

include a Federal mandate that may result in estimated costs of \$100 million or more to either State, local, or tribal governments in the aggregate, or to the private sector. This Federal action approves pre-existing requirements under State or local law, and imposes no new Federal requirements. Accordingly, no additional costs to State, local, or tribal governments, or to the private sector, result from this action.

List of Subjects in 40 CFR Part 70

Environmental protection, Administrative practice and procedure, Air pollution control, Intergovernmental relations, Operating permits, Reporting and recordkeeping requirements.

Dated: June 14, 1995.

Patrick M. Tobin,

Acting Regional Administrator.

Part 70, title 40 of the Code of Federal Regulations is amended as follows:

PART 70—[AMENDED]

1. The authority citation for part 70 continues to read as follows:

Authority: 42 U.S.C. 7401, *et seq.*

2. Appendix A to part 70 is amended by adding the entry for South Carolina in alphabetical order to read as follows:

Appendix A to Part 70—Approval Status of State and Local Operating Permits Programs

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South Carolina

(a) Department of Health and Environmental Control: submitted on November 12, 1993; full approval effective on July 26, 1995.

(b) (Reserved)

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DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of Inspector General

42 CFR Part 1001

Health Care Programs: Fraud and Abuse; Technical Revision to the Scope and Effect of the OIG Exclusion Regulations

AGENCY: Office of Inspector General (OIG), HHS.

ACTION: Final rule.

SUMMARY: This document sets forth a technical revision to OIG regulations on program integrity for Medicare and State

Health Care programs, concerning the scope and effect of the OIG's program exclusion regulations. Prior to this revision, the regulations provided that a program exclusion imposed under title XI of the Social Security Act was to affect future participation in all Federal nonprocurement programs. This revision specifically amends the language in the existing regulations to clarify that the scope of an exclusion is now applicable to all Executive Branch procurement and non-procurement programs and activities. This rule is consistent with the Federal Acquisition Streamlining Act, and the Department's Common Rule on debarment and suspension which is also being amended and published elsewhere in this issue of the **Federal Register**.

EFFECTIVE DATE: This regulation is effective on August 25, 1995.

FOR FURTHER INFORMATION CONTACT: Joel J. Schaer, Office of Management and Policy, (202) 619-0089.

SUPPLEMENTARY INFORMATION:

I. Technical Revision to 42 CFR 1001.1901

On January 29, 1992, the Department of Health and Human Services published a final rule (57 FR 3298) governing the Department's exclusion and civil money penalty authorities as established and amended by the Medicare and Medicaid Patient and Program Protection Act of 1987, Public Law 100-93. These authorities have been delegated to the Office of Inspector General (OIG) for implementation. Under these regulations, section 1001.1901—Scope and effect of exclusion—implemented Executive Order 12549 which provides that debarments, suspensions and other exclusionary actions taken by any Federal agency will have governmentwide effect with respect to all nonprocurement programs. Specifically, section 1001.1901 made clear that exclusions from Medicare and the State health care programs under title XI of the Social Security Act (42 U.S.C. 1320a-7) are also applicable with respect to "all other Federal nonprocurement programs."

With the enactment of the Federal Acquisition Streamlining Act (FASA) of 1994, Public Law 103-355, congress mandated and expanded the governmentwide effect of debarments, suspensions and other exclusionary actions to procurement as well as nonprocurement programs and activities. In addition to the amendments to the governmentwide Common Rule necessitated by the enactment of FASA, we are also

specifically codifying in the Department's adoption of the Common Rule that exclusions imposed under title XI of the Social Security Act will have the same governmentwide effect as debarments initiated under the Common Rule, and will be recognized and given effect not only for all Departmental programs but also for all other Executive Branch procurement and nonprocurement programs and activities. In addition, because full due process is provided under the statute and the implementing regulations for those excluded under title XI—including the right to an administrative hearing and judicial review—additional due process under the Common Rule is not necessary nor available to excluded individuals and entities beyond that set forth in parts 1001 and 1005 of 42 CFR chapter V. This amendment to section 1001.1901 is intended to be consistent with the amendment of 45 CFR part 76 codifying the requirements of FASA.

II. Regulatory Impact Statement

The Office of Management and Budget has reviewed this final rule in accordance with the provisions of Executive Order 12866. As indicated above, the revisions contained in this technical rule are intended to clarify that the scope of an OIG exclusion is applicable to all Executive Branch procurement and nonprocurement programs and activities, consistent with FASA and the Department's Common Rule at 45 CFR part 76.

As indicated in the original final rule published on January 29, 1992, the amendments to 42 CFR part 1001, and this subsequent revision, are designed to clarify departmental policy with respect to the imposition of program exclusions upon individuals and entities who violate the statute. We believe that the vast majority of providers and practitioners do not engage in such prohibited activities and practices, and that the aggregate economic impact of these provisions should be minimal, affecting only those few who have engaged in prohibited behavior jeopardizing the Federal health care financing programs and beneficiaries. As such, these regulations should have no direct effect on the economy or on Federal or State expenditures.

In addition, in accordance with the Regulatory Flexibility Act (5 U.S.C. 601 through 612), we certify that this rulemaking will not have a significant economic impact on a substantial number of small entities. While some sanctions may have an impact on small entities, we do not anticipate that a substantial number of these small