consider all providers and suppliers to be small entities. For purposes of section 1102(b) of the Act, we define small rural hospital as a hospital that has fewer than 50 beds, and is not located in a Metropolitan Statistical Area.

We have not prepared a regulatory flexibility analysis because we have determined and we certify that this rule (which makes only technical and editorial changes) will not have a significant economic impact on a substantial number of small entities nor a significant impact on the operation of a substantial number of small rural hospitals.

In accordance with the provisions of Executive Order 12866, this rule was not reviewed by the Office of Management and Budget.

# List of Subjects

## 42 CFR Part 485

Grant programs—health, Health facilities, Medicaid, Medicare, Reporting and recordkeeping requirements.

#### 42 CFR Part 486

Health professionals, Medicare, Organ procurement, X-rays.

42 CFR Chapter IV is amended as set forth below.

# PART 485—CONDITIONS OF PARTICIPATION; PROVIDERS OF SPECIALIZED SERVICES

A. Part 485 is amended as set forth below.

1. The authority citation for part 485 continues to read as follows:

Authority: Secs. 1102 and 1871 of the Social Security Act (42 U.S.C. 1302 and 1395hh).

#### §§ 485.301 through 485.309 and 485.311 [Redesignated]

2. Subpart D of part 485, consisting of §§ 485.301 through 485.309 and 485.311, is redesignated as subpart G of part 486 in accordance with the following redesignation table:

New section (subpart G of part 486)
486.301
486.302
486.304
486.306
486.308
486.310
486.314
486.316
486.318
486.325

3. Section 485.703 is amended to revise the definitions of "clinic", "rehabilitation agency", and "supervision", to read as follows:

#### §485.703 Definitions.

*Clinic.* A facility that is established primarily to furnish outpatient physician services and that meets the following tests of physician involvement:

(1) The medical services are furnished by a group of three or more physicians practicing medicine together.

(2) A physician is present during all hours of operation of the clinic to furnish medical services, as distinguished from purely administrative services.

*Rehabilitation agency.* An agency that—

(1) Provides an integrated multidisciplinary rehabilitation program designed to upgrade the physical functioning of handicapped disabled individuals by bringing specialized rehabilitation staff together to perform as a team; and

(2) Provides at least the following services:

(i) Physical therapy or speechlanguage pathology services.

(ii) Social or vocational adjustment services.

*Supervision*. Authoritative procedural guidance that is for the accomplishment of a function or activity and that—

(1) Includes initial direction and periodic observation of the actual performance of the function or activity; and

(2) Is furnished by a qualified person—

(i) Whose sphere of competence encompasses the particular function or activity; and

(ii) Who (unless otherwise provided in this subpart) is on the premises if the person performing the function or activity does not meet the assistant-level practitioner qualifications specified in § 485.705.

4. In the following sections, the section heading is amended to change the dash to a colon and to capitalize the first word after the colon:

§§ 485.709, 485.713, 485.717, 485,719, and 485.725.

# PART 486—CONDITIONS FOR COVERAGE OF SPECIALIZED SERVICES FURNISHED BY SUPPLIERS

B. Part 486 is amended as set forth below.

1. The heading of part 486 is revised to read as set forth above.

2. The authority citation for part 486 continues to read as follows:

Authority: Secs. 1102 and 1871 of the Social Security Act (42 U.S.C. 1302 and 1395hh).

3. A new subpart A is added, to read as follows:

### Subpart A—General Provisions

Sec.

486.1 Basis and scope.

## §486.1 Basis and scope.

(a) *Statutory basis.* This part is based on the following sections of the Act:

1138(b)—for coverage of organ procurement services.

1861(p)—for coverage of outpatient physical therapy services furnished by physical therapists in independent practice.

1861(s) (3), (15), and (17)—for coverage of portable X-ray services.

(b) *Scope*. (1) This part sets forth the conditions for coverage of certain specialized services that are furnished by suppliers and that are not specified in other portions of this chapter.

(2) The conditions for coverage of other specialized services furnished by suppliers are set forth in the following regulations which, unless otherwise indicated, are part of this chapter:

(i) Ambulatory surgical center (ASC) services—Part 416.

(ii) Ambulance services—Part 410, subpart B.

(iii) ESRD services—Part 405, subpart U.

(iv) Laboratory services-Part 493.

(v) Mammography services—Part 410, subpart B (§ 410.34) and 21 CFR Part 900, subpart B, of the Food and Drug Administration regulations.

(vi) Rural health clinic and Federally qualified health center services—Part 491, subpart A.

# §486.110 [Amended]

4. In § 486.110(b), "outlined in § 405.1415." is revised to read "outlined in § 486.108.".

5. Subparts E and F are added and reserved.

6. In newly designated subpart G, the headings of the specified sections are revised to read as follows: