

**SAFETY EVALUATION REPORT
PROPOSED CHANGE OF CONTROL FOR BYPRODUCT MATERIALS
LICENSE NO. 21-18566-01, MECOSTA COUNTY MEDICAL CENTER**

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LICENSE NO.: 21-18566-01

LICENSEE: Mecosta County Medical Center
605 Oak Street
Big Rapids, Michigan 49307

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SUMMARY AND CONCLUSIONS

Mecosta County Medical Center (MCMC) is authorized by a U.S. Nuclear Regulatory Commission (NRC) license to perform uptake, dilution, and excretion studies (10 CFR 35.100), imaging and localization studies (10 CFR 35.200) and diagnostic or radiopharmaceutical therapy procedures (10 CFR 35.300). The NRC staff reviewed a request for consent of a direct transfer of control submitted by MCMC that was a member substitution into Spectrum Health System (Spectrum). MCMC (a 501, (c), (3) not for profit, tax exempt organization) transferred ownership through member substitution to Spectrum Health System (also a (c), (3) not for profit, tax exempt organization). The direct transfer of control also included a new name for the facility, Spectrum Health Big Rapids Hospital. The direct transfer control of was requested in the letters dated May 21, 2013 (ML13157A213) and June 21, 2013 (ML13175A060).

The request for direct transfer of control was reviewed by the NRC staff using Title 10 of the Code of Federal Regulations (CFR) Part 30 license and the guidance in NUREG 1556, Volume 15, "Consolidated Guidance About Materials Licenses - Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses," dated November 2000. The NRC staff found that the information submitted by MCMC sufficiently described and documented the transaction and commitments made by MCMC and Spectrum.

SAFETY AND SECURITY REVIEW

The NRC has conducted inspections of the MCMC license affected by this transaction. The results of the most recent inspection performed on May 21, 2013, showed no violations.

The commitments made by MCMC and Spectrum included the following:

- A. The Radiation Safety Officer (RSO) and the authorized users will remain the same;
- B. The duties of the RSO and authorized users will remain the same;

- C. The locations, facilities, and equipment authorized in the NRC license will not be changed;
- D. The radiation safety program authorized in the NRC license will not be changed;
- E. The regulatory required surveillance records will be kept. There is no decommissioning of the facility at this time.

Spectrum has a number of hospitals and medical facilities (for example, Spectrum Health Butterworth Hospital, Spectrum Health Blodgett Hospital, and Helen DeVos Childrens' Hospital) under NRC License 21-00243-06. Therefore, for security purposes, Spectrum is considered a known entity following the guidance provided by the NRC's Office of Federal and State Materials and Environmental Management Programs (FSME) "Checklist to provide a basis for confidence that radioactive materials will be used as specified on the license", September 3, 2008 revision. The purpose of this checklist is for the NRC to obtain reasonable assurance from new license applicants or NRC licensees transferring control of licensed activities that the licensed material will be used for its intended purpose and not for malevolent use.

MCMC is not required to have decommissioning financial assurance based on the types and amount of material authorized in NRC License 21-18566-01.

REGULATORY FRAMEWORK

MCMC, License No. 21-18566-01, was issued under 10 CFR Part 30, Rules of General Applicability to Domestic Licensing of Byproduct Material. The Commission is required by 10 CFR 30.34 to determine if the change of control is in accordance with the provisions of the Act and give its consent in writing.

10 CFR 30.34(b) states: "No license issued or granted pursuant to the regulations in this part and parts 31 through 36, and 39 nor any right under a license shall be transferred, assigned or in any manner disposed of, either voluntarily or involuntarily, directly or indirectly, through transfer of control of any license to any person, unless the Commission shall, after securing full information, find that the transfer is in accordance with the provisions of the Act and shall give its consent in writing."

As previously indicated, the staff evaluation is based on guidance in NUREG-1556, Volume 15. As discussed in NUREG-1556, Volume 15, NRC is generally using the term "change of control" rather than the statutory term "transfer" to describe the variety of events that could require prior notification and written consent of the NRC. The central issue is whether the authority over the license has changed. MCMC's request for consent describes a direct transfer of control resulting from a substitution of MCMC's 501, (c), (3), not for profit, tax exempt organization with Spectrum also a (c), (3) not for profit, tax exempt organization and, as such, the transfer requires NRC consent.

DESCRIPTION OF TRANSACTION

The transaction is described in ADAMS accession numbers ML13157A213 and ML13175A060. After completion of the transfer of control Spectrum will continue as the licensee and remain in control of all licensed activities under NRC License 21-18566-01. The new name of the licensee will be Spectrum Health Big Rapids Hospital. The NRC staff finds that the request for consent adequately provides a complete and clear description of the transaction, and is consistent with the guidance provided in Appendix F of NUREG-1556, Volume 15.

TRANSFEREE'S COMMITMENT TO ABIDE BY THE TRANSFEROR'S COMMITMENTS

The NRC staff finds that the information submitted by MCMC sufficiently describes and documents the commitments made by MCMC and Spectrum, and is consistent with the guidance in NUREG-1556, Volume 15.

ENVIRONMENTAL REVIEW

An environmental assessment for this action is not required since this action is categorically excluded under 10 CFR 51.22(c)(21).

CONCLUSION

The staff has reviewed the request for consent submitted by both parties with regard to a transfer of ownership of NRC License 21-18566-01 and approves the application pursuant to 10 CFR 30.34(b).

The submitted information sufficiently describes the transaction; documents the understanding of the license and commitments; demonstrates that personnel have the experience and training to properly implement and maintain the license and that they will maintain the existing records; and, in the future, will abide by all existing commitments in the license, consistent with the guidance in NUREG-1556, Volume 15.

Therefore, the staff concludes that the proposed change in control would not alter the previous findings, made under 10 CFR Part 30, that licensed operations will not be harmful to the common defense and security, or to the health and safety of the public.