

A. Bert Davis
August 29, 1990
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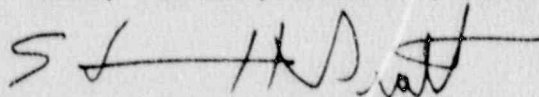
The Licensees are hopeful that the authorized users can resolve their concerns about insurance coverage within a few weeks. If such is not possible, and if as a result the Licensees cannot proceed with their efforts to have the ACR conduct an audit, the Licensees will give strong consideration to retaining a different individual or organization to conduct the audit required by the Order. If such is necessary, the Licensees would so advise you and would submit to you the information necessary for you to consider and approve the alternate individual or organization selected by the Licensees.

The Licensees are scheduled to meet with one or both of the authorized users on or about September 7, 1990. The Licensees are hopeful that at that time progress can be made to move this matter forward. We will keep you advised of the outcome of the meeting with the authorized user(s).

Please feel free to contact me if you have any questions. Thank you for your consideration of our request for additional time in which to comply with Section V(B) of the Order.

Sincerely,

HALL, RENDER, KILLIAN, HEATH & LYMAN



Steven H. Pratt

SHP/blh

cc: Elizabeth Kaminski
Milton Triana
J. Paige Clousson
Eugene Holler
Stephen Lyman

HALL, RENDER, KILLIAN, HEATH & LYMAN

PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

SUITE 1100, BOX 82064

ONE AMERICAN SQUARE

INDIANAPOLIS, INDIANA 46282

(317) 633-4884

WILLIAM S. HALL
JOHN C. RENDER
REX P. KILLIAN
R. TERRY HEATH
STEPHEN W. LYMAN
L. RICHARD GOHMAN
JEFFREY PEEK
CLIFFORD A. BEYLER
MAUREEN O'BRIEN GRIFFIN
JOSEPH R. IMPICCIACHE
TIMOTHY C. LAWSON
TIMOTHY W. KENNEDY
WILLIAM H. THOMPSON
JOHN C. MCCOLLEY
STEVEN H. PRATT
ROBERT A. HICKS
JOHN H. FISHER, II**
MARY C. GAUGHAN
FRED J. BACHMANN
KEVIN P. SPEER
GRETA E. GERBERDING
DOREEN DENEGA***
N. KEN SMITH
GARY P. GOODIN

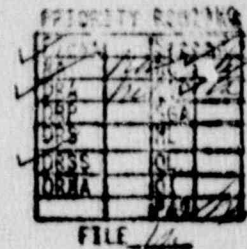
INDIANAPOLIS NORTH OFFICE
8402 HARCOURT ROAD
SUITE 820
INDIANAPOLIS, IN 46260
(317) 871-6222

*ALSO ADMITTED IN THE DISTRICT OF COLUMBIA
**ALSO ADMITTED IN OHIO, WISCONSIN, FLORIDA
***ALSO ADMITTED IN OHIO AND
DISTRICT OF COLUMBIA

TELECOPIERS

DOWNTOWN (317) 633-4878
NORTH (317) 871-3946

August 29, 1990



VIA TELECOPIER AND
CERTIFIED MAIL

A. Bert Davis
Regional Administrator
U.S. Nuclear Regulatory Commission
Region III
799 Roosevelt Road
Building 4
Glen Ellyn, Illinois 60137

Re: St. Mary Medical Center-Hobart, License No. 13-03459-03
St. Mary Medical Center-Gary, License No. 13-03459-02
Docket No. 03031379; EA No. 90-071

Dear Mr. Davis:

On August 14, 1990 you granted the above-referenced Licensees additional time in which to comply with Section V(B) of the U.S. Nuclear Regulatory Commission's ("NRC") April 27, 1990 Order ("Order"). Compliance with Section V(B) of the Order is now due on or before August 31, 1990. By this letter, the Licensees request additional time to comply with Section V(B) of the NRC's Order.

The Licensees would like to receive an additional thirty (30) days to comply with the requirements of Section V(B) of the Order. The Licensees are prepared to go forward with an audit of the relevant records by the American College of Radiology ("ACR"). However, as we have advised you, the ACR requires that each authorized user of the Licensees' brachytherapy program execute an indemnification and hold harmless agreement for the benefit of the ACR. We understand that the authorized users have made, and continue to make, efforts to obtain insurance for the risks that they would incur as a result of the ACR's required

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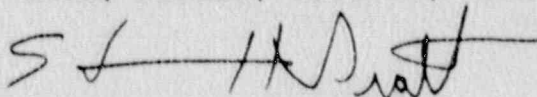
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