

**SAFETY EVALUATION REPORT
PROPOSED CHANGE OF CONTROL FOR BYPRODUCT MATERIALS LICENSE
NUMBER 24-18689-01, LINCOLN COUNTY MEMORIAL HOSPITAL**

DATE:

DOCKET NO.: 030-14048

LICENSE NO.: 24-18689-01

LICENSEE: Lincoln County Memorial Hospital

TECHNICAL REVIEWER: Toye L. Simmons

SUMMARY AND CONCLUSIONS

Lincoln County Memorial Hospital is authorized by NRC License 24-18689-01 for the possession and use of byproduct material for purposes of medical diagnostic uses of radioactive material in humans. The U.S. Nuclear Regulatory Commission (NRC) staff reviewed a request for consent to a direct license transfer submitted by Lincoln County Memorial Hospital that will result from a lease agreement between Mercy Hospital – St. Louis and Lincoln County Hospital. The transaction will involve a lease agreement wherein Mercy Hospital-St. Louis will lease or sublease all or substantially all of the real and personal property used or useable in the operation of Lincoln County Memorial Hospital. The direct transfer of control is described in Agency Documents Access and Management System (ADAMS) accession number ML15029A698.

The request for consent was reviewed by NRC staff for direct change of control of a 10 CFR Part 30 license using 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 finds that the information submitted by Lincoln County Memorial Hospital sufficiently describes and documents the transaction and commitments made by Mercy Hospital-St. Louis and Lincoln County Memorial Hospital.

As required by 10 CFR 30.34 and section 184 of the Atomic Energy Act of 1954, as amended (the Act), NRC staff has reviewed the application and finds that the proposed change of control is in accordance with the Act. The staff finds that, after the change of control, Lincoln County Memorial Hospital will terminate its NRC license.

SAFETY AND SECURITY REVIEW

According to data obtained from the NRC's Web Based Licensing System, Lincoln County Memorial Hospital has been an NRC licensee since April 17, 1979. The NRC conducted a main office inspection of Lincoln County Memorial Hospital on August 3, 2010, and no violations were identified during this inspection. Lincoln County Memorial Hospital has requested termination of its NRC license and its location of use will be added to the NRC license of Mercy Hospital-St. Louis.

Mercy Hospital-St. Louis NRC License No. 24-00794-03 is a known entity and will be assuming the medical use and radiation safety program of Lincoln County Memorial Hospital with the termination of its license. Therefore, for security purposes, Mercy Hospital-St. Louis is 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.

Lincoln County Memorial Hospital is not required to have decommissioning financial assurance based on the types and amount of material authorized in License No. 24-18689-01.

REGULATORY FRAMEWORK

Lincoln County Memorial Hospital's License No. 24-18689-01 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. Lincoln County Memorial Hospital's request for consent describes a direct change of control resulting from a planned transaction that will involve a lease agreement wherein Mercy Hospital-St. Louis will lease or sublease all or substantially all of the real and personal property used or useable in the operation of Lincoln County Memorial Hospital. Following the completion of the transaction, Lincoln County Memorial Hospital will directly become a lessee of Mercy Hospital-St. Louis, License No. 24-00794-03, and as such, the transfer requires NRC consent.

DESCRIPTION OF TRANSACTION

The transaction is described in ADAMS accession number ML15029A698. After completion of the lease transaction, Lincoln County Memorial Hospital will discontinue operations as an NRC licensee through termination of the license. 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 Lincoln County Memorial Hospital sufficiently describes and documents the commitments made by Mercy Hospital-St. Louis and

Lincoln County Memorial Hospital, 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)(14)(xi).

CONCLUSION

The staff has reviewed the request for consent submitted by both parties with regard to an direct change of control of byproduct materials license No. 24-18689-01 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 to 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 inimical to the common defense and security, or to the health and safety of the public.