TABLE 5.—PROJECTED IMPACT OF FY 2003 UPDATE TO THE IRF PPS—Continued

Facility classifications	Number of facilities	Number of cases	Transition (percent)	Total change (percent)
East South Central	10	3,590	−4.6	−1.8
West North Central	22	3,820	−1.8	1.1
West South Central	32	7,317	−4.3	−1.4
Mountain	9	1,042	−0.9	2.1
Pacific	7	826	−3.4	−0.5

As Table 5 illustrates, all IRFs will benefit from the 3 percent market basket increase that is applied to FY 2002 IRF PPS payment rates to develop the FY 2003 rates. However, the overall increase in payments to IRFs is diminished to 0.3 percent due to the effect of IRFs transitioning from the phased-in implementation payment rates to the full Federal IRF PPS payment rates.

The estimated negative impacts displayed in this notice are due to the effect of section 1886(j)(1) of the Act that requires the elimination of the blended payments and transition to the full Federal PPS rate. The fourth column in Table 5 shows this change in estimated payments has an overall negative impact of 2.6 percent. This negative impact is due to the assumption used to develop the impact analyses. We assume that IRFs that would profit more under a fully Federal IRF PPS payment rate than under the blend methodology would have already opted to be paid 100 percent of the FY 2002 IRF PPS payment. Therefore, we presume that those IRFs that did not elect to be paid the full Federal IRF PPS payment rates did so because they would receive more payment under the blended method. Consequently, we believe the remaining IRFs that are transitioning from the blended payment to the full FY 2003 IRF PPS payment, are estimated to profit less than they would have if they were not paid under 100 percent of the Federal rate. This estimated effect is not due to the changes set forth in this notice, rather the impact is the result of the statutory requirements of section 1886(j)(1) of the Act that stipulates payment for IRFs with cost reporting periods beginning on or after October 1, 2002 will consist of 100 percent of the IRF PPS Federal prospective payment.

The estimated impact changes displayed in Table 5 need to be viewed in light of the limitations of the data we are able to present. Specifically, these impacts are based on historical data that do not reflect any changes resulting from the implementation of the IRF PPS. In general, the IRF PPS creates incentives for IRFs to reduce costs. As a result, IRF costs per case should be less than they would have been before the implementation of the IRF PPS. Because of this, we believe impacts would be more favorable to IRFs if we were able to compare estimated FY 2003 IRF costs to FY 2003 IRF payments rather than estimated FY 2002 IRF payments to FY 2003 payments.

In the August 7, 2001 final rule (66 FR 41359) we set forth the methodology for adjusting payments for IRFs located in rural areas. For these facilities, the IRF PPS payment rates are increased by 19.14 percent. This adjustment will remain in effect and continue to protect these facilities from being unduly harmed. Therefore, the impacts shown reflect the rural adjustment that is designed to minimize or eliminate the negative impact that the IRF PPS may otherwise have on rural facilities.

To summarize, all facilities will receive a favorable 3 percent increase in their unadjusted IRF PPS payments. The estimated negative impact among some of the classes of IRFs reflected in Table 5 are due to the effect of the existing statutory provision (to transition from the blended payment to the full Federal IRF PPS payment rate) rather than the updates set forth in this notice.

In accordance with the provisions of Executive Order 12866, this notice was reviewed by the Office of Management and Budget (OMB).

Authority: Section 1886(j) of the Social Security Act (42 U.S.C. 1395ww(j)).

(Catalog of Federal Domestic Assistance Program No. 93.773 Medicare—Hospital Insurance)

Dated: July 11, 2002.

Thomas A. Scully,

Administrator, Centers for Medicare & Medicaid Services.

Dated: July 19, 2002.

Tommy G. Thompson,

Secretary.

[FR Doc. 02–19468 Filed 7–31–02; 8:45 am]

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

Request for Nominations for Voting Members on Public Advisory Committees; Veterinary Medicine Advisory Committee; Extension of Nomination Period

AGENCY: Food and Drug Administration, HHS.

ACTION: Notice; extension of nomination period.

SUMMARY: The Food and Drug Administration (FDA) is extending the nomination period for voting members to serve on the Veterinary Medicine Advisory Committee. The current vacancies include the specialty areas of Pharmacology, Minor Species/Minor Use Veterinary Medicine, Pathology, and chairperson. Nominations for the specialty areas of Animal Science, Veterinary Toxicology, and Veterinary Microbiology are also solicited. This request for nominations was announced in the **Federal Register** of May 13, 2002 (67 FR 32055) and June 17, 2002 (67 FR 41250). FDA is extending the nominations period to allow additional time for the submission of nominations.

DATES: Nominations should be received by August 30, 2002.

ADDRESSES: All nominations for representatives should be sent to Aleta Sindelar (see **FOR FURTHER INFORMATION CONTACT**).

FOR FURTHER INFORMATION CONTACT: Aleta Sindelar, Center for Veterinary Medicine, Food and Drug Administration, 7519 Standish Pl., Rockville, MD 20855, 301–827–4515, e-mail: asindela@cvm.fda.gov.

Dated: July 25, 2002.

Linda Arey Skladany,

Senior Associate Commissioner for External Relations.

[FR Doc. 02–19376 Filed 7–31–02; 8:45 am]

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