



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION III
2443 WARRENVILLE RD. SUITE 210
LISLE, IL 60532-4352

APR 14 2015

Robert L. Balestrero, M.D.
Radiation Safety Officer
Munson Healthcare Grayling Hospital
1100 East Michigan Avenue
Grayling, MI 49738

SUBJECT: NRC CONSENT TO DIRECT LICENSE TRANSFER AND AMENDMENT NO. 27

Dear Dr. Balestrero:

By letter dated December 15, 2014, Mercy Hospital Grayling submitted to the U.S. Nuclear Regulatory Commission (NRC) a Request for Consent to direct License Transfer of NRC Materials License No. 21-16489-01. Based on the information provided by Stephanie Riemer-Matuzak, CEO, Mercy Hospital Grayling, and Edwin A. Ness, President, Munson Healthcare Grayling Hospital, we understand that as a result of a proposed purchase of assets by Munson Healthcare Grayling Hospital from Mercy Hospital Grayling, control of Mercy Hospital Grayling would be directly transferred to Munson Healthcare Grayling Hospital. We further understand that this transfer will not result in any change to the licensed name, licensed materials, persons using the license material, location of use of licensed material, or persons responsible for the licensee's radiation safety program. Based on information provided by Rachel B. Roe, Assistant General Counsel, Munson Healthcare Grayling Hospital, we understand that, on February 1, 2015, all of Mercy Hospital Grayling's assets and operations were directly transferred to Munson Healthcare Grayling Hospital. We have updated the license accordingly.

Enclosed is Amendment No. 27 to your NRC Material License No. 21-16489-01 in accordance with letter received April 9, 2015, confirming that the transaction has been completed as described in the December 15, 2014 letter. Changes made to your license are printed in **bold** font. Please note that we have also removed Condition No. 13 and revised Condition Nos. 6 through 9, in accordance with current NRC policy.

Please review the enclosed document carefully and be sure that you understand all conditions. If there are any errors or questions, please notify the U.S. Nuclear Regulatory Commission, Region III office at (630) 829-9887 so that we can provide appropriate corrections and answers.

You will be periodically inspected by NRC. Failure to conduct your program in accordance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC will result in enforcement action against you. This could include issuance of a notice of violation, or imposition of a civil penalty, or an order suspending, modifying or revoking your license as specified in the General Statement of Policy and Procedure for NRC Enforcement Actions. Since serious consequences to employees and the public can result from failure to comply with NRC requirements, prompt and vigorous enforcement action will be taken when dealing with licensees who do not achieve the necessary meticulous attention to detail and the high standard of compliance which NRC expects of its licensees.

Based on the above understandings and as more fully detailed in the enclosed NRC staff's Safety Evaluation Report which documents the NRC staff's review of the request, we have no objection to the proposed transfer. Please contact me at (630) 829-9892, or by e-mail at sara.forster@nrc.gov if you have any questions regarding this letter.

The NRC's Safety Culture Policy Statement became effective in June 2011. While a policy statement and not a regulation, it sets forth the agency's *expectations* for individuals and organizations to establish and maintain a positive safety culture. You can access the policy statement and supporting material that may benefit your organization on NRC's safety culture Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/safety-culture.html>. We strongly encourage you to review this material and adapt it to your particular needs in order to develop and maintain a positive safety culture as you engage in NRC-regulated activities.

In accordance with Title 10 of the *Code of Federal Regulations* Section 2.390, a copy of this letter and its enclosure will be available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,



Sara A. Forster, M.S.
Health Physicist
Materials Licensing Branch

License No. 21-16489-01
Docket No. 030-11125

Enclosures: 1. NRC Safety Evaluation Report (SER) concerning request for consent to
Transfer of Control
2. Amendment No. 27