§424.57 Special payment rules for items furnished by DMEPOS suppliers and issuance of DMEPOS supplier billing numbers.

\* \* \* \* \*

(c) Medicare does not issue a billing number to a supplier that submits claims for items listed in § 421.210(b) of this subchapter until that supplier meets, and certifies that it meets, the following standards. The supplier—

(1) In response to orders which it receives, fills those orders from its own inventory or inventory in other companies with which it has contracted to fill such orders or fabricates or fits items for sale from supplies it buys under a contract;

(2) Is responsible for delivery of Medicare covered items to Medicare beneficiaries;

(3) Honors all warranties express and implied under applicable State law;

(4) Answers any questions or complaints a beneficiary has about the item or use of the item that was sold or rented to him or her, and refers beneficiaries with Medicare questions to the appropriate carrier;

(5) Maintains and repairs directly or through a service contract with another company, items it has rented to beneficiaries;

(6) Accepts returns of substandard (less than full quality for the particular item) or unsuitable items (inappropriate for the beneficiary at the time it was fitted and/or sold) from beneficiaries;

(7) Discloses consumer information to each beneficiary with whom it does business which consists of the supplier standards to which it must conform;

(8) Complies with the disclosure provisions in § 420.206.

(9) Complies with all applicable State and Federal licensure and regulatory requirements;

(10) Maintains a physical facility on an appropriate site; and

(11) Has proof of appropriate liability insurance.

\* \* \* \* \* \* \* (Catalog of Federal Domestic Assistance Program No. 93.773, Medicare—Hospital Insurance; and Program No. 93.774, Medicare—Supplementary Medical Insurance Program)

Dated: November 22, 1995. Bruce C. Vladeck,

Administrator, Health Care Financing Administration.

[FR Doc. 95–30065 Filed 12–8–95; 8:45 am] BILLING CODE 4120–01–P

## DEPARTMENT OF TRANSPORTATION

Office of the Secretary

49 CFR Part 1

[OST Docket No. 1; Amendment 1-272]

Organization and Delegation of Powers and Duties; Transfer of Great Lakes Pilotage Authority From the Coast Guard to the Saint Lawrence Seaway Development Corporation

**AGENCY:** Office of the Secretary, DOT. **ACTION:** Final rule.

SUMMARY: The Coast Guard's responsibility for administering the Secretary's functions under the Great Lakes Pilotage Act of 1960, as amended, and the Secretary's authority to enter into, revise, or amend arrangements with Canada, are being transferred to the Saint Lawrence Seaway Development Corporation. This rule affirms the interim final rule amending the delegations to be in accordance with the changed responsibilities. Although a comment period for the Secretary's delegations is not required by the Administrative Procedure Act, the Department of Transportation requested public comment on the interim final rule because of public and Congressional interest in Great Lakes Pilotage. This final rule responds to the comments and is necessary to inform the public that the interim final rule has been affirmed.

**DATES:** This rule is effective on December 11, 1995.

FOR FURTHER INFORMATION CONTACT: Steven B. Farbman, Office of the Assistant General Counsel for Regulation and Enforcement (202) 366– 9306, United States Department of Transportation, 400 7th Street SW., Washington, DC 20590.

**REGULATORY HISTORY:** On July 31, 1995, the Department of Transportation (Department) published an interim final rule with request for comments (60 FR 38971). The interim final rule contained language that would transfer Great Lakes Pilotage authority from the Coast Guard to the St. Lawrence Seaway Development Corporation (SLSDC). The comment period for the interim final rule ended on September 29, 1995, and was to become effective October 30, 1995. On October 27, 1995, the Department issued a rule suspending the effectiveness of the interim final rule. This final rule affirms the interim final rule and establishes a new effective date.

**SUPPLEMENTARY INFORMATION:** The Coast Guard's responsibility for administering

the Secretary's functions under the Great Lakes Pilotage Act of 1960, as amended, (the Act) is being transferred to the SLSDC. This rule amends the delegations and enabling regulations to be in accordance with the changed responsibilities. The functions that are being transferred are: (1) Investigation and prosecution of violations of the Act; (2) registration, qualification, and training of registered pilots; (3) association working rules and dispatching procedures; (4) pilot working conditions; (5) selection of pilots; (6) number of pilots; (7) availability of pilots; (8) number of pilotage pools; (9) articles of association; (10) auditing; and (11) ratemaking. The licensing of pilots and the investigation and prosecution of marine accidents and incidents are essential Coast Guard safety functions that are separate from the Act and Great Lakes Pilotage Regulations. These functions will remain with the Coast Guard.

Transfer of pilotage responsibilities to the SLSDC will place pilotage under permanent civilian authority, and placing pilotage in a smaller organization with an established presence on the Great Lakes will give pilotage issues greater visibility and more timely attention. In addition, the SLSDC is being given authority to negotiate directly with Canada, which will allow timely adjustments to pilotage rates. The lack of timely adjustments has been a subject of past pilot criticism.

The Secretary's authority to enter into, revise, or amend arrangements with Canada is being delegated to the SLSDC Administrator in coordination with the General Counsel of the Department. A Memorandum of Arrangements between the United States and Canada, last renegotiated in 1977, states that the Secretary and the Minister of Transport of Canada "will arrange for the establishment of regulations imposing identical rates, charges, and any other conditions or terms for services of pilots in the waters of the Great Lakes. \* \* \*." In 1983, the Act was amended to provide that the "Secretary, subject to the concurrence of the Secretary of State, may make agreements with the appropriate agency of Canada to \* \* \* prescribe joint or identical rates and charges ."

## **Discussion of Comments and Changes**

The Department received comments from well over 100 commenters regarding the transfer of Great Lakes Pilotage oversight from the Coast Guard to the SLSDC. Comments on the interim final rule were received from Federal and State legislators, pilot associations