

6. Public hearings in the course of agency review, if requested by one or more persons directly affected by the review. For purposes of this paragraph, a "person directly affected by the review" is as defined in 42 CFR 122.306 (a)(7).

#### CRITERIA

The specific criteria adopted and utilized by a health systems of this agency to conduct reviews of applications for grants under section 1625 of the Act shall include at least the following:

1. The relationship of the health services of the facility to the applicable health systems plan and annual implementation plan.
2. The relationship of the health services of the facility to the long-range development plan (if any) of the applicant.
3. The need that the population served or to be served by the facility has for the health services of such facility.
4. The availability of alternative, less costly, or more effective methods of providing the health services which the facility provides.
5. The relationship of the health services provided by the facility to the existing health care system of the area.
6. The availability of resources (including health manpower, management personnel, and funds for capital and operating needs) for the provision of services by the facility and the availability of alternative uses of such resources for the provision of other health services.
7. The special needs and circumstances of those entities which provide a substantial portion of their services or resources, or both, to individuals not residing in the health service area in which the entities are located or in adjacent health service areas. Such entities may include medical and other health professions schools, multidisciplinary clinics, and other speciality centers.
8. The special needs and circumstances of health maintenance organizations for which assistance may be provided under title XIII.
9. The costs and methods of the proposed construction or modernization, including the costs and methods of energy provision.
10. The probable impact of the project reviewed on the applicant's costs of providing health services.

### Subpart H—Recovery of Grant Funds

AUTHORITY: Secs. 609 and 1622 of the Public Health Service Act as amended 98 Stat. 112 (42 U.S.C. 291i and 300s-1a).

SOURCE: 51 FR 7939, Mar. 7, 1986, unless otherwise noted.

#### § 124.701 Applicability.

The provisions of this subpart apply to facilities with respect to which grant funds were paid for construction or modernization—

(a) Under title VI or XVI of the Public Health Service Act; or

(b) Pursuant to the authority of the Secretary under any of the following statutes:

(1) The Public Works Acceleration Act of 1962, Pub. L. 87-658 (42 U.S.C. 2641 *et seq.*);

(2) The District of Columbia Medical Facilities Construction Act of 1968, 82 Stat. 631 (Pub. L. 90-457);

(3) The Appalachian Regional Development Act of 1965, as amended (40 U.S.C. App.).

#### § 124.702 Definitions.

As used in this subpart—

*Act* means the Public Health Service Act.

*Department* means the Department of Health and Human Services.

*Expected useful life* means the period of time during which the structure may reasonably be expected to perform the function for which it was designed or intended.

*Facility* means a facility with respect to which grant funds were paid under any of the authorizations listed in § 124.701.

*Fiscal year* means the facility's fiscal year.

*Nonprofit*, as applied to any facility, means a facility that is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

*Secretary* means the Secretary of Health and Human Services and any other officer or employee of the Department of Health and Human Services to whom the authority involved has been delegated.

*State agency* means (1) in the case of a facility with respect to which a grant was made under title VI of the Public Health Service Act or any of the statutes listed in § 124.701(b), the State agency designated pursuant to section 604 of the Public Health Service Act or its successor agency, and (2) in the case of a facility with respect to which a