services only to RCA refugees to the exclusion of AFDC recipients. The commenter recommended requiring participation in employment services within 30 days of receipt of aid only if funding is available. Another commenter was concerned that the level of funding might be insufficient to provide services to all RCA refugees and recommended that the rule be revised to require States to include an assurance in their State plan that newly arrived refugees will be enrolled promptly in employment services.

Response: The provisions under subpart F, including the requirement for participation in employment services within 30 days of receipt of aid, apply only to RCA recipients; these regulations do not apply to recipients of AFDC. The AFDC program, administered by the Office of Family Assistance, is governed by separate regulations under 45 CFR Chapter II. However, we refer the commenter to 45 CFR 233.100(a)(6), which requires that within 30 days after the receipt of aid under the AFDC-UP program, unemployed principal earners will participate or apply for participation in a JOBS program.

Non-compliance with § 400.75 would result in a client sanction or a negative program review. Regarding funding availability, we believe it would be a rare situation where service funds would not be sufficient to provide services to all RCA recipients in accordance with § 400.75.

§ 400.76: *Comment:* Two commenters strongly supported ORR's proposal to make exemption requirements consistent with JOBS requirements, while two commenters opposed exempting a parent or caretaker who has a child under 3 years of age and opposed exempting pregnant women from registration and participation in employment services if the child is expected to be born within 6 months. One of the commenters felt that welfare parents should be required to use child care, as non-welfare parents do, in order to work. The commenter also expressed the view that since many non-welfare women continue to work until their 8th month of pregnancy, welfare recipients should not be exempted from participation because of pregnancy. Two commenters expressed concern about the availability of affordable day care. One commenter was concerned that a single parent would not be able to afford day care costs. Another commenter felt that ORR should take into consideration the possible hardship that families may experience finding suitable child care for non-school age refugee children.

Response: We believe the criteria for exemptions from participation in the refugee program should be as consistent as possible with the criteria for exemptions in the JOBS program in order to maintain equity among welfare clients. While we recognize the potential problems that some refugee families may experience finding suitable and affordable child care, we believe there are a number of options available to refugee families for securing subsidized child care through ORR-funded day care or through the JOBS program.

§ 400.80: *Comment:* Six commenters wrote in support of elimination of the job search requirement. We received no comments opposing elimination of this requirement.

Response: We continue to believe that job search is an appropriate activity for certain types of refugees and should be required as part of a refugee's employability plan in such cases. Therefore, we have decided to modify § 400.80 accordingly instead of totally eliminating this requirement. A refugee who refuses to carry out job search would be subject to sanction, in accordance with § 400.77, if job search is a required service in the refugee's employability plan.

§ 400.83: *Comment:* One commenter recommended that since one State has already obtained ORR approval to modify its timeframe for the conciliation period, this provision should be revised to accommodate the State's method of handling the conciliation period.

Response: A revision is not necessary. The State in question was granted a waiver to this provision a few years ago. This waiver is not affected by this regulation.

§ 400.94(a): *Comment:* One commenter was opposed to requiring refugees to be screened for Medicaid eligibility first. Another commenter expressed concern that the requirement to determine the Medicaid eligibility of every individual in an RMA family instead of making a single determination for the family as a unit could have the potential for increased administrative costs as a result of implementing this new method of determination.

Response: The revision in § 400.94(a) does not represent a change in policy; it is simply a clarification of a regulation that has been in effect since its publication as a final rule in the **Federal Register** (54 FR 5480) on February 3, 1989. Therefore, States that are not making Medicaid eligibility determinations for refugees who apply for medical assistance, or are not making Medicaid determinations for each member in a family unit, should take immediate steps to comply with the requirements under § 400.94(a).

§ 400.100(d): *Comment:* One commenter objected to the provision that only those recipients of RCA who are not eligible for Medicaid are eligible for RMA. The commenter expressed concern that RMA may be eliminated in one State because all RCA recipients in the State are eligible for Medical Assistance (MA). The commenter also questioned whether this provision refers to all MA benefits or only Federally mandated or reimbursed MA benefits. Another commenter pointed out that it is essential to ensure that refugees on RMA who are eligible for partial Medicaid benefits are not denied RMA coverage for medical treatment that is not covered by the partial Medicaid coverage.

Response: This provision is simply a restatement or clarification of current policy and refers only to Federally reimbursed benefits under title XIX of the Social Security Act. Regarding RMA coverage for refugees who are eligible for partial Medicaid benefits, since § 400.100(d) does not represent a change in policy, States should continue handling these cases as they do under current policy.

§ 400.104: *Comment:* Twenty-four commenters indicated support for this provision. Two commenters questioned whether a refugee would be required to accept private insurance, if the employer offered the insurance at a cost. One commenter asked if States would be required to impose penalties for refusal to accept private medical coverage. In cases where private insurance only covers the employee, one commenter wondered whether remaining family members would be able to continue on RMA. Three commenters recommended that instead of terminating RMA once private insurance is obtained, RMA could be billed only after any and all private insurance payments were accessed, as is the arrangement in the Medicaid program. One commenter noted that the proposed rule suggests that RMA recipients would be eligible for RMA through the 8th month, regardless of the reason for their ineligibility. The commenter questioned whether RMA recipients would be eligible for continued RMA if they began receiving unearned income or acquired excess resources that would make them ineligible for RMA.

Response: An RMA recipient who becomes employed would not be required to accept health insurance offered by his/her employer; if an RMA recipient chooses not to accept private