

## OFFICE OF PERSONNEL MANAGEMENT

### Federal Employees Health Benefits Program: Medically Underserved Areas for 2002

**AGENCY:** Office of Personnel Management.

**ACTION:** Notice of Medically Underserved Areas for 2002.

**SUMMARY:** The Office of Personnel Management (OPM) has completed its annual determination of the States that qualify as Medically Underserved Areas under the Federal Employees Health Benefits (FEHB) Program for calendar year 2002. This is necessary to comply with a provision of the FEHB law that mandates special consideration for enrollees of certain FEHB plans who receive covered health services in States with critical shortages of primary care physicians. Accordingly, for calendar year 2002, OPM's calculations show that the following states are Medically Underserved Areas under the FEHB Program: Alabama, Georgia, Idaho, Kentucky, Mississippi, Missouri, Montana, New Mexico, North Dakota, South Carolina, South Dakota, Texas, Utah, and Wyoming. We have removed Louisiana from the list for calendar year 2002 and added the states of Georgia, Montana, North Dakota, and Texas.

**EFFECTIVE DATE:** January 1, 2002.

**FOR FURTHER INFORMATION CONTACT:** Ingrid Burford, 202-606-0004.

**SUPPLEMENTARY INFORMATION:** FEHB law (5 U.S.C. 8902(m)(2)) mandates special consideration for enrollees of certain FEHB plans who receive covered health services in States with critical shortages of primary care physicians. The FEHB law also requires that a State be designated as a Medically Underserved Area if 25 percent or more of the population lives in an area designated by the Department of Health and Human Services (HHS) as a primary medical care manpower shortage area. Such States are designated as Medically Underserved Areas for purposes of the FEHB Program, and the law requires non-HMO FEHB plans to reimburse beneficiaries, subject to their contract terms, for covered services obtained from any licensed provider in these States.

FEHB regulations (5 CFR 890.701) require OPM to make an annual determination of the States that qualify as Medically Underserved Areas for the next calendar year by comparing the latest HHS State-by-State population counts on primary medical care manpower shortage areas with U.S.

Census figures on State resident populations.

Office of Personnel Management.

**Kay Cole James,**  
*Director.*

[FR Doc. 01-24104 Filed 9-25-01; 8:45 am]

**BILLING CODE 6325-01-P**

## SECURITIES AND EXCHANGE COMMISSION

### Sunshine Act Meeting.

**FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT:** 66 FR 48493, September 20, 2001.

**STATUS:** Closed meeting.

**PLACE:** 450 Fifth Street, NW.  
Washington, DC.

**TIME AND DATE OF PREVIOUSLY ANNOUNCED MEETING:** September 21, 2001 at 10 a.m.

**CHANGE IN THE MEETING:** Additional Item.

The following item has been added to the closed meeting scheduled for Friday, September 21, 2001: regulatory matters regarding financial institutions.

Commissioner Hunt, as duty officer, determined that Commission business required the above change and that no earlier notice thereof was possible.

At the times, changes in Commission priorities require alternations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: The Office of the Secretary (202) 942-7070.

Dated: September 20, 2001.

**Jonathan G. Katz,**  
*Secretary.*

[FR Doc. 01-24051 Filed 9-21-01; 12:14 pm]

**BILLING CODE 8010-01-M**

## SECURITIES AND EXCHANGE COMMISSION

### Sunshine Act Meeting

**Federal Register Citation of Previous Announcement:** [To be published Monday, September 24, 2001]

*Status:* Closed Meeting.

*Place:* 450 Fifth Street, NW.,  
Washington, DC.

*Time and Date of Previously, Announced Meeting:* September 26, 2001 at 10 a.m.

*Change in the Meeting:* Time change.

The closed meeting scheduled for Wednesday, September 26, 2001 at 10 a.m. has been changed to Monday, September 24, 2001 at 11:30 a.m.

Dated: September 24, 2001.

**Jonathan G. Katz,**  
*Secretary.*

[FR Doc. 01-24182 Filed 9-24-01; 11:57 am]

**BILLING CODE 8010-01-M**

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44818; File No. SR-Phlx-2001-81]

### Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Philadelphia Stock Exchange, Inc. To Extend a PACE Order Execution and Price Protection Pilot Program

September 19, 2001.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on August 29, 2001, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Exchange filed this proposal under Section 19(b)(3)(A) of the Act,<sup>3</sup> and Rule 19b-4(f)(6)<sup>4</sup> thereunder, which renders the proposal effective upon filing with the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to extend through November 5, 2001 its Philadelphia Stock Exchange Automated Communication and Execution System ("PACE")<sup>5</sup> price improvement pilot program ("pilot program"). The pilot program, which is found in Supplementary Material .05 and .07(c)(ii) to Phlx Rule 229, incorporates decimal pricing into two PACE provisions—immediate execution of certain market orders through the Public Order Exposure System ("POES") and mandatory double-up/double-down price protection for equities quoting in decimals. The pilot

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>4</sup> 17 CFR 240.19b-4(f)(6). The Phlx requested that the Commission waive the 5-day prefiling notice requirement, and the 30-day operative delay.

<sup>5</sup> PACE is the Exchange's automated order delivery, routing, execution and reporting system for equities.

program has been in effect since August 25, 2000.<sup>6</sup>

The only substantive change the Phlx proposes at this time is to extend the pilot program through November 5, 2001.<sup>7</sup> The text of the proposed rule change is available at the Phlx and at the Commission.

## II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change.

In its filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

### A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

#### 1. Purpose

The Phlx proposes to extend, through November 5, 2001, the Phlx's pilot program that incorporates immediate execution of certain orders and mandatory double-up/double-down price protection for equities quoting in decimals over PACE.

The order execution portion of the pilot program is found in Supplementary Material .05 to Phlx Rule 229, which establishes that market orders up to a specified number of shares will be "stopped" at the PACE quote at time of entry into the system and delayed up to 30 seconds to allow for price improvement. However, if the

PACE quote at time of order entry reflects a point spread (the difference between the best bid and offer) of \$.05 or less, that order will be executed immediately.

The double-up/double-down price protection portion of the pilot program is found in Supplementary Material .07(c)(ii) to Phlx Rule 229, which establishes that if a specialist chooses not to provide automatic price improvement to all customers and all eligible market orders in an equity quoting in decimals, the specialist must provide manual double-up/double-down price protection in any instance where the bid/ask of the PACE quote is \$.05 or greater. Double-up/double-down is defined in Supplementary Material .07(c)(ii) as a trade that would be at least \$.10 (up or down) from the last regular way sale on the primary market, or, \$.10 from the regular way sale that was the previous intra-day change on the primary market.

#### 2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6 of the Act<sup>8</sup> in general, and in particular, with Section 6(b)(5),<sup>9</sup> in that it is designed to promote just and equitable principles of trade, remove impediments to and perfect the mechanism of a free and open market and protect investors and the public interest by providing for automatic execution of certain market orders and mandatory double-up/double-down price protection for equities quoted in decimals.

### B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any inappropriate burden on competition.

### C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were either solicited or received.

## III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not:

- (i) significantly affect the protection of investors or the public interest;
- (ii) impose any significant burden on competition; and
- (iii) become operative for 30 days from the date on which it was filed, or

such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>10</sup> and Rule 19b-4(f)(6) thereunder.<sup>11</sup> At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

The Exchange has requested that the Commission waive the 5-day pre-filing notice requirement, and accelerate the operative date. The Commission finds good cause to waive the pre-filing notice requirement, and to designate the proposal to be both effective and operative upon filing because such designation is consistent with the protection of investors and the public interest. Waiver of these requirements will allow the pilot program to continue uninterrupted through November 5, 2001. For these reasons, the Commission finds good cause to designate that the proposal is both effective and operative upon filing with the Commission.<sup>12</sup>

## IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposal is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549-0609. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the Exchange. All submissions should refer to file number SR-Phlx-2001-81, and should be submitted by October 17, 2001.

<sup>6</sup> The pilot program was established in SR-Phlx-00-08. See Securities Exchange Act Release No. 43206 (August 25, 2000), 65 FR 35250 (September 1, 2000). The pilot program was extended through August 31, 2001 in SR-Phlx-2001-20). See Securities Exchange Act Release No. 41185 (April 16, 2001), 66 FR 20511 (April 23, 2001). The price improvement portion of the pilot program (Supplementary Material .07(c)(i) to Phlx Rule 229) has been replaced by a price improvement pilot program with an automatic price improvement feature based on percentage of the spread between the bid and the offer. See Securities Exchange Act Release Nos. 43901 (January 30, 2001), 66 FR 8988 (February 5, 2001) (SR-Phlx-2001-12) and 44672 (August 9, 2001), 66 FR 43285 (August 17, 2001) (SR-Phlx-2001-12) and 44672 (August 9, 2001), 66 FR 43285 (August 17, 2001) (SR-Phlx-2001-67). The Phlx is not seeking to extend the pilot program as to Supplementary Material .07(c)(i) to Phlx Rule 229 at this time.

<sup>7</sup> The Phlx recognizes that all equities currently quote in decimals. The Phlx will file a proposed rule change in the future to remove references to fractional pricing from this and other Phlx rules.

<sup>8</sup> 15 U.S.C. 78f.

<sup>9</sup> 15 U.S.C. 78f(b)(5).

<sup>10</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>11</sup> 17 CFR 240.19b-4(f)(6).

<sup>12</sup> For purposes only of accelerating the operative date of this proposal, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>13</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 01-24002 Filed 9-25-01; 8:45 am]

BILLING CODE 8010-01-M

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-44819; File No. SR-PHLX-2001-74]

### Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Philadelphia Stock Exchange, Inc. To Amend Phlx By-Law Article XII, Section 12-4 and Article XV, Sections 15-1 and 15-2

September 19, 2001.

Pursuant to Section 19(b)(1) of the Securities and Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on August 7, 2001, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

#### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Phlx proposes to: (i) amend Phlx By-Law Article XII, Section 12-4 and Article XV Sections 15-1 and 15-2 to reduce the current 14-day posting period for membership and foreign currency options participation transfers to seven days;<sup>3</sup> (ii) change the notice of posting from the Exchange bulletin board to the Phlx website while retaining publication in the Secretary's Weekly Bulletin; and (iii) allow the

Chairman or his designate to reduce the posting period as deemed appropriate upon determination that such action is in the best interests of the Exchange. The following is the text of the proposed rule change. Additions are in italics and deletions are in brackets.

#### ARTICLE XII

##### Application

Sec. 12-4 Application

(a) No change.

(b) No change.

(c) No change.

(d) If the admissions Committee votes favorably upon the Candidate, his name shall be posted upon the [bulletin board] *website* of the Exchange for a period of [fourteen] *seven* days and shall also appear in the Secretary's Weekly Bulletin [mailed] to the membership. An objection by a member of the Exchange to the election of a candidate for membership or to the admission of a non-member as a foreign currency options participant shall be in writing addressed to the Admissions Committee[,] *and filed at any time with the Office of the Secretary.*

(e) If during the [fourteen] *seven-day* posting period no objection to the election of the applicant to membership or to the admission of the non-member as a foreign currency options participant has been received, his election to membership or his admission as a foreign currency options participant shall become effective upon the expiration of the posting period and upon his acquisition by transfer of an Exchange membership or of a foreign currency options participation, as the case may be.

(f) No change.

(g) If during the [fourteen] *seven-day* posting period an objection or objections to the election of the applicant to membership or to the applicant's admission as a foreign currency options participant have been received, the Committee shall reconsider its favorable vote on the candidate upon the expiration of such period. If the Committee reaffirms its favorable vote the applicant shall thereupon be elected to membership or be admitted as a foreign currency options participant upon his acquisition by transfer of an Exchange membership or of a foreign currency options participation, as the case may be. If the committee rescinds its favorable vote, changing it to unfavorable, the applicant shall have the rights of notice, hearing and review as provided in subsection (f) of this section. If, after hearing and review, unfavorable action on his application is reversed, his election to

membership or his admission as a foreign currency options participant shall become effective in accordance with this subsection (g) and without the requirement of an additional posting period.

(h) No change.

(i) *The Chairman or his designate may in his discretion, reduce any membership and/or participation related notice and/or posting period requirements including, without limitation, any such requirements involving new members or participants and concerning transfers of memberships or foreign currency options participations, as the chairman may deem appropriate if the Chairman or his designate shall determine that such action is in the best interests of the Exchange.*

*The Chairman or his designate may condition any reduction of the posting period upon receipt of an indemnification or other form of security which he or his designate deems adequate to protect the interests of the Exchange, members, member organizations, participants, participant organizations, investors and the public interest.*

#### ARTICLE XV

##### Transfer of Membership

##### Transfer of Membership—Notice

SEC. 15-1. A transfer of membership shall be made upon submission of the name of the candidate to and the approval of the transfer by the Admissions Committee. Notice of the proposed transfer shall be sent to each member of the Exchange at least [fourteen] *seven* days prior to transfer, which notice shall specify the date on which the proposed transfer will become provisionally effective. The lease of legal title to a membership or reversion thereof shall be deemed to be a transfer of membership under this Article. The transfer of equitable title only shall not be deemed to be a transfer of membership under this Article.

##### Exceptions to Notice—No change

##### Transfer of Equitable Title

A transfer of equitable title only to a membership shall be made upon submission of the name of the candidate to the Admissions Committee. A transfer may not be effected pursuant to a lease agreement. Notice of this transfer shall be posted upon the [bulletin board] *website* of the Exchange and shall also appear in the Secretary's Weekly Bulletin mailed to the membership at least [fourteen] *seven* days in advance of

<sup>13</sup> 17 CFR 200.30-3(a)(12).

<sup>14</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> As required by Exchange By-Law Article XXII, Section 22-2, the Exchange issued notice of the proposed By-Law amendments to Articles XII and XV to its membership on April 11, 2001 and July 10, 2001, respectively. The Exchange represents that it did not receive a request from 17 or more members for a special meeting of the Exchange to consider the proposed amendment. As a result, the Board approved the proposed amendment to By-Law Article XII on May 16, 2001, and approved the proposed amendment to By-Law Article XV on August 1, 2001. Telephone conversation between Murray L. Ross, Vice President and Secretary, Phlx, Florence Harmon, Senior Special Counsel, Division of Market Regulation ("Division") Commission, and Sonia Patton, Special Counsel, Division, Commission (September 13, 2001).