical Access Hospital. Sections 1832(a)(2)(F)(i) and 1833(i) provide coverage requirements for ASCs. Section 1861(bb) of the Act, provides definitions for certified registered nurse anesthetists (CRNAs) and their services.

B. General

On December 19, 1997, we published a proposed rule entitled, "Hospital Conditions of Participation, Provider Agreements and Supplier Approval," (62 FR 66726) in the **Federal Register**. The CoPs are the requirements that hospitals must meet to participate in the Medicare and Medicaid programs. The CoPs are intended to protect patient health and safety and to ensure that high quality care is provided to all patients. We proposed, among other things, to let State law determine which professionals would be permitted to administer anesthetics, and the level of supervision required for practitioners in each category, recognizing States' traditional domain in establishing professional licensure and scope-of-practice laws. Policy surrounding the proposal was based on the principle that States traditionally regulate practitioner scope-of-practice, and was also based on the lack of evidence to support maintaining a special Federal

requirement for physician supervision of CRNAs that would have the effect of superseding State requirements. We also stated that a fundamental principle was to facilitate flexibility in how a hospital would meet our performance expectations, and to eliminate structure and process requirements unless there was evidence that they improved desired outcomes for patients.

The final rule was published on January 18, 2001 (66 FR 4674) and was to have been effective March 19, 2001. In accordance with the proposed rule, the January 2001 final rule changed the physician supervision requirement for CRNAs furnishing anesthesia services in hospitals, ASCs, and CAHs. Under that rule, State laws would control which professionals would be permitted to administer anesthesia and the level of supervision required for CRNAs. It did not prohibit, limit, or restrict in any way the practice of medicine by a physician or anesthesiologist. Hospitals, ASCs, and CAHs retained the ability to exercise stricter standards than those required by State law.

On March 19, 2001, the effective date was delayed 60 days in accordance with the memorandum to the President from the Chief of Staff, dated January 20, 2001, and published in the **Federal Register** (see 66 FR 15352). On May 18, the rule was further delayed for 180 days, until November 14, 2001, in order to explore alternatives for implementation (see 66 FR 27598). In reviewing the January 2001 final rule, we identified two important questions that were not raised and thus not addressed previously.

- One question concerned the States' reliance on Medicare physician supervision requirements in establishing State scope-of-practice laws and monitoring practices. In some cases, State laws and regulations may have been written with the assumption that Medicare would continue its longstanding policy requiring physician supervision of the anesthesia care provided by CRNAs. Eliminating Medicare requirements now could change supervision practices in some States without allowing States to consider their individual situations. In the absence of Federal regulations, we were concerned that States might have promulgated different laws or different monitoring practices.

- The second question was whether a prospective study or monitoring should be undertaken to assess the impact in those States where CRNAs practice without physician supervision. The literature we reviewed indicated that the anesthesia-related death rate is extremely low, and that the