

successfully design, manufacture, and market these products. It would take a new entrant over two years to accomplish these steps and achieve a significant market impact. Additionally, new entry into the CBSSB market is unlikely to occur because the costs of entering the market and producing CBSSBs are high relative to the limited sales opportunities available to new entrants.

The Consent Agreement effectively remedies the acquisition's anticompetitive effects in the worldwide market for CBSSBs by requiring INA and FAG to divest FAG's CBSSB business. This business consists of, among other things, FAG's specialized tooling equipment, technical drawings, advertising and training materials, customer lists, and other assets used in the research, development, manufacturing, quality assurance, marketing, customer support and sale of CBSSBs (collectively "CBSSB Assets"). Pursuant to the Consent Agreement, INA and FAG are required to divest the CBSSB Assets to SKF within twenty (20) business days from the date on which INA begins its acquisition of FAG. If the Commission determines that SKF is not an acceptable buyer or that the manner of the divestiture is not acceptable, INA and FAG must rescind the sale to SKF within three (3) business days, and divest the CBSSB Assets to a Commission-approved buyer within three (3) months. If INA and FAG have not divested the CBSSB Assets within the time and in the manner required by the Consent Agreement, the Commission may appoint a trustee to divest these assets and any additional FAG machinery that the trustee deems appropriate, subject to Commission approval.

The Commission's goal in evaluating possible purchasers of divested assets is to maintain the competitive environment that existed prior to the acquisition. A proposed buyer of divested assets must not itself present competitive problems. The Commission is satisfied that SKF is a well-qualified acquirer of the divested assets. SKF is a publicly-traded Swedish corporation and the largest supplier of ball and roller bearings worldwide. SKF has been active in the bearings industry since 1907, and currently has production sites in 22 countries around the world and sales activities in almost every country in the world. SKF is also a current producer of ball screw support bearings, the product from which CBSSBs were originally derived. Thus, SKF has the necessary industry expertise to manufacture and sell CBSSBs, and its entry into the CBSSB market will

effectively replace the competition being eliminated by INA's acquisition of FAG. Furthermore, SKF does not pose separate competitive issues as the acquirer of the divested assets.

The Consent Agreement includes a number of provisions that are designed to ensure that the divestiture of the CBSSB Assets is successful. The Consent Agreement requires that, for a period of six (6) months, INA and FAG provide SKF with personnel, assistance, and training at no cost to SKF. This provision will ensure that SKF is able to effectively manufacture and market CBSSBs of the same quality as those currently produced by FAG. Additionally, if requested by SKF, INA and FAG are required to provide transitional manufacturing services at variable cost to SKF for up to six (6) months. This will ensure that SKF is able to serve customers in the CBSSB market without delay. In order to further facilitate SKF's entry into the CBSSB market, the Consent Agreement also prohibits INA and FAG from using any catalog numbers currently used by FAG to identify its CBSSBs.

To preserve the competitive viability and independence of the CBSSB Assets pending divestiture, the Consent Agreement includes an Order to Maintain Assets. This Order contains a number of provisions designed to ensure that the viability, competitiveness, and marketability of the CBSSB Assets and other FAG machinery are not diminished. The Order to Maintain Assets also provides that the Commission may appoint one or more monitors to ensure that INA and FAG expeditiously comply with their obligations under the Consent Agreement.

In order to ensure that the Commission remains informed about the status of the pending divestiture, and about efforts being made to accomplish the divestiture, the Consent Agreement requires INA and FAG to file an initial status report with the Commission within ten (10) days of the date the Consent Agreement is executed, and additional reports every thirty (30) days thereafter until the Commission's Decision and Order becomes final. Once the Commission's Order becomes final, INA and FAG have sixty (60) days within which to submit a verified written report detailing the manner in which they have complied, or intend to comply, with the Commission's Order. This reporting requirement continues until INA and FAG have fully complied with the Commission's Order.

In addition to the divestiture outlined above, the Commission's Order also addresses potential competitive issues

raised by a possible future joint venture between FAG and NTN Corporation of Japan ("NTN"), another large producer of bearings worldwide. Although no joint activities have taken place to date, a preliminary agreement between FAG and NTN indicates that a wide range of possible joint marketing, joint production and joint sales activities are contemplated by the joint venture between the two companies. INA has publicly asserted that it welcomes the alliance with NTN and is prepared to continue this cooperation with NTN after INA's acquisition of FAG. Given that this scenario creates the possibility of a future global three-firm alliance, and given that such joint venture activities may not otherwise trigger Hart-Scott-Rodino reporting requirements, the Commission's Order requires INA and FAG to provide prior notice to the Commission before entering into any such joint venture activities with NTN affecting North America. This requirement will give the Commission an opportunity to review such activities for potential competitive harm before they take place.

The purpose of this analysis is to facilitate public comment on the Consent Agreement, and it is not intended to constitute an official interpretation of the Consent Agreement or to modify its terms in any way.

By direction of the Commission.

Donald S. Clark,

Secretary.

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GENERAL SERVICES ADMINISTRATION

[GSA Bulletin FPMR D-259]

Federal Buildings and Space

This notice contains GSA Bulletin FPMR D-259 which announces the designation of a park on Federal grounds. The text of the bulletin follows:

To: Heads of Federal Agencies
Subject: Designation of Federal Building Grounds

1. *Purpose.* This bulletin announces the designation of a park on Federal grounds.

2. *Expiration date.* This bulletin expires May 11, 2002. However, the Federal building grounds designation announced by this bulletin will remain in effect until canceled or superseded.

3. *Designation.* The grounds directly in front of the John M. Shaw United States Courthouse in Lafayette,

Louisiana, to be used as a park, are designated as follows: Richard J. Putnam Park, on the grounds of the John M. Shaw United States Courthouse, 800 Lafayette Street, Lafayette, LA 70501.

Dated: December 19, 2001.

Stephen A. Perry,

Administrator of General Services.

[FR Doc. 01-31883 Filed 12-27-01; 8:45 am]

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Centers for Medicare & Medicaid Services

[CMS-4021-GNC]

RIN 0938-ZA22

Medicare Program; Criteria and Standards for Evaluating Intermediary, Carrier, and Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Regional Carrier Performance During Fiscal Year 2002

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

ACTION: General notice with comment period.

SUMMARY: This notice describes the criteria and standards to be used for evaluating the performance of fiscal intermediaries, carriers, and DMEPOS regional carriers in the administration of the Medicare program beginning the first day of the month following publication in the **Federal Register**. The results of these evaluations are considered whenever we enter into, renew, or terminate an intermediary agreement, carrier contract, or DMEPOS regional carrier contract or take other contract actions, for example, assigning or reassigning providers or services to an intermediary or designating regional or national intermediaries. The criteria and standards for DMEPOS regional carriers (also referred to as Durable Medical Equipment Regional Carriers (DMERCs)) were previously published under a separate **Federal Register** notice, but with this release will now be incorporated in the notice of criteria and standards for the intermediaries and carriers. We are requesting public comment on these criteria and standards.

EFFECTIVE DATE: The criteria and standards are effective January 2, 2002.

COMMENTS: Comments will be considered if we receive them at the appropriate address as provided below

no later than 5 p.m. (EDT) on January 28, 2002.

ADDRESSES: In commenting, please refer to file code CMS-4021-GNC. Because of staff and resource limitations, we cannot accept comments by facsimile (fax) transmission. Mail written comments (one original and three copies) to the following address: Centers for Medicare & Medicaid Services, Department of Health and Human Services, Attention: CMS-4021-GNC, P.O. Box 8016, Baltimore, MD 21244-8016.

If you prefer, you may deliver (by hand or courier) your written comments (one original and three copies) to one of the following addresses:

Room 443-G, Hubert H. Humphrey Building, 200 Independence Avenue, SW., Washington, DC, 20201 or Room C5-16-03, 7500 Security Boulevard, Baltimore, Maryland 21244-8016.

Comments mailed to the addresses indicated as appropriate for hand or courier delivery may be delayed and could be considered late.

For information on viewing public comments, see the beginning of the **SUPPLEMENTARY INFORMATION** section.

FOR FURTHER INFORMATION CONTACT: Sue Lathroum, (410) 786-7409.

SUPPLEMENTARY INFORMATION

Inspection of Public Comments: Comments received timely will be available for public inspection as they are received, generally beginning approximately 3 weeks after publication of a document, at the headquarters of the Centers for Medicare & Medicaid Services, 7500 Security Boulevard, Baltimore, Maryland 21244, Monday through Friday of each week from 8:30 a.m. to 4 p.m. To schedule an appointment to view public comments, phone (410) 786-7197.

I. Background

A. Part A—Hospital Insurance

Under section 1816 of the Social Security Act (the Act), public or private organizations and agencies participate in the administration of Part A (Hospital Insurance) of the Medicare program under agreements with us. These agencies or organizations, known as fiscal intermediaries, determine whether medical services are covered under Medicare, determine correct payment amounts and then make payments to the health care providers (for example, hospitals, skilled nursing facilities (SNFs), community mental health centers, etc.) on behalf of the beneficiaries. Section 1816(f) of the Act requires us to develop criteria, standards, and procedures to evaluate

an intermediary's performance of its functions under its agreement. Evaluations of Medicare fee-for-service performance need not be limited to the current fiscal year (FY), other fixed term basis, or agreement term. We may evaluate performance using a time frame that does not mirror the FY or other fixed term. The evaluation of intermediary performance is part of our contract management process.

B. Part B Medical Insurance

Under section 1842 of the Act, we are authorized to enter into contracts with carriers to fulfill various functions in the administration of Part B (Supplementary Medical Insurance) of the Medicare program. Beneficiaries, physicians, and suppliers of services submit claims to these carriers. The carriers determine whether the services are covered under Medicare and the amount payable for the services or supplies, and then make payment to the appropriate party.

Under section 1842(b)(2) of the Act, we are required to develop criteria, standards, and procedures to evaluate a carrier's performance of its functions under its contract. Evaluations of Medicare fee-for-service performance need not be limited to the current FY, other fixed term basis, or contract term. We may evaluate performance using a timeframe that does not mirror the FY. The evaluation of carrier performance is part of our contract management process.

C. Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (DMEPOS) Regional Carriers

In accordance with section 1834(a)(12) of the Act, CMS has entered into contracts with four DMEPOS regional carriers to perform all of the duties associated with the processing of claims for DMEPOS, under Part B of the Medicare program. These DMEPOS regional carriers process claims based on a Medicare beneficiary's principal residence by State. Section 1842(a) of the Act authorizes contracts with carriers for the payment of Part B claims for Medicare covered services and items. Section 1842(b)(2) of the Act requires us to publish in the **Federal Register** criteria and standards for the efficient and effective performance of carrier contract obligations. The criteria and standards to be used for evaluating the performance of DMEPOS regional carriers were first published on June 18, 1992 at 57 FR 27302. The evaluation of DMEPOS regional carrier performance is part of our contract management process.