DCD

DEC 0 1 1989

Kedarnath B. Joshi, M.D.
20331 Farmington Road
Suite 104
Livonia, MI 48152

License Nos.: 21-17781-01
21-25832-01
21-24843-01
EA No.: 86-139

Dear Dr. Joshi:

This refers to an investigation performed by the Nuclear Regulatory Commission (NRC) Office of Investigations (OI) at your facility and the latest reports of the audit findings you submitted to the Region III office in September 1989 pursuant to the NRC Confirmatory Order Modifying License, dated July 10, 1987 (Confirmatory Order).

The OI investigation was initiated to determine the degree and extent of willfulness in regard to your actions in 1986 as described in the enclosed synopsis (Case No. 03-87-005). The OI investigation concluded that you were personally involved in intentional violations of NRC requirements in 1986. On December 23, 1986, the NRC issued an Order to Show Cause why your NRC license should not be revoked based on willful violations of NRC requirements and license conditions. On July 10, 1987, the NRC issued a Confirmatory Order Modifying License rescinding the Order to Show Cause and requiring you to implement certain commitments that provided assurance that you would comply with NRC requirements during future activities. In view of the Confirmatory Order, we have determined that no further regulatory action is necessary at this time.

We are concerned that you may not be giving sufficient review to your consultant's audit reports in order to ensure that your activities are conducted in compliance with NRC requirements. We base this upon the fact that the reports were submitted by your staff without apparent review by you, and that we have not received any followup report from you regarding actions to implement the recommendations in the August 17, 1989 Milford office audit report. We, therefore, are requesting that you submit a written response to our concern within 30 days of receipt of this letter. Your response should include a description of actions taken or planned to ensure that the audit reports are reviewed by you to ensure that followup reports are submitted within 60 days of your receipt of the audit reports.

In accordance with 10 CFR 2.790 of the NRC's "Rules and Practices," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosure will be placed in the NRC Public Document Room.

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The responses directed by this letter are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

We will gladly discuss any questions you may have relative to this letter or the referenced material.

Sincerely,

Carl J. Paperiello for

A. Bert Davis
Regional Administrator

Enclosure: OI Investigation Case
No. 03-87-005 Synopsis

cc w/enclosure:
DCD/DCB (RIDS)

bcc w/enclosure:
J. Lieberman, OE
J. Goldberg, OGC
R. Bernero, NMSS

RIII	RIII	RIII	RIII	NMSS	OE	RIII	RIII
Cantano	Grobe	Berson	Norelius	Glenn	Lieberman	Paperiello	Davis
Mallett/jl	11/30	12/1/89	11/30/89	per telecon 12/1	per telecon 12/1	12/1	12/1
11/30/89							

SYNOPSIS

On January 30, 1987, the Director, Enforcement and Investigation Coordination Staff, NRC Region III (RIII), requested the Office of Investigations (OI) to perform an analysis of their inspection findings. An investigation was then self-initiated by OI to determine the degree and extent of willfulness.

On June 12, 1986, a former employee of the licensee contacted RIII and said that the licensee was using radiopharmaceuticals in an unlicensed location and had pressured the former employee to falsify a closeout survey which was submitted to RIII.

Based on this information, RIII inspectors interviewed witnesses to substantiate the former employee's claims. Their inspection found that the licensee vacated one of his licensed locations and took over another facility. This occurred on or about May 15, 1986. The licensee obtained and administered radiopharmaceuticals beginning on May 21, 1986, until early June 1986. During that time period, the licensee was informed by two separate individuals that the licensee was not authorized to receive or use radiopharmaceuticals at the new facility. The licensee was informed that the licensee must make application to the NRC to have his license amended to include the new facility as an authorized location.

The inspection findings disclosed that after the licensee had initiated an amendment to his license, the licensee continued to use radiopharmaceuticals at the unauthorized location. The licensee, after being informed by RIII that a closeout survey was required in order to add the new facility to his license, pressured an employee to submit a false closeout survey dated May 15, 1986, to RIII.

On June 18 and 19, 1986, the licensee was interviewed by RIII inspectors. On June 23, 1986, the licensee sent a letter to NRC:RIII regarding his alleged use of radiopharmaceuticals at an unauthorized location. In the letter, the licensee said the use of radiopharmaceuticals at the new facility was an "oversight." The licensee stated that his continued use of radiopharmaceuticals after being told he was not authorized to use the byproduct material at this new facility was "an accident and should be construed as a mistake."

Additionally, in his June 23, 1986, letter, the licensee claimed that after being informed by RIII that a closeout survey was needed in order to amend the license, the licensee asked the former employee if a closeout survey had been conducted. The licensee said the closeout survey was presented to him, he signed it, and the former employee put the date May 15, 1986, on the survey. The licensee said he was not aware that the closeout survey was fabricated.

The OI review of the inspection effort concluded that the licensee used radiopharmaceuticals at an unauthorized location and willfully made a material false statement when he submitted the June 23, 1986, letter to the NRC. A willful material false statement was also made by the licensee when he submitted the false closeout survey to RIII.