

U.S. NUCLEAR REGULATORY COMMISSION**TELEPHONE CONVERSATION RECORD****Date:** 01/13/14; 01/14/14; 02/04/14**Time:** 03:35 p.m.; 10:42 a.m.**Mail Control
or Report No(s).**

582701

License No(s). 47-25358-01**Docket No(s).** 03034138**Name of Licensee:** Williamson Memorial Hospital**Name of Participant(s):** Lauren Jacques – Attorney at Bradley Arant Boult Cummings, LLP (legal counsel representative)
Ashok Patnaik, M.D. – Radiation Safety Officer (RSO)
Jacqueline D. Atkins – Chief Nursing Officer (acting CEO for the day)**Telephone No.** (615) 252-4637
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(304) 899-2500 ext. 6101/6372**Subject:** Additional information for amendment request – change of ownership**(NOTE: This will be used as the
Documents Title in ADAMS)**

NRC staff contacted the licensee to clarify the following information provided in an amendment request dated December 6, 2013:

Summary: The letter was a notification of an indirect change of ownership of Williamson Memorial Hospital via an Agreement and Plan of Merger that would be occurring on or about January 17, 2014 between Health Management Associates Inc. (HMA), a publicly-traded corporation that owns and operates several health care facilities and hospitals including Williamson Memorial Hospital, and Community Health Systems, Inc. (CHSI), a publicly-traded corporation and one of the nation's leading operators of general acute care hospitals. CHSI will acquire HMA pursuant to the proposed transaction. There will be no change in the direct ownership of the legal entity that owns and operates the hospital. Rather, the transaction will result in a change in the ownership structure several levels up the ownership chain. There will be no change in the direct ownership of its stocks, and the legal entity that owns and operates the hospital will retain its assets as well as its legal business name and federal tax identification number. This indirect change of ownership was posted on the NRC website on January 14, 2014, for 30 days (until February 13, 2014) to allow for public comments. Prior to the merger, Williamson Memorial Hospital was an indirect, wholly-subsiary of HMA. Ms. Jacques stated that following the merger, HMA will no longer be the parent company of Williamson Memorial Hospital. Ms. Jacques submitted a letter dated January 27, 2014 stating that the proposed transaction was closed effectively on January 27, 2014, which resulted in HMA ceasing to be a publicly-traded corporation and now being in existence as an indirect, wholly-owned subsidiary of CHSI. Furthermore, as of the effective date, CHSI became the ultimate parent company of each of the HMA subsidiaries, including subsidiaries that own and operate health care facilities including Williamson Memorial Hospital. This is not CHSI's initial attempt with being associated with NRC related activities. A search in ADAMs identified that CHSI is currently affiliated with and oversees several hospitals that hold active NRC licenses including Bluefield Regional Medical Center, Greenbrier Valley Medical Center, and Plateau Medical Center in West Virginia, as well as several hospitals in Indiana, Missouri, and in some Agreement States. This information was also confirmed on the Community Health Systems website. A recent amendment was issued regarding change of ownership whereby CHSI acquired an NRC licensee, Kennett HMA, Inc. d/b/a Twin Rivers Regional Medical Center, in Missouri on December 6, 2013 (ML13344B180). CHSI's affiliation is well established.

Pre-Transaction Structure: (Williamson Memorial Hospital → HMA → Hospital Management Associates, LLC → Williamson Memorial Hospital, LLC)

Post-Transaction Structure: (Williamson Memorial Hospital → Hospital Management Associates, LLC
CHS/Community Health Systems, Inc. → Community Health Systems, Inc.

Exhibit B in the request letter titled "Responses to Questions Posed by the NRC" contains information regarding the change of ownership and is signed by Kathleen K. Holloway, Secretary – Williamson Memorial Hospital. I called to confirm that Ms. Holloway is the appropriate senior management representative of the hospital. Ms. Jacques stated that Ms. Holloway is the Vice President and Corporate Secretary of Health Management Associates, Inc. (HMA), and has authority to sign on behalf of all HMA-affiliated facilities, including Williamson Memorial Hospital. Dr. Patnaik (RSO). Furthermore, Ms. Atkins (Chief Nursing Officer and acting CEO of the day) stated that Williamson Memorial Hospital is still undergoing management changes and currently has an interim CEO, Jeff Potter that will be the senior management representative for the hospital until a permanent CEO is appointed in the near future.

I asked that they provide a statement in the letter signed by the CEO, Jeff Potter, describing the above management changes and that the CEO is has reviewed and is in agreement with all the information provided in previous correspondence regarding the change of ownership (including the amendment request letter dated December 6, 2013).

The licensee agreed to provide the information by the end of the week.

Action Required: Await receipt of additional information and process amendment following 30 day period for public comment.

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M. Abogunde

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