

LATHROP & GAGE_{LLP}

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December 29, 2014

VIA FEDERAL EXPRESS & VIA E-MAIL BRYAN.PARKER@NRC.GOV

U. S. Nuclear Regulatory Commission - Region III
ATTN: Materials Licensing
Bryan A. Parker, Health Physicist
2443 Warrenville Road, Suite 210
Lisle, IL 60532-4352

Re: **UPDATED INFORMATION** - Transfer of Control of NRC License Numbers 24-02704-01 (St. Joseph Medical Center), 24-20274-01 (St. Mary's Medical Center), and 24-32245-01 (Carondelet Cardiology Services) (the "Licenses")

Dear Mr. Parker:

This firm represents Prime Healthcare Services, Inc. and its wholly owned subsidiaries Prime Healthcare Services – Kansas City, LLC and Prime Healthcare Services – Blue Springs, LLC ("Prime").

I am writing this letter in follow up to my previous letter dated December 9, 2014 (attached) to notify you of certain changes that affect the information reported in that letter.

First, the transaction described in the December 9, 2014 letter is now scheduled to close on **February 1, 2015** (the "Closing Date") rather than January 2, 2015. Therefore, Prime will not operate the facilities currently holding the above referenced Licenses until the new Closing Date.

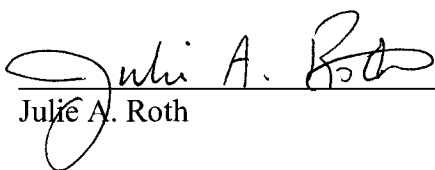
Second, Prime has changed the "doing business as" names under which it will operate the hospitals. Specifically, after the Closing Date, activities conducted under License Number 24-02704-01 will operate under the name Prime Healthcare Services – Kansas City, LLC d/b/a St. Joseph Medical Center (previously reported as "St. Joseph Hospital"). Activities conducted under License Number 24-20274-01 will operate under the name Prime Healthcare Services – Blue Springs, LLC d/b/a St. Mary's Medical Center (previously reported as "St. Mary's Hospital"). Activities conducted under

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License number 24-32245-01 will operate under the name Prime Healthcare Services –
Kansas City, LLC d/b/a Prime Cardiology Services.

Respectfully submitted,

LATHROP & GAGE LLP

By: 
Julie A. Roth

JAR
Enclosure

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December 9, 2014

VIA FEDERAL EXPRESS & VIA E-MAIL BRYAN.PARKER@NRC.GOV

U. S. Nuclear Regulatory Commission - Region III

ATTN: Materials Licensing

Bryan A. Parker, Health Physicist

2443 Warrenville Road, Suite 210

Lisle, IL 60532-4352

Re: Transfer of Control of NRC License Numbers 24-02704-01 (St. Joseph Medical Center), 24-20274-01 (St. Mary's Medical Center), and 24-32245-01 (Carondelet Cardiology Services) (the "Licenses")

Dear Mr. Parker:

This firm represents Prime Healthcare Services, Inc. and its wholly owned subsidiaries Prime Healthcare Services – Kansas City, LLC and Prime Healthcare Services – Blue Springs, LLC.

Prime Healthcare Services – Kansas City, LLC ("Prime") has entered into an Asset Sale Agreement with Carondelet Health, Inc. ("Carondelet Health") to purchase the assets of certain hospitals and other related healthcare businesses currently owned by Carondelet Health located in the Kansas City, Missouri metropolitan area. The transaction includes the assets and activities conducted pursuant to the above referenced Licenses.

This letter is written in follow up to our conversation and subsequent e-mail correspondence on November 12, 2014 regarding notice to the Nuclear Regulatory Commission of transfer of control of the Licenses from Carondelet Health, Inc. to Prime Healthcare Services, Inc. and its subsidiaries.

In accordance with NUREG-1556, Vol 15, App F, we provide the following information on behalf of the purchaser, Prime. Unless otherwise specified, responses apply to all three (3) of the above referenced Licenses.

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- 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 who NRC may contact if more information is needed.**

Carondelet Health, through its direct and indirect subsidiaries, engages in the business of delivering acute care services to the public through the hospitals known as St. Joseph Medical Center located in Kansas City Missouri and St. Mary's Medical Center located in Blue Springs Missouri as well as other through other businesses, including but not limited to the cardiology services provided at Carondelet Cardiology Services, Inc. a Missouri nonprofit corporation.

Prime and Carondelet Health have executed an Asset Sale Agreement (the "ASA") dated October 13, 2014 pursuant to which Prime will purchase substantially all of the assets used with respect to the operation of the aforementioned healthcare businesses. The sale is scheduled to close on January 2, 2015 (the "Closing Date").

After the Closing Date, activities conducted under License Number 24-02704-01 will operate under the name Prime Healthcare Services – Kansas City, LLC d/b/a St. Joseph Hospital. Activities conducted under License Number 24-20274-01 will operate under the name Prime Healthcare Services – Blue Springs, LLC d/b/a St. Mary's Hospital. Activities conducted under License number 24-32245-01 will operate under the name Prime Healthcare Services – Kansas City, LLC d/b/a Prime Cardiology Services.

For questions regarding the transaction, you may reach me at 913-451-5118 (office); 913-451-0875 (fax); or jjroth@lathropgage.com.

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

No changes in personnel or duties that relate to activities conducted under the Licenses are expected to occur as of the Closing Date.

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

Other than the change of corporate ownership described in item #1 above, there will be no changes in the organization, location, facilities, equipment or procedures that relate to the activities conducted in connection with the Licenses as of the Closing Date.

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.

License Number 24-02704-01 covers Nuclear Medicine and Cardiology patient care activities at St. Joseph Medical Center. Cardinal Health conducts surveys of these activities on a quarterly basis. The last completed survey for Nuclear Medicine activities occurred September 4, 2014. The last completed survey for the Cardiology activities occurred August 18, 2014. Neither survey required corrective action. The Radiation Safety Officer for Nuclear Medicine and Cardiology activities at St. Joseph Medical Center is **Patrick M. O'Toole, M.D.** Written Quality Management plans are maintained for both Nuclear Medicine and Cardiology activities at St. Joseph Medical Center, and the Radiation Safety Officer conducts quarterly reviews including twenty-four (24) quality measures for Nuclear Medicine and twenty-three (23) quality measures for Cardiology.

License Number 24-32245-01 covers patient care activities conducted at Carondelet Cardiology Services, Inc. Cardinal Health conducts surveys of these activities on a quarterly basis. The last completed survey occurred on August 19, 2014. **No corrective action was required.** A written quality management program exists, with twenty-three (23) quality measures. Reviews are conducted quarterly by Radiation Safety Officer, **James E. Sear, M.D.**

License Number 24-20274-01 covers Nuclear Medicine patient care at St. Mary's Medical Center. Surveys are conducted quarterly by Integrated Science Support. The last completed survey for Nuclear Medicine was October 10, 2014. No corrective action was required. A written quality management program exists. Reviews are conducted quarterly by Radiation Safety Officer, **Jim Bergh, M.D.** Sixteen (16) quality measures are reviewed.

It is expected that the current status and schedule of surveys and quality reviews will continue unchanged after the Closing Date.

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.

None of the above referenced locations where licensed activities are conducted are being decommissioned in connection with the Change of Ownership.

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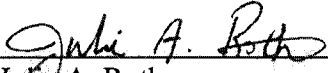
- 6. Confirm that the transferee will abide by all constraints, conditions, requirements and commitments of the transferor or that the transferee will submit a complete description of the proposed licensed program.**

Prime Healthcare Services – Kansas City, LLC and Prime Healthcare Services – Blue Springs, LLC will abide by all constraints, conditions, requirements and commitments that currently apply with respect to the Licenses.

Respectfully submitted,

LATHROP & GAGE LLP

By:


Julie A. Roth

JAR

FedEx[®] Express

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