

terminate. A termination must be effective on the last day of a calendar quarter. The State must notify CMS of its intent to terminate at least 90 days before the effective date of the termination.

### Subpart D [Reserved]

### Subpart E—Beneficiary Counseling and Assistance Grants

SOURCE: 59 FR 51128, Oct. 7, 1994, unless otherwise noted.

#### § 403.500 Basis, scope, and definition.

(a) *Basis.* This subpart implements, in part, the provisions of section 4360 of Public Law 101-508 by establishing a minimum level of funding for grants made to States for the purpose of providing information, counseling, and assistance relating to obtaining adequate and appropriate health insurance coverage to individuals eligible to receive benefits under the Medicare program.

(b) *Scope of subpart.* This subpart sets forth the following:

(1) Conditions of eligibility for the grant.

(2) Minimum levels of funding for those States qualifying for the grants.

(3) Reporting requirements.

(c) *Definition.* For purposes of this subpart, the term “State” includes (except where otherwise indicated by the context) the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

#### § 403.501 Eligibility for grants.

To be eligible for a grant under this subpart, the State must have an approved Medicare supplemental regulatory program under section 1882 of the Act and submit a timely application to CMS that meets the requirements of—

(a) Section 4360 of Public Law 101-508 (42 USC 1395b-4);

(b) This subpart; and

(c) The applicable solicitation for grant applications issued by CMS.

#### § 403.502 Availability of grants.

CMS awards grants to States subject to availability of funds, and if applica-

ble, subject to the satisfactory progress in the State’s project during the preceding grant period. The criteria by which progress is evaluated and the performance standards for determining whether satisfactory progress has been made are specified in the terms and conditions included in the notice of grant award sent to each State. CMS advises each State as to when to make application, what to include in the application, and provides information as to the timing of the grant award and the duration of the grant award. CMS also provides an estimate of the amount of funds that may be available to the State.

[65 FR 34985, June 1, 2000]

#### § 403.504 Number and size of grants.

(a) *General.* For available grant funds, up to and including \$10,000,000, grants will be made to States according to the terms and formula in paragraphs (b) and (c) of this section. For any available grant funds in excess of \$10,000,000, distribution of grants will be at the discretion of CMS, and will be made according to criteria that CMS will communicate to the States via grant solicitation. CMS will provide information to each State as to what must be included in the application for grant funds. CMS awards the following type of grants:

(1) New program grants.

(2) Existing program enhancement grants.

(b) *Grant Award.* Subject to the availability of funds, each eligible State that submits an acceptable application receives a grant that includes a fixed amount (minimum funding level) and a variable amount.

(1) A fixed portion is awarded to States in the following amounts:

(i) Each of the 50 States, \$75,000.

(ii) The District of Columbia, \$75,000.

(iii) Puerto Rico, \$75,000.

(iv) American Samoa, \$25,000.

(v) Guam, \$25,000.

(vi) The Virgin Islands, \$25,000.

(2) A variable portion, which is based on the number and location of Medicare beneficiaries residing in the State is awarded to each State. The variable amount a particular State receives is determined as set forth in paragraph (c) of this section.