

August 19, 2005

Jonathan B. Perlin, M.D., Ph.D., MSHA, FACP
Under Secretary for Health
Department of Veterans Affairs
Washington, DC 20420

SUBJECT: TERMINATION OF PROGRAM OF INCREASED OVERSIGHT OF THE
DEPARTMENT OF VETERANS AFFAIRS MASTER MATERIALS LICENSE

Dear Dr. Perlin:

The purpose of this letter is to inform you of the NRC's intent to implement the standard Master Materials License (MML) oversight program and terminate the program of increased oversight of the Department of Veteran Affairs (DVA)'s implementation of its MML.

The NRC staff has completed two years of increased oversight of the DVA's implementation of its MML covering the period from March 2003 through March 2005. This increased oversight included three comprehensive team inspections (two semiannual and one annual) using Management Directive 5.6, "Integrated Materials Performance Evaluation Program (IMPEP)," criteria to assess DVA performance; 41 independent NRC inspections of the DVA's higher priority permittees, i.e., priority 2 and 3 programs; and three accompaniments by NRC staff of each DVA National Health Physics Program (NHPP) inspector.

Based on the results of the staff's oversight activities and the DVA's demonstration that it has effectively managed its centrally-controlled program, the NRC has concluded that future oversight of the DVA's implementation of its MML program be modified to the standard MML oversight program described in Manual Chapter (MC) 2810, "Master Material License Inspection Program." Accordingly, the DVA's MML has been placed on a biennial inspection frequency and the next inspection will be conducted in the Spring of 2007.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter will be available electronically in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). The NRC's document system is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

If you have any questions, please contact Kevin Null of my staff at 630-829-9854.

Sincerely,

/RA/

Steven A. Reynolds, Director
Division of Nuclear Materials Safety

cc: E. Lynn McGuire, Director
National Health Physics Program
Department of Veterans Affairs

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