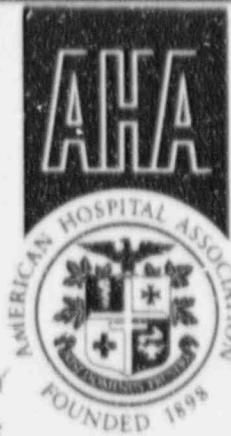


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October 13, 1997

Secretary John C. Hoyle
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

DOCKET NUMBER
PROPOSED RULE PR 35
(62 FR 40975)

Reference: 10 CFR Part 35 RIN AF77 License term for Medical Use Licenses; Proposed Rule:
Federal Register vol. 62, No. 147, July 31, 1997 [DOCID: f131jy97-26]

Dear Mr. Hoyle:

The American Hospital Association (AHA) on behalf of its 5,000 member hospitals, health systems, and other facilities is grateful for the opportunity to comment on the above-referenced Notice of Proposed Rulemaking dated July 31, 1997 regarding the proposed license term for Medical Use Licenses. The AHA supports the elimination of the five-year term limit for medical use licenses in 10 CFR 35.18 and the change in license terms for licenses issued pursuant to part 35, set by policy up to ten years, as are the license terms for other materials licenses.

The AHA applauds this NRC initiative to reduce the administrative burden of license renewals for both NRC and licensees, and NRC's goal of streamlining the licensing process. The license renewal process is resource-intensive for both the licensee and NRC. Because the NRC is in contact with the licensees on an ongoing basis, any changes in operations, personnel, facility, equipment, or applicable procedures are identified during the inspection and license amendment process. The AHA agrees the change in license term for medical use of byproduct material would not affect public health and safety, and recognizes that the NRC may issue some licenses for shorter terms, if warranted by the individual circumstances of license applicants. AHA actively supports this change as it reflects the NRC's efforts to move to a more performance-based regulatory approach, where emphasis is placed on the licensee's execution of commitments rather than on re-review of the details of the licensee's program.

Furthermore, AHA recommends that the NRC extend the license term for medical use licenses from five years to ten years as soon as possible to reduce the licensee fees and achieve further cost savings. Previous changes in license terms for material licenses have allowed NRC's licensing resources to be redirected to other areas of the materials program. The extension of license term had reduced the licensee fees for uranium recovery facilities.

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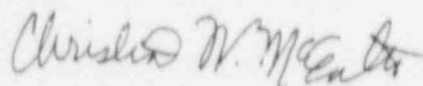
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Previously, AHA has commented on behalf of its members regarding excessive fee increases for medical use licensees even though the NRC had reported that there was a significant decrease in the number of medical licensees. Many of these licensees had discontinued their licenses in 1991 because of the fee increases. With the increase in managed care by public programs, such as Medicare and Medicaid, and health care plans that negotiate discounts, the medical use licensees—hospitals, health systems, and other facilities—can no longer pass on fees to patients in the form of higher charges for health care services.

The AHA appreciates and supports the NRC's business process redesign efforts. A reduction in the administrative burden of license renewals and reduced licensee fees will allow AHA members to redirect their resources to support and implement the NRC's initiative to move to a more performance-based regulatory approach.

Toward this end, AHA recommends that the agency proceed with final rule and extend the license term for medical use licenses from five years to ten years as soon as possible not only to reduce the administrative burden of license renewals, but to reduce the licensee fees and achieve further cost savings. If you have any questions regarding these comments, please do not hesitate to contact Suzanna Hoppszallern, Executive Director, Health Technology Assessment at (312) 422-3830.

Sincerely,



Christine W. McEntee
Executive Vice President
Center for Health Care Leadership