



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION III  
2443 WARRENVILLE ROAD, SUITE 210  
LISLE, ILLINOIS 60532-4352

MAY 26 2017

Saba Darda, M.D.  
Radiation Safety Officer  
Ronald Stewart, D.O.  
42370 Van Dyke  
Sterling Heights, MI 48314

SUBJECT: REQUEST FOR CONSENT TO DIRECT LICENSE TRANSFER

Dear Dr. Darda and Dr. Stewart:

Enclosed is Amendment No. 7 to your NRC Material License No. 21-26489-01 in accordance with your request.

By letters dated February 2, 2017, February 17, 2017, April 26, 2017 and May 22, 2017, Ronald Stewart, D.O. submitted to the U.S. Nuclear Regulatory Commission (NRC) a Request for Consent to Direct License Transfer of NRC Materials License No. 21-26489-01.

Based on the information you provided, we understand that as a result of the asset purchase and integration agreement between Ronald Stewart, D.O. and Crittenton Hospital Medical Center, control of Ronald Stewart, D.O. was directly transferred to Crittenton Hospital Medical Center.

We further understand that this transfer has not resulted in any change to the licensed materials, persons using the licensed material, location of use of licensed material, or persons responsible for the licensee's radiation safety program.

The licensee's name has now changed from "Ronald Stewart, D.O" to "Crittenton Hospital Medical Center."

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 transfer.

In letters dated February 2, 2017, February 17, 2017, April 26, 2017 and May 22, 2017, you requested the termination of License No. 21-26489-01 concurrent with the merger of this license into NRC License No. 21-13562-01 for Crittenton Hospital Medical Center. As the transfer was direct and the use of licensed materials was continued without interruption, no final status surveys were submitted or required.

No further actions with respect to NRC regulated material is required for this licensee and License Number 21-26489-01 is hereby terminated with the enclosed Amendment No. 7.

S. Darda

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Please note that Crittenton Hospital Medical Center will receive its own amendment pertaining to the termination/merger/change of control under separate cover.

Please review the enclosed document carefully. 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.

If you have any questions concerning this amendment please contact me at either (630) 829-9841 or (800) 522-3025, ext. 9841. My fax number is 630-515-1078. My email address is [colleen.casey@nrc.gov](mailto:colleen.casey@nrc.gov).

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosed Safety Evaluation Report (SER) 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>.

The NRC's document system is accessible from the NRC Web site at: <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Sincerely,



Colleen Carol Casey  
Materials Licensing Branch

License No. 21-26489-01  
Docket No. 030-33135

Enclosures:

1. Amendment No. 7
2. SER dated May 24, 2017

**SAFETY EVALUATION REPORT  
CHANGE OF CONTROL FOR BYPRODUCT MATERIALS LICENSE NUMBER  
21-26489-01, RONALD STEWART, D.O.**

**DATE:** May 26, 2017

**DOCKET NO.:** 030-33135

**LICENSE NO.:** 21-26489-01

**LICENSEE:** Ronald Stewart, D.O.  
42370 Van Dyke  
Sterling Heights, MI

**TECHNICAL REVIEWER:** Colleen Carol Casey

**SUMMARY AND CONCLUSIONS**

Ronald Stewart, D.O. is authorized by NRC License 21-26489-01 for the possession and use of byproduct material for purposes of diagnostic uses in humans in unsealed forms. The U.S. Nuclear Regulatory Commission (NRC) staff reviewed a request for consent to a direct license transfer submitted by Ronald Stewart, D.O. that has resulted from the asset purchase and integration agreement with Crittenton Hospital Medical Center. The licensee's requests dated February 2, 2017, February 17, 2017, April 26, 2017, and May 22, 2017, did not explicitly identify its letters as requests for "a direct transfer of control" but NRC staff considered that the requests implicitly constituted as much.

The direct transfer of control is described in Agency Documents Access and Management System (ADAMS) accession numbers ML17033A300, ML17047A718, ML17121A544 and ML17142A413.

The licensees' letters dated February 2, 2017, February 17, 2017, April 26, 2017, and May 22, 2017, signed by appropriate management representatives for both parties, requested NRC's consent to the change in control. Both licensees expressed intentions that included the termination of the NRC license 21-26489-01 for Ronald Stewart, D.O., concurrent with the amendment and merger of the location of use, authorized user and radiation safety elements of this license into the NRC license for Crittenton Hospital Medical Center under NRC License No. 21-13562-01. These letters also contained information pertaining to changes to the amended license for Crittenton Hospital Medical Center.

The letters dated February 2, 2017, February 17, 2017, April 26, 2017, and May 22, 2017, were reviewed by NRC staff and considered to constitute a request for consent to direct changes in control of a 10 CFR Part 30 license, using the guidance in NUREG 1556, Volume 15, Rev. 1 "Consolidated Guidance About Materials Licenses - Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses," dated June 2016. The NRC staff finds that the information submitted by Ronald Stewart, D.O. sufficiently describes and documents the transaction and commitments made by Ronald Stewart, D.O. and Crittenton Hospital Medical Center

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 letters dated February 2, 2017, February 17, 2017, April

26, 2017, and May 22, 2017, and finds that the change in control was in accordance with the Act. The staff finds that, upon completion of the termination of the NRC license for Ronald Stewart, D.O, and the merger into the NRC license for Crittenton Hospital Medical Center, Crittenton Hospital Medical Center will remain qualified to use byproduct material for the purposes requested, and will continue to have the equipment, facilities, and procedures needed to protect public health and safety, and promote the security of licensed material.

### **SAFETY AND SECURITY REVIEW**

According to data obtained from the NRC's Web Based Licensing System (WBL), Ronald Stewart, D.O. has been an NRC licensee since October 20, 1993. The NRC conducted an inspection of Ronald Stewart, D.O. on October 27, 2015, and no violations were identified during this inspection. The commitments made by Ronald Stewart, D.O. and Crittenton Hospital Medical Center state that, when the Ronald Stewart, D.O. License No. 21-26489-01 is terminated and concurrently merged into the Crittenton Hospital Medical Center NRC License No. 21-13562-01 via amendment, the Crittenton Hospital Medical Center:

- A. will not change the radiation safety officer listed in the NRC license;
- B. will not change the personnel involved in licensed activities;
- C. will not change the locations, facilities, and equipment authorized in the NRC license;
- D. will not change the radiation safety program authorized in the NRC license;
- E. will not change the organization's name listed in the NRC license; and
- F. will keep regulatory required surveillance records and decommissioning records.

As a result of this transaction, Crittenton Hospital Medical Center owns and operates the facility formerly licensed under Ronald Stewart, D.O. Crittenton Hospital Medical Center also owns and controls its own NRC-licensed facility for the uses of sealed and unsealed byproduct materials for therapeutic and diagnostic uses in humans. Therefore, for security purposes, Crittenton Hospital Medical Center is considered 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," February 12, 2016 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.

Therefore, as a known entity, a precicensing site visit for Crittenton Hospital Medical Center was not warranted or conducted.

Neither Ronald Stewart, D.O. nor Crittenton Hospital Medical Center are required to have decommissioning financial assurance, based on the types and amounts of material authorized in License Nos. 21-26489-01 or 21-13562-01.

## **REGULATORY FRAMEWORK**

Ronald Stewart, D.O.'s License No. 21-26489-01 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 in 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, Rev. 1. As discussed in NUREG-1556, Volume 15, Rev. 1, 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.

The Ronald Stewart, D.O. request for consent describes a direct change of control that has resulted from the asset purchase and integration agreement made by Crittenton Hospital Medical Center as the new owner for Ronald Stewart, D.O. As the completion of the transaction has already taken place, upon the receipt of NRC's written consent, Ronald Stewart, D.O. will directly be controlled by Crittenton Hospital Medical Center and, as such, the transfer requires NRC's consent.

The asset purchase and integration agreement became effective on September 1, 2016, prior to Ronald Stewart, D.O.'s initial request for consent being transmitted to the NRC.

## **DESCRIPTION OF TRANSACTION**

The transaction is described in ADAMS accession numbers ML17033A300, ML17047A717, ML17121A544 and ML17142A413. The NRC staff finds that the request for consent adequately provides complete and clear descriptions of the transaction, and is consistent with the guidance provided in Appendix E of NUREG-1556, Volume 15, Rev. 1.

## **TRANSFEREE'S COMMITMENT TO ABIDE BY THE TRANSFEROR'S COMMITMENTS**

The NRC staff finds that the information submitted by Ronald Stewart, D.O. sufficiently describes and documents the commitments made by Ronald Stewart, D.O. and Crittenton Hospital Medical Center and is consistent with the guidance in NUREG-1556, Volume 15, Rev. 1.

## **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 requests for consent submitted by both parties with regard to a direct change of control of byproduct materials license No. 21-26489-01 and approves the application pursuant to 10 CFR 30.34(b).

The submitted information sufficiently describes the transaction; documents the understanding of the licensee and commitments; demonstrates that personnel have the experience and training to properly implement and maintain the license and that they have and 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, Rev. 1.

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.