

SAFETY EVALUATION REPORT
PROPOSED CHANGE OF CONTROL FOR BYPRODUCT MATERIALS LICENSE
NUMBER 13-32020-01, Premier Healthcare, LLC

DATE: November 24, 2017

DOCKET NO.: 030-34523

LICENSE NO.: 13-32020-01

LICENSEE: Premier Healthcare, LLC
550 Landmark Avenue, Bloomington, Indiana 47403

TECHNICAL REVIEWER: Magdalena R. Gryglak and Sara A. Forster, Materials Licensing Branch, Division of Nuclear Materials Safety

SUMMARY AND CONCLUSIONS

Premier Healthcare, LLC ("the licensee") is authorized by NRC License 13-32020-01 for the possession and use of byproduct material. The U.S. Nuclear Regulatory Commission (NRC) staff reviewed a request for consent to a direct license transfer submitted by the licensee that will result from the purchase by IU Health Southern Indiana Physicians ("the transferee"). The direct transfer of control is described in the May 19, July 24, and August 7, 2017 letters (Agency Documents Access and Management System (ADAMS) accession numbers ML17163A405, ML17206A095 and ML17226A194, respectively).

The request for consent was reviewed by NRC staff for direct change in control of a Title 10 *Code of Federal Regulations* (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 the licensee sufficiently describes and documents the transaction and commitments made by the licensee and the transferee.

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 in control is in accordance with the Act. The staff finds that, after the change of control, the transferee would remain qualified to use byproduct material for the purpose requested and will continue to have the equipment, facilities, and procedures needed to protect public health and safety, and to promote the security of licensed material until the license is terminated. However, because the license is concurrently being terminated with issuance of this report, a final affirmation of approval to transfer the license is not needed.

SAFETY AND SECURITY REVIEW

According to data obtained from the NRC's Web Based Licensing System, Premier Healthcare, LLC has been an NRC licensee since September 9, 1997. The NRC conducted inspections of Premier Healthcare, LLC on February 28, 2013 and August 7, 2013, and no violations of NRC requirements were identified during those inspections. During an inspection on July 23, 2008, three Severity Level IV violations were identified for failure to: (1) perform surveys to check for

contamination; (2) record results of ambient dose rate surveys; and (3) record results of accuracy tests. The licensee took adequate corrective actions to address these violations.

The commitments made by the transferee and the licensee state that the transferee:

- A. Other than an Authorized User, will not change the personnel involved in licensed activities;
- B. will not change the locations, facilities, and equipment authorized in the NRC license;
- C. will not change the radiation safety program authorized in the NRC license;
- D. will keep regulatory required surveillance records and decommissioning records;
- E. will cease use of radioactive material on September 1, 2017.

As a result of the transaction, IU Health Southern Indiana Physicians will use radioactive material between May 1 and August 31, 2017. Because the licensee confirmed that it has permanently ceased the use of radioactive material via letter dated September 5, 2017 (ML17249A925), a review of the transferee's organizational structure in accordance with 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 (basis-for-confidence checklist), is not warranted at this time. The purpose of the basis-for-confidence 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.

Premier Healthcare, LLC is not required to have decommissioning financial assurance based on the types and amount of material authorized by License No. 13-32020-01.

REGULATORY FRAMEWORK

Premier Healthcare, LLC's License No. 13-32020-01, 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." The review was completed in accordance with NUREG 1556, Volume 15, and informed by 63 *Federal Register* 66721, "10 CFR Parts 2 and 51, RIN 3150-AG09,

Streamlined Hearing Process for NRC Approval of License Transfers, Nuclear Regulatory Commission, Final Rule," dated Dec. 3, 1998.

DESCRIPTION OF TRANSACTION

In letters dated May 19, 2017 (ML17163A405), July 24, 2017 (ML17206A095), and August 7, 2017 (ML17226A194), Premier Healthcare, LLC ("the licensee") notified the U.S. Nuclear Regulatory Commission that IU Health Southern Indiana Physicians ("the transferee"), intends to purchase its assets by sale. Further, in letter dated September 5, 2017 (ML17249A925), the licensee notified the NRC that it had permanently ceased the use of radioactive material. After completion of the transaction, the transferee would continue to conduct all licensed activities authorized under NRC Materials License No. 13-32020-01, with no significant changes to key responsible personnel (other than one proposed authorized user), licensed facilities, or equipment.

The NRC staff finds that the request for consent adequately described the transaction, and is consistent with the guidance provided in NUREG 1556, Volume 15, revision 1, Appendix E, "Information Needed for Transfer of Control."

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

The NRC staff finds that because the licensee has permanently ceased all operations, the guidance outlined in NUREG-1556, Volume 15, Revision 1, need not be used in completing this review.

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 Premier Healthcare, LLC ("the licensee") and IU Health Southern Indiana Physicians ("the transferee"), with regard to a direct transfer of control of byproduct materials License No. 13-32020-01 and approves the application pursuant to 10 CFR 30.34(b).

Submitted information sufficiently describes the transaction, documents the understanding of the license and commitments, demonstrates personnel have the experience and training to properly implement the license and maintain existing records. Further, the transferee committed to abide by all existing commitments to the license, consistent with the guidance in NUREG 1556, Volume 15, Revision 1. Finally, the licensee has permanently ceased use of all radioactive material, and the license is concurrently being terminated with the issuance of this report.

In accordance with the above analysis, the staff concludes that the change in control would not alter previous findings, that the transfer of the terminated License No. 13-32020-01 will not be inimical to the common defense and security, or to the health and safety of the public.