



STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES

To: Lohaus, STP

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Donald L. Shumway
Commissioner

Kathleen G. Sgambati
Deputy Commissioner

December 27, 2001

Carl J. Paperiello
Deputy Executive Director
For Materials, Research and State Programs
US Nuclear Regulatory Commission
Washington, D.C. 20555-0001

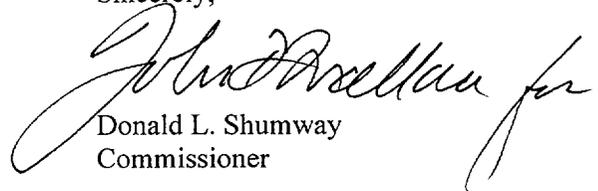
Dear Mr. Paperiello

This is in response to your letter of November 6, 2001, relative to the findings resulting from the Integrated Materials Performance Evaluation Program (IMPEP) review of the New Hampshire Agreement State Program in the Bureau of Radiological Health (BRH), Office of Community and Public Health (OCPH), Department of Health and Human Services (DHHS) during the period June 25-29, 2001.

It is our understanding that the NRC Management Review Board (MRB) has made an overall determination that the New Hampshire program is adequate but needs improvement and is not compatible with the NRC's program. The specifics of this determination as noted in the MRB's "Integrated Materials Performance Evaluation Program, Review of New Hampshire Agreement State Program Final Report" have been reviewed by our staff and are addressed on the attached pages.

Should you wish to discuss any of the details of the attached materials, please contact Diane E. Tefft, Administrator, Bureau of Radiological Health, at 603-271-4625 or email dtefft@dhhs.state.nh.us.

Sincerely,


Donald L. Shumway
Commissioner

cc: John Wallace, Associate Commissioner, DHHS
Kathleen A. Dunn, MPH, Director, Office of Community and Public Health, DHHS
Veronica Malmberg, Director, Division of Community Support, OCPH
Diane E. Tefft, Administrator, Bureau of Radiological Health, DHHS

INTEGRATED MATERIALS PERFORMANCE EVALUATION PROGRAM

REVIEW OF NEW HAMPSHIRE AGREEMENT STATE PROGRAM

RESPONSE TO FINAL REPORT of November 6, 2001

ITEMS IDENTIFIED IN PREVIOUS REVIEWS:

There were four items reviewed in 2001 which had been identified as deficiencies in a previous review. Two of these items are considered to have been addressed adequately and are now closed. The remaining two items are stated below.

1. The review team recommends that core and non-core licensees be scheduled, assigned, and inspected at regular intervals in accordance with the State's established inspection priority system.

Current Status: At the end of calendar year 1999, the Bureau reported that all core licensee inspections were completed. However the Bureau continues to experience difficulty in completion of inspections. This, therefore, remains an issue and will be addressed under the indicator "Status of Materials Inspection Program." The response to this recommendation will also be addressed by the BRH under the noted indicator.

2. The review team recommends that the State evaluate the number of staff needed to implement the program.

Current Status: As vacancies have occurred, the Bureau has experienced difficulties in recruiting and retaining staff. Disparities in salaries just within the New England states have been a significant factor in the process. Currently two Health Physicist positions remain vacant. Therefore, the number of staff needed to implement the program appears to remain an issue. The solution to this problem which is being felt across the nation has both a short term and long term component. The short-term solution will be addressed under the indicator "Technical Staffing and Training." The long-term solution focuses on workforce development. To address this, NH will be hosting a meeting in April of New England states, federal officials, state public health association members and schools of public health to explore opportunities to attract candidates to the field.

Response to Final Report
Page 2 of 4

2001 "FINAL REPORT" COMMON PERFORMANCE INDICATORS / MRB FINDING:

Status of Materials Inspection Program - Unsatisfactory:

Recommendation:

"The review team recommends that the process for extending inspection frequency for good licensee performance be clearly defined and the Bureau maintain documentation of inspection extensions."

Response:

The BRH has amended its process for extending inspection frequency for good licensee performance with a written policy similar to the one found in NRC's "Inspection Procedure Manual 2800." Documentation is currently being added to the files of licensees who would have an extended inspection frequency for good practice.

Recommendation:

"The review team recommends that the Bureau take the appropriate management measures to conduct inspections (both initial and core) in accordance with the State's established inspection priority system."

Response:

Several management measures are being taken to address resource related issues. These are discussed in greater detail in the attached program improvement plan. Progress towards implementation is already underway.

The specific core inspections identified during the program review are scheduled and will be completed by the end of December 2001.

Technical Quality of Inspections - Satisfactory:

Recommendation:

None

Technical Staffing and Training –Satisfactory with Recommendations for Improvement.

Recommendation:

“The review team recommends that the Bureau document a training plan for personnel that is consistent with the guidance provided in the NRC/Organization of Agreement States Training Working Group Report or the NRC IMC 1246.”

Response:

The BRH has developed a training plan for personnel that is consistent with the guidance provided in the NRC/Organization of Agreement States Training Working Group Report. In addition the BRH has developed a chart indicating past and needed training of program staff. Lastly, the BRH is in the process of developing a database for planning purposes which will maintain training records for each individual employee. The database should be complete in early 2002.

Recommendation:

“The review team recommends that the Department take the necessary actions to address the staff turnover and staff vacancies as appropriate.”

Response:

The Department is undertaking several actions to address this recommendation as follows:

- a. An expansion of the Health Physicist (HP) series is under development so that it will contain a career ladder. Recommended changes would include a trainee position at Labor Grade (LG) 19, a partially trained HP at LG 22, a senior inspector/license reviewer at LG 25 and a Section Supervisor at LG 28.
- b. The Department is working with legislative leadership and the State Radiation Advisory Committee (SRAC) to introduce legislation that would propose having the Bureau's fees redirected back into the program. If this legislation passes, this money will fund the creation of additional positions, which in turn will provide better service to the licensees.
- c. The Bureau intends to increase its fees in He-P 4070 in the next rulemaking revision, which is currently scheduled for early 2002. The additional revenue to be directed to the Bureau.
- d. The HP positions which had been frozen are currently in recruitment.
- e. Various options are being considered for possibly adding staff resources through contracting with outside individuals. Letters are being sent to former NH employees asking for their assistance and contact with personnel from other states for assistance is underway.

Recommendation:

“The review team recommends that the Bureau examine and change the business processes and organization of the Section to improve the effectiveness and efficiency of the program.”

Response:

The Department is undertaking several actions to address this recommendation as follows:

- a) The Department’s Audit Office has been asked to conduct an audit of current business processes and organization as the first step in re-engineering.
- b) The Office of Information Systems is being consulted to redesign the Radioactive Material Program database (RADS).
- c) The transfer of all billing and financial processes to the Department’s Office of Finance is in process.
- d) For additional items please reference the response above and the attached “Program Improvement Plan.”

Technical Quality of Licensing Actions - Satisfactory:

Recommendation:

None

Response to Incidents and Allegations - Satisfactory:

Recommendation:

None

Program Elements Required for Compatibility – Unsatisfactory

Recommendation:

The review team recommends that the Bureau develop and implement an action plan to adopt NRC regulations in accordance with current policy on adequacy and compatibility.

Response:

Please see attached “Program Improvement Plan.”

NEW HAMPSHIRE DEPARTMENT OF HEALTH and HUMAN SERVICES
OFFICE of COMMUNITY and PUBLIC HEALTH / BUREAU of RADIOLOGICAL HEALTH

PROGRAM IMPROVEMENT PLAN

December 31, 2001

| <u>Recommendation</u> | <u>Tasks</u> | <u>Milestones</u> | <u>Assignments</u> | <u>Anticipated Completion Date</u> | <u>Status</u> | <u>Completed</u> |
|--|---|---|--|--|---|------------------|
| Good performance licensee inspection extension. | | | | | | |
| | Develop written policy on good performance procedures | Written policy developed | DOD | 12/10/01 | completed | 12/10/01 |
| | | Written policy reviewed | DET | 12/31/01 | in process | |
| | | Written policy implemented | DOD | 1/15/02 | | |
| | | Appropriate documentation added to licensee files | DOD | 2/28/02 | | |
| Management measures to insure timely inspections | | | | | | |
| | Review overdue inspection list-DOD | Prioritize and assign inspections to staff-DOD | Inspection of UNH-TK/SF | 12/31/01 | Inspection performed 12/19/01 | |
| | | | Inspection of Dartmouth-TK/SF | 12/31/01 | Inspection Scheduled for 12/26/01 | |
| | Review staffing options | Create Health Physicist series | KD/VM/DET | 12/18/01 | In process of drafting job descriptions | |
| | | Review current Bureau structure | KD/VM/DET + Business Eng. | 2/28/02 | | |
| | | Review operational processes for efficiency | DOD/DET + Business Eng. | 2/28/02 | | |
| | | Consider contracting with private sector | Review options DET/DOD/VM/KD | 1/31/02 | | |
| | | | Review pros & cons DET/DOD/VM/KD | 2/15/02 | | |
| | | | Decision to proceed | 2/28/02 | | |
| | | Consider contract with past employees/feds/other states | Draft Letter Seeking Interest of Past Employees - KD | 1/31/02 | | |
| | | | Review options | 1/31/02 | | |
| | | | Review pros & cons | 1/31/02 | | |
| | | | Decision to proceed | 2/15/02 | | |

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|---------------------------------|--|---|--|---------------------------------------|---|------------------|
| | Assure better communication regarding expectations of staff deliverables | Review Section goals and objectives with each staff person | Finalize & send to each HP DOD | 1/31/2001 and each quarter thereafter | | |
| | | Review status of Section goals and objectives/revise if necessary | DOD | Quarterly | | |
| | Investigate Additional Funding Options | | | | | |
| | | Revise Fees | | | | |
| | | | Secure fee schedules from other states - DET | 1/31/02 | | |
| | | | Draft Rules -DET | 2/10/02 | | |
| | | | Initiate Rulemaking-DET | 2/28/02 | | |
| | | | Final Rule | 7/1/02 | | |
| | | | Implementation of new Fees | 7/1/02 | | |
| | | Redirect Program Funds | | | | |
| | | | SRAC Draft Legislation | 12/31/01 | | |
| | | | SRAC contact of Legislators | 12/31/01 | | |
| | | | Introduce Legislation | 1/1/02 | | |
| | | | Approval | 6/30/02 | | |
| Staff training plan development | | | | | | |
| | Develop Bureau training tracking sheets | Prep. Chart indicating past and needed training of each HP | DOD | 1/1/02 | | |
| | Seek /Apply for necessary training | Apply for future courses, do necessary in-house travel forms. | DOD/Staff | 1/31/02 | | |
| | Develop criteria for HP series progression | Review criteria developed by other states | DET / DOD | 12/25/01 | In Process-to be included with Human Resources ReClass package. | |
| Address staff turnover | | | | | | |

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|---|---|--|--|---|---------------|------------------|
| | Review enhancement possibilities | Introduce HP series | Explore other states' HP series job descriptions-DET | 12/15/01 | Completed | |
| | | | Draft Necessary Job descriptions-DET | 12/31/01 | In process | |
| | | | Write justification for Office Review -DET | 12/31/01 | In process | |
| | | | Review/Revise/submit-DET | 1/1/02 | | |
| | | Introduce a workforce development plan | DET/MM/KD/SRAC | 1/31/02 | | |
| Examine & change business processes and org of the section to improve the effectiveness and efficiency of the program | Work with SRAC in pursuing recommendations for improvement as noted in the rad material survey. | Review Options with SRAC. Proceed as directed. | Write Notes from 12/4/01 meeting + Annual report - DET | 12/31/01 | On track | |
| | Track with the NRC bi-monthly regarding status of this "Improvement Plan" | Schedule telephone conference with NRC. | DOD to confer with NRC and DHHS to schedule call. | 1/15/02 and every two months thereafter | | |
| | | Prepare Improvement Plan status report | DOD to review Improvement Plan and document status | 1/31/02 and every two months thereafter | | |
| Develop and implement an action plan to adopt NRC regulations in accordance with current policy on adequacy and compatibility | Rules Revision | | | | | |
| | | Convert Existing Rules to Word & Proof | PD/DET/HP Staff | 1/31/02 | | |
| | | Review Existing Rules for Changes | DET/HP Staff | 2/15/02 | | |
| | | Determine Necessary Revisions | DET/HP Staff | 3/1/02 | | |
| | | Draft Rules for Compatibility | DET | 3/1/02 | | |
| | | Seek Approval for PT WPO I | DET | 12/31/01 | complete | 12/19/01 |
| | | Fill WPO I Position | DET | 12/31/01 | complete | 12/31/01 |

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|---|--------------|---|--------------------|--|---------------|------------------|
| | | Contract Approval for Rules Coordinator | OC&PH | 12/31/01 | complete | 12/19/01 |
| | | Start of Rules Coordinator with BRH | DET/OC&PH | 2/1/02 | pending | |
| | | Addition of New Rules | DET/HP Staff | 12/31/02 | | |
| | | Adoption of Part N SSRCRs | DET/HP Staff | 6/1/02 | | |
| | | | | | | |
| KD = Kathleen A Dunn, MPH, Director Office of Community & Public Health (OC&PH), DHHS | | | | | | |
| VM = Veronica Malmberg, Director, Division of Community Support (CS), (OC&PH, DHHS) | | | | | | |
| DET=Diane E. Tefft, Administrator, Bureau of Radiological Health (BRH), CS, OC&PH, DHHS | | | | | | |
| DOD=Dennis O' Dowd, Supervisor Radioactive Material Section, BRH | | | | | | |
| PD=Priscilla Doyon Clerical BRH | | | | | | |
| SRAC = State Radiation Advisory Committee | | | | | | |