

in this notice will likely have a greater influence on the ASC's operations and management decisions than they will have on an ASC that receives a large portion of revenue from other sources. In general, we expect the rate changes in this notice to affect ASCs positively by increasing the rates upon which payments are based.

2. Impact on Hospitals and Small Rural Hospitals

Section 1833(i)(3)(A) of the Act mandates the method of determining payments to hospitals for ASC-approved procedures performed in an outpatient setting. The Congress believed some comparability should exist in the amount of payment to hospitals and ASCs for similar procedures. The Congress recognized, however, that hospitals have certain overhead costs that ASCs do not and allowed for those costs by establishing a blended payment methodology. For ASC procedures performed in an outpatient setting, hospitals are paid based on the lower of their aggregate costs, aggregate charges, or a blend of 58 percent of the applicable wage-adjusted ASC rate and 42 percent of the lower of the hospital's aggregate costs or charges. According to statistics from the Office of the Actuary within HCFA, 10.7 percent of Medicare payments to hospitals by intermediaries for outpatient department services is attributable to services furnished in conjunction with ASC-covered procedures.

We believe that, due to a variety of factors, the ASC rate increase in this notice will result in only a 0.8 percent increase in intermediary payments to hospitals for ASC-covered procedures. We would not expect an ASC rate increase in every instance to keep pace with actual hospital cost increases, although we would fully recognize cost increases resulting from inflation alone to the extent that the blended payment methodology includes aggregate hospital costs. The weight of the ASC portion of the blended payment amount, which would reflect the ASC rate increase, is offset to a degree when hospital costs significantly exceed the ASC rate. Another element that would eliminate the effect of the ASC rate increase on hospital outpatient payments is the application of the lowest payment screen in determining payments. Applying the lowest of costs, charges, or a blend can result in some hospitals being paid entirely on the basis of a hospital's costs or charges. In those instances, the increase in the ASC rates will have no effect on hospital payments. The number of Medicare beneficiaries a hospital serves and its

case-mix variation would also influence the total impact of the new ASC rates on Medicare payments to hospitals. Based on these factors, we have determined, and we certify that this notice will not have a significant impact on a substantial number of small rural hospitals. Therefore, we have not prepared a small rural hospital impact analysis.

IV. Waiver of 30-Day Delay in the Effective Date

We ordinarily publish notices, such as this, subject to a 30-day delay in the effective date. However, if adherence to this procedure would be impractical, unnecessary, or contrary to the public interest, we may waive the delay in the effective date. The provisions of this notice are effective for services furnished beginning on October 1, 1996, to coincide with the FY 1997 PPS updated wage index. These provisions will increase payment to ASCs by 2.6 percent (as modified by any change to the wage indices), in accordance with section 1833(i)(2)(C) of the Act, which requires automatic application of an inflation adjustment. As a practical matter, if we allowed a 30-day delay in the effective date of this notice, ASCs would be unable to take timely advantage of the increase in payment rates contained in this notice. Moreover, we believe a delay is impractical and unnecessary because the statute, as explained earlier, provides that ASC payment rates be increased by the percentage increase in the CPI-U if the Secretary has not updated rates during a fiscal year beginning with FY 1996. Therefore, we find good cause to waive the delay in the effective date.

In accordance with the provisions of Executive Order 12866, this notice was not reviewed by the Office of Management and Budget. This rule is not a major rule as defined by U.S.C. 804(2).

(Sections 1832(a)(2)(F) and 1833(i) (1) and (2) of the Social Security Act (42 U.S.C. 1395k(a)(2)(F) and 1395l(i) (1) and (2)); 42 CFR 416.120, 416.125, and 416.130)

(Catalog of Federal Domestic Assistance Programs No. 93.774, Medicare—Supplementary Medical Insurance Program)

Dated: September 9, 1996.

Bruce C. Vladeck,
Administrator, Health Care Financing Administration.

Dated: September 26, 1996.

Donna E. Shalala,
Secretary.

[FR Doc. 96-25253 Filed 9-30-96; 8:45 am]

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Indian Health Service

Method for Evaluating and Establishing Reimbursement Rates for Health Care Services Authorized Under the Indian Health Service Contract Health Service Regulations—Portland, Alaska, and Nashville Areas

ACTION: Extension of project date.

SUMMARY: The termination date for the Portland Pilot Project now being conducted in the Portland, Alaska, and Nashville Areas to determine an alternative method of evaluating and establishing reimbursement rates for contract health services (CHS) has been changed from September 30, 1996 to September 30, 1997.

FOR FURTHER INFORMATION CONTACT: Nancy Davis, Chief, Contract Health Services Branch, Division of Health Care Administration/Contract Health Services, Room 6A-39, 5600 Fishers Lane, Rockville, MD 20857, (301) 443-2694 (this is not a toll-free number).

SUPPLEMENTARY INFORMATION: The Indian Health Service (IHS) issued a general notice in 56 FR 10566 on March 13, 1991 to inform the public that the IHS was conducting a pilot project in the IHS Portland Area. This project is designed to determine whether an alternative method of evaluating and establishing reimbursement rates for CHS will result in greater participation by health care providers and lower costs to IHS. The project invited providers within the Portland Area to submit their most favorable rate quotations and was scheduled to end on March 31, 1992. The response was far greater than the expectations of the IHS. As a result of this greater than expected response, and the need to develop complex rate quotation analysis methodologies for facilities, outpatient and professional providers, and the need to develop preferred provider lists from these analyses, the termination date was extended to March 31, 1993, 57 FR 10671. The termination date was again extended to March 31, 1995, 58 FR 11864. Additionally, the IHS published notification on June 18, 1992, 57 FR 27262, that additional sites were being added to the pilot project to provide more information from a wide geographic area.

The evaluation of the facility component of the project was completed January 28, 1994. The overall results of the evaluation were positive. The formal review process of the professional provider component has not been completed. Extension of the project termination date to September 30, 1997 will allow the IHS time to complete the

evaluation and to assess the results. Based upon the results of the evaluation, IHS will formulate, publish and implement a new payment and procurement policy for CHS. We are, therefore, extending the termination date of this pilot project from September 30, 1996, to September 30, 1997.

This pilot project does not change the current IHS payment policy requirement that health care services be procured at rates which do not exceed prevailing Medicare rates.

Dated: September 9, 1996.

Michael H. Trujillo,

Assistant Surgeon General Director.

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BILLING CODE 4160-16-M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-4135-N-01]

Office of the Assistant Secretary for Housing-Federal Housing Commissioner; Debenture Recall

AGENCY: Office of the Assistant Secretary for Housing-Federal Housing Commissioner, HUD.

ACTION: Notice.

SUMMARY: This Notice announces a debenture recall of certain Federal Housing Administration debentures, in accordance with authority provided in the National Housing Act.

FOR FURTHER INFORMATION CONTACT:

Richard Keyser, Room B133, Department of Housing and Urban Development, 451 Seventh Street, S.W., Washington, D.C. 20410, telephone (202) 755-7510. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: Pursuant to Section 207(j) of the National Housing Act, 12 U.S.C. 1713(j), and in accordance with HUD regulations at 24 CFR 207.259(e)(3), the Federal Housing Commissioner, with approval of the Secretary of the Treasury, announces the call of all Federal Housing Administration debentures, with a coupon rate of 7% or above, except for those debentures subject to "debenture lock agreements," that have been registered on the books of the Federal Reserve Bank of Philadelphia, and are, therefore, "outstanding" as of September 30, 1996. The date of the call is January 1, 1997.

The debenture will be redeemed at par plus accrued interest. Interest will cease to accrue on the debentures as of the call date. Final interest on any called debentures will be paid with the principal at redemption.

During the period from the date of this notice to the call date, debentures that are subject to the call may not be used by the mortgagee for a special redemption purchase in payment of a mortgage insurance premium.

No transfer of debentures covered by the foregoing call will be made on the books maintained by the Treasury Department on or after October 1, 1996. This does not affect the right of the holder of a debenture to sell or assign the debenture on or after this date. Payment of final principal and interest due on January 1, 1997, will be made automatically to the registered holder.

Dated: September 26, 1996.

Nicolas P. Retsinas,

Assistant Secretary for Housing-Federal Housing Commissioner.

[FR Doc. 96-25159 Filed 9-30-96; 8:45 am]

BILLING CODE 4210-27-P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

Notice of Receipt of an Application, and Availability of an Environmental Assessment and Finding of No Significant Impact for an Incidental Take Permit to Fort Morgan Paradise Joint Venture, for Construction of a Residential Project on the Fort Morgan Peninsula, Alabama

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice.

SUMMARY: Fort Morgan Paradise Joint Venture, (Applicant), seeks an incidental take permit (ITP) from the Fish and Wildlife Service (Service), pursuant to Section 10(a)(1)(B) of the Endangered Species Act of 1973 (16 U.S.C. 1531 *et seq.*), (Act) as amended. The ITP would authorize for a period of 30 years the incidental take of an endangered species, the Alabama beach mouse (*Peromyscus polionotus ammobates*), known to occupy an 86.3-acre tract of land owned by the Applicant on the Fort Morgan Peninsula, Baldwin County, Alabama. The project would be called The Beach Club and consists of 753 residential units and 2 commercial areas. The residential component of the project will include four, 16-story condominium complexes with 513 units, and 240 residential duplexes, triplexes, and quadraplexes. Associated landscaped grounds and parking areas, recreational amenities, and dune walkover structures would also be constructed.

The Service also announces the availability of an Environmental Assessment (EA) and Habitat Conservation Plan (HCP) for this incidental take application. Copies of the EA and/or HCP may be obtained by making a request in writing to the Regional Office (see **ADDRESSES**). This notice also advises the public that the Service has made preliminary determinations that issuing an ITP to the Applicant is not a major Federal action significantly affecting the quality of the human environment within the meaning of Section 102(2)(C) of the National Environmental Policy Act of 1969, (NEPA) as amended. The Findings of No Significant Impact (FONSI) is based on information contained in the EA and HCP. The final determination will be made no sooner than 30 days from the date of this notice. This notice is provided pursuant to Section 10 of the Act and National Environmental Policy Act Regulations (40 CFR 1506.6).

DATES: Written comments on the application, EA and HCP should be sent to the Service's Regional Office (see **ADDRESSES**) and should be received on or before October 31, 1996.

ADDRESSES: Persons wishing to review the application, HCP, and EA may obtain a copy by writing the Service's Southeast Regional Office, Atlanta, Georgia. Documents will also be available for public inspection by appointment during normal business hours at the Regional Office, 1875 Century Boulevard, Suite 200, Atlanta, Georgia 30345 (Attn: Endangered Species Permits), or at the Daphne, Alabama, Field Office, 2001 Highway 98, Daphne East Office Plaza, Suite A, Daphne, Alabama 36526. Written data or comments concerning the application, EA, or HCP should be submitted to the Regional Office. Comments must be submitted in writing to be processed. Please reference permit(s) under PRT-819464 in such comments, or in requests for the documents discussed herein. Requests for the documents must be in writing to be adequately processed.

FOR FURTHER INFORMATION CONTACT: Mr. Rick G. Gooch, Regional Permit Coordinator, Atlanta, Georgia (see **ADDRESSES** above), telephone: 404/679-7110; or Ms. Celeste South at the Daphne, Alabama, Field Office (see **ADDRESSES** above), telephone: 334/441-5181.

SUPPLEMENTARY INFORMATION: The Alabama beach mouse (ABM), *Peromyscus polionotus ammobates*, is a subspecies of the common oldfield mouse *Peromyscus polionotus* and is restricted to the dune systems of the