

December 6, 2013

**Via Overnight Delivery**

United States Nuclear Regulatory Commission  
Region II – Atlanta Office  
Materials Licensing  
Suite 1200  
245 Peachtree Center Avenue  
Atlanta, Georgia 30303-1257

Br.1

47-25358-01  
03034138

**Re: Update Regarding Notice of Proposed Change in Ownership Structure**

Dear Sir or Madam:

I am writing on behalf of our client, Community Health Systems, Inc. (“CHSI”). On December 4, 2013, I sent the United States Nuclear Regulatory Commission, Region II – Atlanta Office (the “NRC”) a letter providing notice of a proposed transaction between CHSI and Health Management Associates, Inc. (“HMA”). A copy of that letter is enclosed for your reference as Exhibit A. After that letter was sent, a decision was made to structure the proposed transaction in a slightly different manner. The purpose of this letter is to provide notice of this slight change in structure so as to ensure your office has complete and accurate information regarding the proposed transaction.

As explained in the letter attached as Exhibit A, CHSI and HMA are parties to an Agreement and Plan of Merger that, subject to the satisfaction and waiver of certain conditions, will result in the merger of HMA with an indirect, wholly-owned subsidiary of CHSI (the “Proposed Transaction”). As a result, following the closing of the Proposed Transaction, HMA will cease to be a publicly-traded corporation and will become an indirect, wholly-owned subsidiary of CHSI. **The only difference from what was reported in the letter attached as Exhibit A is that HMA will no longer merge with and into CHS/Community Health Systems, Inc. (“CHS/CHS”) following the closing of the Proposed Transaction. Instead, HMA will remain in existence as an indirect, wholly-owned subsidiary of CHS, and as a direct, wholly-owned subsidiary of CHS/CHS.** So that the NRC has complete and accurate records with respect to the Proposed Transaction, enclosed as Exhibit B are revised ownership structure charts showing the ownership structure of the HMA-affiliated facilities in West Virginia holding radioactive materials licenses.

Please note that this change in the structure of the Proposed Transaction does not materially affect the information previously reported to the NRC. If you have any questions, or if you require any additional information, please do not hesitate to contact me at (615) 252-4637 or ljacques@babbc.com.

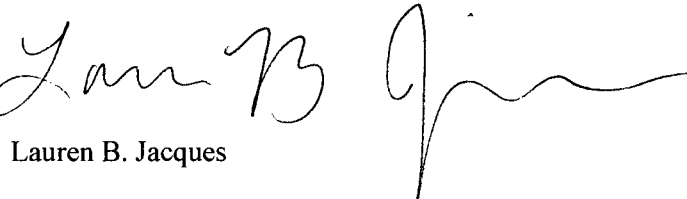
REC'D 12/10/13 12:56

United States Nuclear Regulatory Commission  
December 6, 2013  
Page 2

Very truly yours,

BRADLEY ARANT BOULT CUMMINGS LLP

By:

A handwritten signature in black ink, appearing to read "Lauren B. Jacques". The signature is fluid and cursive, with a large "L" and "B" at the beginning and a long, sweeping tail.

Lauren B. Jacques

Enclosures

cc: Tara L. Weidner (via electronic mail to [Tara.Weidner@nrc.gov](mailto:Tara.Weidner@nrc.gov))

**EXHIBIT A**

**LETTER TO THE NRC DATED DECEMBER 4, 2013**

*Please see attached.*

December 4, 2013

*Via Overnight Delivery*

United States Nuclear Regulatory Commission  
Region II – Atlanta Office  
Materials Licensing  
Suite 1200  
245 Peachtree Center Avenue  
Atlanta, Georgia 30303-1257

**Re: Notice of Proposed Change in Ownership Structure: West Virginia  
Radioactive Materials License**

Dear Sir or Madam:

I am writing on behalf of our client, Community Health Systems, Inc. (“CHSI”). On September 18, 2013, we submitted a letter to the United States Nuclear Regulatory Commission, Region II – Atlanta Office (the “NRC”) providing notice of a proposed transaction and requesting guidance as to what action would be required with respect to a West Virginia radioactive materials license as a result of the proposed transaction. A copy of that letter is enclosed for your reference. Also enclosed for your reference is a copy of the electronic mail correspondence from Tara L. Weidner, Senior Health Physicist with the NRC, sent on October 28, 2013 in response to the letter. The purpose of this letter is to comply with the instructions of Ms. Weidner.

Description of the Proposed Transaction

HMA is a publicly-traded corporation that, by and through its subsidiaries, owns and operates 71 hospitals and various other health care facilities in 15 states, including one hospital in West Virginia: **Williamson Memorial Hospital** (Radioactive Materials License No. 47-24358-01) (the “Facility”). CHSI is a publicly-traded corporation and one of the nation’s leading operators of general acute care hospitals. The organization’s affiliates own, operate, or lease 135 hospitals and various other health care facilities in 29 states, including three hospitals in West Virginia.

CHSI and HMA are parties to an Agreement and Plan of Merger that, subject to the satisfaction or waiver of certain conditions, will result in the merger of HMA with an indirect, wholly-owned subsidiary of CHSI (the “Proposed Transaction”). As a result, following the closing of the Proposed Transaction, HMA will cease to be a publicly-traded corporation and will become a direct, wholly-owned subsidiary of CHS/Community Health Systems, Inc. (“CHS/CHS”), and an indirect, wholly-owned subsidiary of CHSI. Immediately following the closing of the Proposed Transaction, HMA will be merged with and into CHS/CHS, with CHS/CHS surviving the merger. Accordingly, the ultimate result of the Proposed Transaction

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Page 2

will be that all of the subsidiaries of HMA will become subsidiaries of CHS/CHS—i.e., CHS/CHS will effectively stand in the shoes of HMA. It is currently anticipated that the Proposed Transaction will close on or about January 17, 2014.

Notice Requirements and Required Documentation

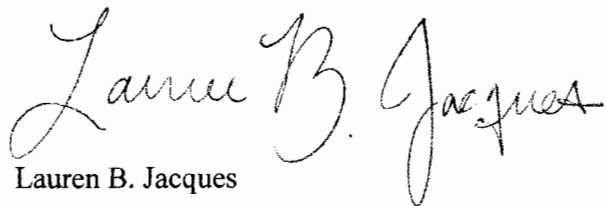
Per the instructions of Ms. Weidner's enclosed email, enclosed as Exhibit A to this letter please find a chart showing the ownership structure of the Facility before and after the closing of the Proposed Transaction. In addition, enclosed as Exhibit B please find responses to the questions posed by the NRC in situations involving changes in ownership and transfers in control, signed by the appropriate representatives of the parties.

Thank you for your attention to this matter. It is our understanding that no further action is required with respect to the Facility's radioactive materials license as a result of the Proposed Transaction. If this understanding is incorrect, or if you have any questions, please do not hesitate to contact me at (615) 252-4637 or [ljacques@babco.com](mailto:ljacques@babco.com).

Very truly yours,

BRADLEY ARANT BOULT CUMMINGS LLP

By:

  
Lauren B. Jacques

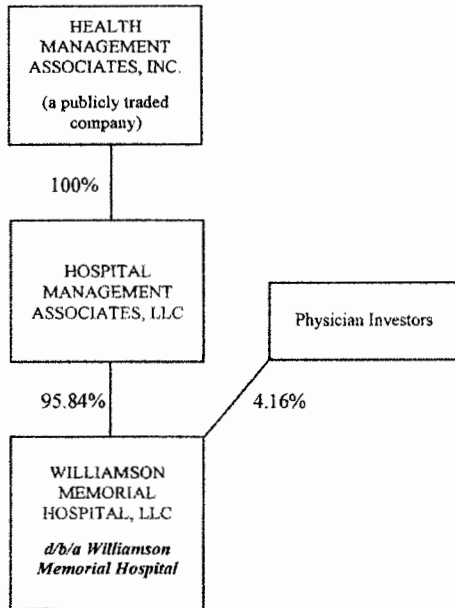
Enclosures

cc: Carol A. Hendry, Esq.  
Tara L. Weidner (via electronic mail to [Tara.Weidner@nrc.gov](mailto:Tara.Weidner@nrc.gov))

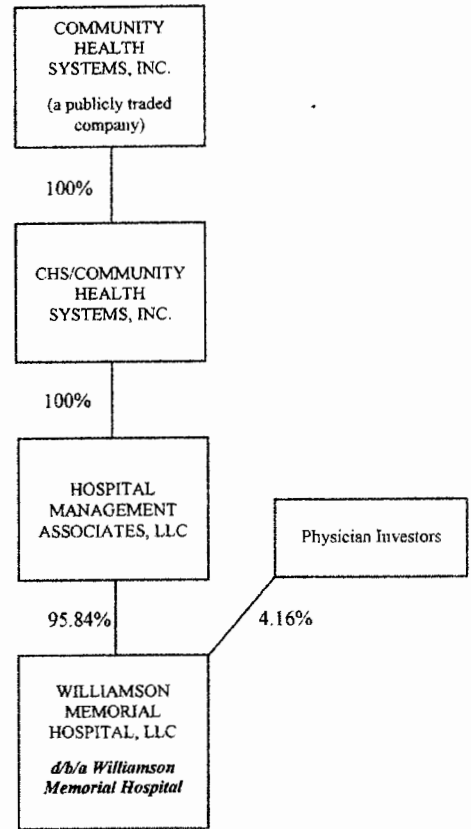
**EXHIBIT A**

**WILLIAMSON MEMORIAL HOSPITAL, LLC**

**PRE-TRANSACTION STRUCTURE**



**POST-TRANSACTION STRUCTURE**



## EXHIBIT B

### RESPONSES TO QUESTIONS POSED BY THE NRC

**1. Provide a complete description of the transaction (transfer of stocks or assets, or merger). Indicate whether the name has changed and include the new name. Include the name and telephone number of a licensee contact whom NRC may contact if more information is needed.**

*Response:* As you can see from the ownership structure chart enclosed as Exhibit A, the Hospital is currently an indirect, wholly-owned subsidiary of Health Management Associates, Inc. ("HMA"). As described in the letter to which this Exhibit B is attached, Community Health Systems, Inc. ("CHSI") and HMA are parties to an Agreement and Plan of Merger that, subject to the satisfaction or waiver of certain conditions, will result in the merger of HMA with an indirect, wholly-owned subsidiary of CHSI (the "Proposed Transaction"). As a result, following the closing of the Proposed Transaction, HMA will cease to be a publicly-traded corporation and will become a direct, wholly-owned subsidiary of CHS/Community Health Systems, Inc. ("CHS/CHS"), and an indirect, wholly-owned subsidiary of CHSI. Immediately following the closing of the Proposed Transaction, HMA will be merged with and into CHS/CHS, with CHS/CHS surviving the merger. Accordingly, the ultimate result of the Proposed Transaction will be that all of the subsidiaries of HMA will become subsidiaries of CHS/CHS—i.e., CHS/CHS will effectively stand in the shoes of HMA. It is currently anticipated that the Proposed Transaction will close on or after January 17, 2014.

As reflected in Exhibit A, the Proposed Transaction will not result in any change in the direct ownership of the legal entity that owns and operates the Hospital. Rather, the Proposed Transaction will result in a change in the ownership structure several levels up the ownership chain from the legal entity that owns and operates the Hospital. Moreover, the name of the Hospital will not change as a result of the Proposed Transaction. If more information is needed concerning the Proposed Transaction, please contact Lauren Jacques, outside counsel for CHSI, at (615) 252-4637 or [ljacques@babco.com](mailto:ljacques@babco.com).

**2. Describe any changes in personnel or duties that relate to the licensed program. Include training and experience for new personnel.**

*Response:* There are no changes in personnel or duties that relate to the licensed programs anticipated as a result of the Proposed Transaction.

**3. Describe any changes in the organization, location, facilities, equipment, or procedures that relate to the licensed program.**

*Response:* There are no changes anticipated in the organization, location, facilities, equipment, or procedures that relate to the licensed programs as a result of the Proposed Transaction.

**4. Describe the status of the surveillance program (surveys, wipe tests, quality control) at the present time and the expected status at the time that control is to be transferred.**

*Response:* There are no changes anticipated in the status of the surveillance programs as a result of the Proposed Transaction.

**5. Confirm that all records concerning the safe and effective decommissioning of the facility will be transferred to the transferee or to NRC, as appropriate. These records include documentation of surveys of ambient radiation levels and fixed and/or removable contamination, including methods and sensitivity.**

*Response:* Because there will be no change at the Hospital level as a result of the Proposed Transaction, there will be no transfer of records as a result of the Proposed Transaction. The current license holders will retain all records concerning the safe and effective decommissioning of the facilities.

**6. Confirm that the transferee will abide by all constraints, conditions, requirements, and commitments of the transferor or that the transferee will submit a complete description of the proposed licensed program.**

*Response:* Because there will be no change at the Hospital level as a result of the Proposed Transaction, the "transferor" and "transferee" will be one and the same party (i.e., the current licensee). Accordingly, the current licensees will continue to abide by all constraints, conditions, requirements, and commitments currently in place with respect to the licensed programs.

**WILLIAMSON MEMORIAL HOSPITAL, LLC  
D/B/A WILLIAMSON MEMORIAL HOSPITAL**

**CHS/COMMUNITY HEALTH SYSTEMS, INC.**

Signature:  \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: Kathleen K. Holloway

Printed Name: Martin G. Schweinhart

Title: Secretary

Title: \_\_\_\_\_

Date: 12-03-13

Date: \_\_\_\_\_



*Response:* There are no changes anticipated in the status of the surveillance programs as a result of the Proposed Transaction.

**5. Confirm that all records concerning the safe and effective decommissioning of the facility will be transferred to the transferee or to NRC, as appropriate. These records include documentation of surveys of ambient radiation levels and fixed and/or removable contamination, including methods and sensitivity.**

*Response:* Because there will be no change at the Hospital level as a result of the Proposed Transaction, there will be no transfer of records as a result of the Proposed Transaction. The current license holders will retain all records concerning the safe and effective decommissioning of the facilities.

**6. Confirm that the transferee will abide by all constraints, conditions, requirements, and commitments of the transferor or that the transferee will submit a complete description of the proposed licensed program.**

*Response:* Because there will be no change at the Hospital level as a result of the Proposed Transaction, the "transferor" and "transferee" will be one and the same party (i.e., the current licensee). Accordingly, the current licensees will continue to abide by all constraints, conditions, requirements, and commitments currently in place with respect to the licensed programs.

**WILLIAMSON MEMORIAL HOSPITAL, LLC  
D/B/A WILLIAMSON MEMORIAL HOSPITAL**

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**CHS/COMMUNITY HEALTH SYSTEMS, INC.**

Signature:  \_\_\_\_\_

Printed Name: Martin G. Schweinhart

Title: President

Date: 11-22-2013

September 18, 2013

**Via Overnight Delivery**

United States Nuclear Regulatory Commission  
Region II – Atlanta Office  
Materials Licensing  
Suite 1200  
245 Peachtree Center Avenue  
Atlanta, Georgia 30303-1257

**Re: Radioactive Materials Licenses; Notice of Proposed Transaction and Request  
for Determination of Filing Requirements**

Dear Sir or Madam:

I am writing on behalf of our client, Community Health Systems, Inc. (“CHSI”). The purpose of this letter is to provide the United States Nuclear Regulatory Commission, Region II – Atlanta Office (the “NRC”) with notice of a proposed transaction involving CHSI and Health Management Associates, Inc. (“HMA”), and to request a determination regarding whether this proposed transaction will necessitate the filing of any application materials or otherwise require action with the NRC. As described more fully below, the proposed transaction will not result in any change in the direct ownership of the health care facilities described herein, nor will it result in any change in the facilities’ legal business names, federal tax identification numbers, local administrative management, personnel responsible for the use or control of radioactive materials, or operations involving radioactive materials subject to the jurisdiction of the NRC. Accordingly, we do not believe that the proposed transaction will constitute a change of ownership or transfer of control for purposes of the Radioactive Materials Licenses at issue, and we are of the understanding that no filings will be required in connection with the Proposed Transaction.

**Description of the Proposed Transaction**

HMA is a publicly-traded corporation that, by and through its subsidiaries, owns and operates 71 hospitals and various other health care facilities in 15 states, including one hospital located in West Virginia: **Williamson Memorial Hospital**, located at 859 Alderson Street, Williamson, West Virginia (the “Hospital”). CHSI is a publicly-traded corporation and one of the nation’s leading operators of general acute care hospitals. The organization’s affiliates own, operate, or lease 135 hospitals and various other health care facilities in 29 states, including three hospitals in West Virginia. CHSI and HMA are parties to an Agreement and Plan of Merger

that, subject to the satisfaction or waiver of certain conditions, will result in the merger of HMA with an indirect, wholly-owned subsidiary of CHSI (the "Proposed Transaction"). As a result, following the closing of the Proposed Transaction, HMA will cease to be a publicly-traded corporation and will become an indirect, wholly-owned subsidiary of CHSI.

It is our understanding that the Hospital holds a Radioactive Materials License issued by the NRC. Please be advised that HMA-affiliated facilities other than the Hospital may hold Radioactive Materials Licenses issued by the NRC. If so, please note that the ownership structure of these facilities is substantially similar to that of the Hospital, and the Proposed Transaction will have the same effect on these facilities as the Hospital. We respectfully request that the response of the NRC to this request apply to all HMA-affiliated facilities located in West Virginia that hold Radioactive Materials Licenses.

Enclosed for your reference as Exhibit A is an ownership chart showing the ownership structure of the Hospital before and after the closing of the Proposed Transaction. As you can see, the Proposed Transaction will not result in any change in the direct ownership of the legal entity that owns and operates the Hospital. Instead, the Proposed Transaction will result in a change in the ownership structure several levels up the ownership chain from the legal entity that owns and operates the Hospital. The legal entity that owns and operates the Hospital will retain its assets, and there will be no change in the direct ownership of its stock. The legal entity that owns and operates the Hospital will also retain its legal business name and federal tax identification number. In addition, other than changes resulting in the ordinary course of business, no change in the local administrative management or day-to-day operations of the Hospital is anticipated as a result of the Proposed Transaction.

In particular, the Proposed Transaction will not result in any change in the use, possession, location, or storage of licensed radioactive materials by the Hospital, nor will it result in any change in the facilities, equipment, procedures, or personnel that would require an amendment to the Hospital's Radioactive Materials License. Pursuant to the instructions of your office, we have enclosed as Exhibit B responses to the questions posed by the NRC in situations involving changes in ownership or transfers of control. Based on the facts described herein and our review of applicable law, it is our understanding that the Proposed Transaction will not constitute a change of ownership or transfer of control for purposes of the Hospital's Radioactive Materials License, and that no filings will be required in connection with the Proposed Transaction.

#### Request for Determination


We respectfully request a determination from your office regarding whether the Proposed Transaction will necessitate the filing of any application materials or otherwise require action with the NRC.

United States Nuclear Regulatory Commission  
September 18, 2013  
Page 3

Thank you for your consideration of this request. If you have any questions, or if you require any additional information, please do not hesitate to contact me at (615) 252-4637 or [ljacques@babco.com](mailto:ljacques@babco.com).

Very truly yours,

BRADLEY ARANT BOULT CUMMINGS LLP

By:   
Lauren B. Jacques

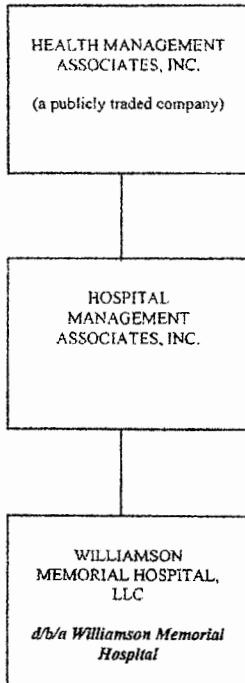
Enclosures

cc: Hector Bermudez (via electronic mail to [Hector.Bermudez@nrc.gov](mailto:Hector.Bermudez@nrc.gov))  
Carol A. Hendry, Esq.

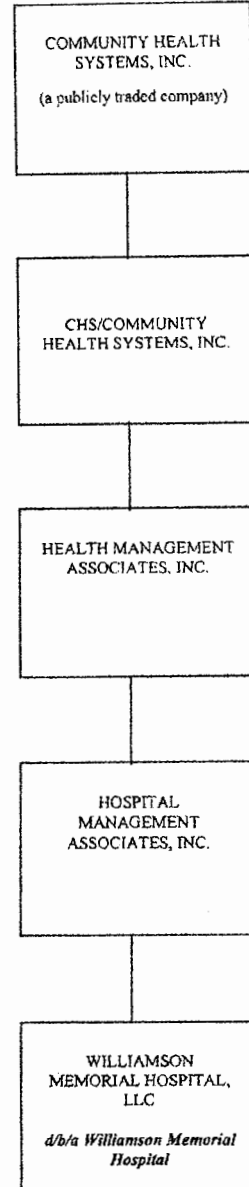
**EXHIBIT A**

**WILLIAMSON MEMORIAL HOSPITAL, LLC**

**PRE-TRANSACTION STRUCTURE**



**POST-TRANSACTION STRUCTURE**



## EXHIBIT B

### RESPONSES TO QUESTIONS POSED BY THE NRC

- 1. Provide a complete description of the transaction (transfer of stocks or assets, or merger). Indicate whether the name has changed and include the new name. Include the name and telephone number of a licensee contact whom NRC may contact if more information is needed.**

*Response:* As you can see from the ownership structure chart enclosed as Exhibit A, the Hospital is currently an indirect, wholly-owned subsidiary of Health Management Associates, Inc. ("HMA"). As described in the letter to which this Exhibit B is attached, Community Health Systems, Inc. ("CHSI") and HMA are parties to an Agreement and Plan of Merger that, subject to the satisfaction or waiver of certain conditions, will result in the merger of HMA with an indirect, wholly-owned subsidiary of CHSI (the "Proposed Transaction"). As a result, following the closing of the Proposed Transaction, HMA will cease to be a publicly-traded corporation and will become an indirect, wholly-owned subsidiary of CHSI.

As reflected in Exhibit A, the Proposed Transaction will not result in any change in the direct ownership of the legal entity that owns and operates the Hospital. Rather, the Proposed Transaction will result in a change in the ownership structure several levels up the ownership chain from the legal entity that owns and operates the Hospital. Moreover, the name of the Hospital will not change as a result of the Proposed Transaction. If more information is needed concerning the Proposed Transaction, please contact Lauren Jacques, outside counsel for CHSI, at (615) 252-4637 or ljacques@babco.com.

- 2. Describe any changes in personnel or duties that relate to the licensed program. Include training and experience for new personnel.**

*Response:* There are no changes in personnel or duties that relate to the licensed programs anticipated as a result of the Proposed Transaction.

- 3. Describe any changes in the organization, location, facilities, equipment, or procedures that relate to the licensed program.**

*Response:* There are no changes anticipated in the organization, location, facilities, equipment, or procedures that relate to the licensed programs as a result of the Proposed Transaction.

- 4. Describe the status of the surveillance program (surveys, wipe tests, quality control) at the present time and the expected status at the time that control is to be transferred.**

*Response:* There are no changes anticipated in the status of the surveillance programs as a result of the Proposed Transaction.

- 5. Confirm that all records concerning the safe and effective decommissioning of the facility will be transferred to the transferee or to NRC, as appropriate. These records**

**include documentation of surveys of ambient radiation levels and fixed and/or removable contamination, including methods and sensitivity.**

*Response:* Because there will be no change at the Hospital level as a result of the Proposed Transaction, there will be no transfer of records as a result of the Proposed Transaction. The current license holders will retain all records concerning the safe and effective decommissioning of the facilities.

**6. Confirm that the transferee will abide by all constraints, conditions, requirements, and commitments of the transferor or that the transferee will submit a complete description of the proposed licensed program.**

*Response:* Because there will be no change at the Hospital level as a result of the Proposed Transaction, the "transferor" and "transferee" will be one and the same party (i.e., the current licensee). Accordingly, the current licensees will continue to abide by all constraints, conditions, requirements, and commitments currently in place with respect to the licensed programs.

**From:** [Weidner, Tara](#)  
**To:** [Jacques, Lauren](#)  
**Subject:** Williamson Hospital  
**Date:** Tuesday, October 29, 2013 7:38:25 AM

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Ms. Jacques,

This is regarding your letter dated September 18, 2013 concerning changes to the corporate structure of Williamson Hospital and other NRC-licensed facilities. I asked our attorney for assistance in determining whether or not these actions constituted a change of control. According to her review of Consolidated Guidance About Materials Licenses: Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses (NUREG-1556, Volume 15), she believes that this would qualify as an indirect change of control. Essentially, the test is whether the new company (CHSI) would be able to exercise control over the license. Therefore, we believe that an amendment request is warranted. We would expect to receive the request from the licensee, signed by the management of Williamson Hospital and CHSI, and containing the information you provided in Exhibits A and B. Current guidance requires us to post the change of control request on the NRC website for 30 days prior to its effective date.

Tara L. Weidner  
Senior Health Physicist  
U.S. Nuclear Regulatory Commission

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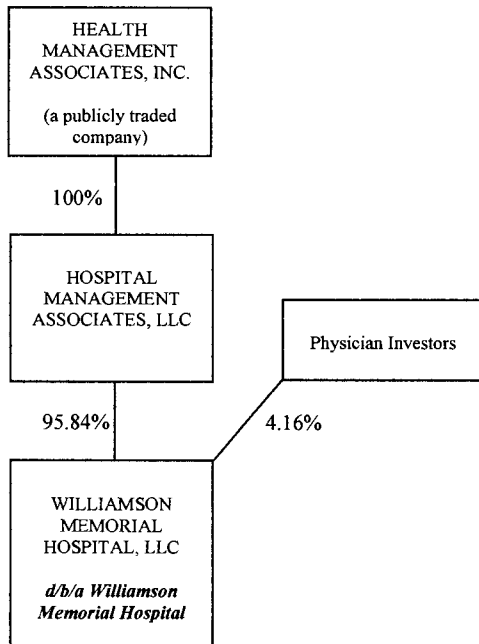
**EXHIBIT B**

**REVISED OWNERSHIP STRUCTURE CHARTS**

*Please see attached.*

**WILLIAMSON MEMORIAL HOSPITAL, LLC**

**PRE-TRANSACTION STRUCTURE**



**POST-TRANSACTION STRUCTURE**

