

SAFETY EVALUATION REPORT
PROPOSED TRANSFER OF CONTROL OF BYPRODUCT MATERIALS
LICENSES
NUMBERS 06-28274-01 and 06-30842-01, Consulting Cardiologists, P.C. and
Cardiology Associates of Central Connecticut, LLC

DATE: November 16, 2018

DOCKET NOS.: 030-30786
030-36420

LICENSE NOS.: 06-28274-01
06-30842-01

LICENSEES: Consulting Cardiologists, P.C.
85 Seymour Street, Suite 719
Hartford, CT 06106

Cardiology Associates of Central Connecticut, LLC
1062 Barnes Road, Suite 300
Wallingford, CT 06492

TECHNICAL REVIEWER: Janice Nguyen, Senior Health Physicist, Region I

SUMMARY AND CONCLUSIONS

Consulting Cardiologists, P.C. (CC) is authorized by NRC License 06-28274-01 for the possession and medical use of byproduct material for diagnostic studies permitted by 10 CFR 35.100 and 35.200 at 305 Western Boulevard, Building G, Glastonbury, Connecticut and 100 Simsbury Road, Suite 202, Avon, Connecticut. Cardiology Associates of Central Connecticut, LLC (CACC) is authorized by NRC License 06-30842-01 for the possession and medical use of byproduct material for diagnostic studies permitted by 10 CFR 35.100, 35.200, and Gadolinium-153 under 35.500 at 1062 Barnes Road, Suite 300, Wallingford, Connecticut. The U.S. Nuclear Regulatory Commission (NRC) staff reviewed a request for consent to a direct license transfer submitted by CC and CACC that will result from a merger between the two licensees. CC and CACC will become one entity and will maintain the CC name and federal tax identification number on both licenses. This will be a merger of equals in which all assets will be pooled and shareholders from both practices will surrender their shares for new ones issued by the newly configured company. All physician shareholders will be equal partners in the new CC. After the merger has occurred, CC will submit an amendment request so that all facilities will be consolidated under the 06-28274-01 license, and the 06-30842-01 license will be terminated. The direct transfer of control is described in Agency Documents Access and Management System (ADAMS) package accession number ML18236A339. The ADAMS package consists of the following agency documents: letter dated August 8, 2018 (ML18236A340), email requesting additional information dated September 12, 2018 (ML18262A321), and letter received October 18, 2018 (ML18297A198).

The licensee's request for consent to a direct transfer of ownership was posted for public comment on the NRC website for 30 days in accordance with 10 CFR Part 2 and following the guidance provided in the NRC's Regulatory Issue Summary 2014-08. No comments were received from members of the public.

The request for consent was reviewed by NRC staff for a direct transfer of control of a 10 CFR Part 30 license using the guidance in NUREG-1556, Volume 15, Rev. 1, "Consolidated Guidance About Materials Licenses: Program-Specific 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 CC and CACC sufficiently describes and documents the transaction and commitments made by both parties.

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 transfer of control is in accordance with the Act. The staff finds that, after the transfer of control, CC will 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 common defense and security.

SAFETY AND SECURITY REVIEW

According to data obtained from the NRC's Web Based Licensing system, Consulting Cardiologists, P.C. (CC) has been an NRC licensee since March 15, 1989. The NRC conducted an inspection at the Glastonbury and Avon, Connecticut locations on March 21, 2018, with a telephonic exit meeting on April 25, 2018, and one Severity Level IV violation was identified. The licensee did not calibrate instrumentation used to measure the activity of unsealed byproduct material at its new Glastonbury location in accordance with nationally recognized standards or the manufacturer's instructions, in accordance with 10 CFR 35.60(b). According to data obtained from the NRC's Web Based Licensing system, Cardiology Associates of Central Connecticut, LLC (CACC) has been an NRC licensee since October 20, 2003. The NRC conducted an inspection at the Wallingford, Connecticut location on March 18, 2015, and no violations were identified. The commitments made by CC and CACC state that there will be:

- A. no change to the radiation safety officer listed on the NRC licenses;
- B. no change in personnel involved in licensed activities;
- C. no change in the locations, facilities, and equipment authorized in the NRC licenses;
- D. no change in the radiation safety program authorized in the NRC licenses;
and
- E. no change in the organization's name listed in the NRC license 06-28274-01; the organization's name listed in the NRC license 06-30842-01 will be changed to Consulting Cardiologists, P.C.

Further, the licensees will maintain required surveillance records and decommissioning records as required by NRC regulations. After the transaction, the licensees will submit an amendment request to consolidate all facilities onto the NRC license 06-28274-01, and request that NRC license 06-30842-01 be terminated.

For security purposes, CC and CACC are considered known entities 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.

Consulting Cardiologists, P.C. (CC) is not required to have decommissioning financial assurance based on the types and amount of material authorized in License No. 06-28274-01, as outlined by 10 CFR 30.35. Cardiology Associates of Central Connecticut, LLC (CACC) is not required to have decommissioning financial assurance based on the types and amount of material authorized in License No. 06-30842-01, as outlined by 10 CFR 30.35.

REGULATORY FRAMEWORK

CC's License No. 06-28274-01 and CACC's License No. 06-30842-01 were 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 transfer 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, Revision 1. CC's and CACC's request for consent describes a direct transfer of control and, as such, the transfer requires NRC consent.

DESCRIPTION OF TRANSACTION

The direct transfer of control is described in Agency Documents Access and Management System (ADAMS) package accession number ML18236A339. The ADAMS package consists of the following agency documents: letter dated August 8, 2018 (ML18236A340), email requesting additional information dated September 12, 2018 (ML18262A321), and letter received October 18, 2018 (ML18297A198). After completion of the merger, CC will continue as the licensee and remain in control of all licensed activities under Materials License Nos. 06-28274-01 and 06-30842-01. 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 E of NUREG-1556, Volume 15, Revision 1.

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

The NRC staff finds that the information submitted by Consulting Cardiologists, P.C. and Cardiology Associates of Central Connecticut, LLC sufficiently describes and documents the commitments made by both parties and is consistent with the guidance in NUREG-1556, Volume 15, Revision 1.

ENVIRONMENTAL REVIEW

An environmental assessment for this action is not required since this action is categorically excluded under 10 CFR 51.22(c)(21).

CONCLUSION

The staff has reviewed the request for consent submitted by the licensee with regard to a direct transfer of control of byproduct materials license Nos. 06-28274-01 and 06-30842-01; and consents to the transfer pursuant to 10 CFR 30.34(b).

Consistent with the guidance in NUREG-1556, Volume 15, Revision 1, the submitted information sufficiently describes the transaction; documents the understanding of the license and commitments of the transferee; demonstrates that personnel have the experience and training to properly implement and maintain the license and that they will maintain the existing records; and provides that, in the future, the transferee will abide by all existing commitments on the license.

Therefore, the staff concludes that the proposed transfer of 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.