

Office of Textiles and Apparel, 14th and Constitution Avenue, NW., room H3100, Washington, DC 20230, ATTN: Barbara Anderson, at a cost of \$25. Checks or money orders should be made payable to the U.S. Department of Commerce. The 2002 Correlation will also be available on the OTEXA website at <http://otexa.ita.doc.gov>.

D. Michael Hutchinson,

Acting Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc. 01-31096 Filed 12-17-01; 8:45 am]

BILLING CODE 3510-DR-S

DEPARTMENT OF DEFENSE

Office of the Secretary

TRICARE Management Activity; Fiscal Year 2002 Diagnosis Related Group (DRG) Updates

AGENCY: Office of the Secretary, DoD.

ACTION: Notice of DRG revised rates.

SUMMARY: This notice describes the changes made to the TRICARE DRG-based payment system in order to conform to changes made to the Medicare Prospective Payment System (PPS).

It also provides the updated fixed loss cost outlier threshold, cost-to-charge ratios and the Internet address for accessing the updated standardized amounts and DRG relative weights to be used for FY 2002 under the TRICARE DRG-based payment system.

EFFECTIVE DATES: The rates, weights and Medicare PPS changes which affect the TRICARE DRG-based payment system contained in this notice are effective for admissions occurring on or after October 1, 2001.

ADDRESSES: TRICARE Management Activity (TMA), Medical Benefits and Reimbursement Systems, 16401 East Centretch Parkway, Aurora, CO 80011-9066. For copies of the **Federal Register** containing this notice, contact the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402, (202) 783-3238. The charge for the **Federal Register** is \$10.00 for each issue payable by check or money order to the Superintendent of Documents.

FOR FURTHER INFORMATION CONTACT: Marty Maxey, Medical Benefits and Reimbursement Systems, TMA, telephone (303) 676-3627. To obtain copies of this document, see **ADDRESSES** section above. Questions regarding payment of specific claims under the TRICARE DRG-based payment system

should be addressed to the appropriate contractor.

SUPPLEMENTARY INFORMATION: The final rule published on September 1, 1987 (52 FR 32992) set forth the basic procedures used under the CHAMPUS DRG-based payment system. This was subsequently amended by final rules published August 31, 1988 (53 FR 33461), October 21, 1988 (53 FR 41331), December 16, 1988 (53 FR 50515), May 30, 1990 (55 FR 21863), October 22, 1990 (55 FR 42560), and September 10, 1998 (63 FR 48439).

An explicit tenet of these final rules, and one based on the statute authorizing the use of DRGs by TRICARE, is that the TRICARE DRG-based payment system is modeled on the Medicare PPS, and that, whenever practicable, the TRICARE system will follow the same rules that apply to the Medicare PPS. The Centers for Medicare and Medicaid Services (CMS) publishes these changes annually in the **Federal Register** and discusses in detail the impact of the changes.

In addition, this notice updates the rates and weights in accordance with our previous final rules. The actual changes we are making, along with a description of their relationship to the Medicare PPS, are detailed below.

I. Medicare PPS Changes Which Affect the TRICARE DRG-Based Payment System

Following is a discussion of the changes CMS has made to the Medicare PPS that affect the CHAMPUS DRG-based payment system.

A. DRG Classifications

Under both the Medicare PPS and the TRICARE DRG-based payment system, cases are classified into the appropriate DRG by a Grouper program. The Grouper classifies each case into a DRG on the basis of the diagnosis and procedure codes and demographic information (that is, sex, age, and discharge status). The Grouper used the TRICARE DRG-based payment system is the same as the current Medicare Grouper with two modifications. The TRICARE system has replaced Medicare DRG 435 with two age-based DRGs (900 and 901), and has implemented thirty-four (34) neonatal DRGs in place of Medicare DRGs 385 through 390. For admissions occurring on or after October 1, 2001, DRG 435 has been replaced by DRG 523. The TRICARE system has replaced DRG 523 with the two aged-based DRGs (900 and 901). For admissions occurring on or after October 1, 1995, the CHAMPUS grouper hierarchy logic was changed so the age split (age <29 days) and assignments to MDC 15 occur before assignment of the

PreMDC DRGs. This resulted in all neonate tracheostomies and organ transplants to be grouped to MDC 15 and not to DRGs 480-483 or 495. For admissions occurring on or after October 1, 1998, the CHAMPUS grouper hierarchy logic was changed to move DRG 103 to the PreMDC DRGs and to assign patients to PreMDC DRGs 480, 103 and 495 before assignment to MDC 15 DRGs and the neonatal DRGs. For admissions occurring on or after October 1, 2001, DRGs 512 and 513 were added to the PreMDC DRGs, between DRGs 480 and 103 in the TRICARE grouper hierarchy logic.

For FY 2002, CMS will implement classification changes, including surgical hierarchy changes. The TRICARE Grouper will incorporate all changes made to the Medicare Grouper.

B. Wage Index and Medicare Geographic Classification Review Board Guidelines

TRICARE will continue to use the same wage index amounts used for the Medicare PPS. In addition, TRICARE will duplicate all changes with regard to the wage index for specific hospitals that are redesignated by the Medicare Geographic Classification Review Board.

C. Hospital Market Basket

TRICARE will update the adjusted standardized amounts according to the final updated hospital market basket used for the Medicare PPS according to CMS's August 1, 2001, final rule.

D. Outlier Payments

Since TRICARE does not include capital payments in our DRG-based payments, we will use the fixed loss cost outlier threshold calculated by CMS for paying cost outliers in the absence of capital prospective payments. For FY 2002, the fixed loss cost outlier threshold is based on the sum of the applicable DRG-based payment rate plus any amounts payable for IDME plus a fixed dollar amount. Thus, for FY 2002, in order for a case to qualify for cost outlier payments, the costs must exceed the TRICARE DRG base payment rate (wage adjusted) for the DRG plus the IDME payment plus \$19,226 (wage adjusted). The marginal cost factor for cost outliers continues to be 80 percent.

E. Blood Clotting Factor

For FY 2002, TRICARE will use the same HCPCS codes and payment rates for blood clotting factors used in FY 2001, except for HCPCS code J7190 Factor VIII (antihemophilic factor—human) which has changed from \$0.85 per unit to \$0.86 per unit. TRICARE

uses the same ICD-9-CM diagnosis codes as CMS for add-on payment for blood clotting factors.

F. Indirect Medical Education (IDME) Adjustment

Passage of The Benefits Improvement and Protection Act of 2000, modified the transition for the IDME adjustment that was first established by the Balanced Budget Act of 1997 and revised by the Balanced Budget Refinement Act of 1999. The formula multiplier for the TRICARE IDME adjustment has been revised to 1.21 for FY 2002 and 1.02 for FY 2003 and thereafter.

G. National Operating Standard Cost as a Share of Total Costs

The FY 2002 TRICARE National Operating Standard Cost as a Share of Total Costs used in calculating the cost outlier threshold is 0.918.

II. Cost to Charge Ratio.

For FY 2002, the cost-to-charge ratio used for the TRICARE DRG-based payment system will be 0.5003, which is increased to 0.5073 to account for bad debts. This shall be used to calculate the adjusted standardized amounts and to calculate cost outlier payments, except for children's hospitals. For children's hospital cost outliers the cost-to-charge ratio used is 0.5520.

III. Updated Rates and Weights

The updated rates and weights are accessible through the Internet at www.tricare.osd.mil under the sequential headings TRICARE Provider Information, Reimbursement Systems, and DRG Information. Table 1 provides the ASA rates and Table 2 provides the DRG weights to be used under the TRICARE DRG-based payment system during FY 2002 and which is a result of the changes described above. The implementing regulations for the TRICARE/CHAMPUS DRG-based payment system are in 32 CFR part 199.

Dated: December 12, 2001.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 01-31091 Filed 12-17-01; 8:45 am]

BILLING CODE 5001-08-M

DEPARTMENT OF DEFENSE

Department of the Army

Privacy Act of 1974; System of Records

AGENCY: Department of the Army, DoD.

ACTION: Notice to Amend Systems of Records.

SUMMARY: The Department of the Army is amending three systems of records notices in its existing inventory of records systems subject to the Privacy Act of 1974 (5 U.S.C. 552a), as amended.

Throughout the three notices, 'Department of Defense Computer Institute' and 'DODCI' are being changed to 'Information Resources Management College' and 'IRMC'.

DATES: This proposed action would be effective without further notice on January 17, 2002 unless comments are received which result in a contrary determination.

ADDRESSES: Records Management Division, U.S. Army Records Management and Declassification Agency, ATTN: TAPC-PDD-RP, Stop 5603, 6000 6th Street, Ft. Belvoir, VA 22060-5603.

FOR FURTHER INFORMATION CONTACT: Ms. Janice Thornton at (703) 806-4390 or DSN 656-4390 or Ms. Christie King at (703) 806-3711 or DSN 656-3711.

SUPPLEMENTARY INFORMATION: The Department of the Army systems of records notices subject to the Privacy Act of 1974 (5 U.S.C. 552a), as amended, have been published in the **Federal Register** and are available from the address above.

The specific changes to the records system being amended are set forth below followed by the notice, as amended, published in its entirety. The proposed amendments are not within the purview of subsection (r) of the Privacy Act of 1974 (5 U.S.C. 552a), as amended, which requires the submission of a new or altered system report.

Dated: December 12, 2001.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

A0351a NDU-CI

SYSTEM NAME:

DODCI Student Record System (February 22, 1993, 58 FR 10002).

CHANGES:

SYSTEM IDENTIFIER:

Delete entry and replace with A0351a IRMC.

SYSTEM NAME:

Delete entry and replace with 'Information Resources Management College Record System'.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Delete from entry 'as regular students' and 'other'.

CATEGORIES OF RECORDS IN THE SYSTEM:

Delete entry and replace with 'Individual's name, Social Security Number, home address, home telephone number, military rank, civilian grade, branch of service, course ID, activity and consolidated list of students, names, courses and their activities.'

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Delete entry and replace with '10 U.S.C. 3013, Secretary of the Army; Army Regulation 351-1, Individual Military Education and Training; Army Regulation 351-9, Inter-service Education and Training; and E.O. 9397 (SSN).'

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RETENTION AND DISPOSAL:

Delete entry and replace with 'Records are maintained for a total of 40 years. Current file is maintained until no longer needed, then retired to a records holding area. The records holding area will retire the military records to National Personnel Records Center, 9700 Page Avenue, St. Louis, MO 63132-5100 when records are ten years old.'

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RECORD SOURCE CATEGORIES:

Delete parenthetical phrase.

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A0351a IRMC

SYSTEM NAME:

Information Resources Management College Record System.

SYSTEM LOCATION:

Information Resources Management College, Washington Navy Yard, Washington, DC 20374-5000.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

All students who have completed a course of instruction presented by the Information Resources Management College (IRMC). These are primarily DoD military and civilian personnel; personnel from federal, state and local government agencies who have attended courses on a space available basis; military and civilian personnel from foreign governments who requested and were granted authority to attend courses; and personnel from private industry who are under direct contract to a DoD activity who sponsor their attendance.