DICKINSON COUNTY HEALTHCARE SYSTEM

DCH

December 8, 2021

VIA FACSIMILE (630) 515-1078

Materials Licensing Branch
U.S. Nuclear Regulatory Commission, Region III
2443 Warrenville Road, Suite 210
Lisle, IL 60532-4352
Attention: Magdalena R. Gryglak

Re: Notice of Change of Name and Ownership of Licensee without Change in Authority over License

Dickinson County Healthcare System; NRC License # 21-18889-01

CHANGE OF CONTROL NOTICE

Dear Ms. Gryglak or to Whom It May Concern:

Dickinson County Healthcare System ("DCHS") currently holds a Materials License issued by the U.S. Nuclear Regulatory Commission ("NRC"), License # 21-18889-01 ("License"). In connection with the License, please accept this letter as notice of a transaction by and between MCHS Hospitals, Inc. ("Marshfield") and DCHS, which is currently contemplated to become effective on or about January 1, 2022. Pursuant to the Transaction, Marshfield will become the sole member of DCHS.

This letter provides a brief description of the contemplated transaction and additional information we believe the NRC may require. Note that , no other changes are requested with respect to the license, and the Transaction will not result in any plans to change: (i) facility operations; (ii) personnel or duties that relate to the License; or (iii) DCHS's location, equipment, facilities, radiation safety program, use, possession, waste management, or other procedures that relate to the License.

While we are providing a description of the Transaction as a courtesy for the NRC, it is our understanding that no further action on either DCHS's or Marshfield's part is required with regard to the License. It is also our understanding that no further action should be required on behalf of the NRC as it relates to the License in connection with this transaction.

1721 South Stephenson Avenue, Iron Mountain MI 49801

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DCHS is a tax exempt membership nonprofit hospital corporation serving the underserved areas and residents of the Upper Peninsula in Michigan. Dickinson County (Michigan) is presently the sole member of DCHS. Currently, DCHS is licensed by NRC to use:

- Byproduct, source, and/or special nuclear material:
  A. Any byproduct matter permitted by 10 CFR 35.100.
  B. Any byproduct matter permitted by 10 CFR 35.200.
  C. Any byproduct matter permitted by 10 CFR 35.300.

In the interest of continuing to provide excellent care to the underserved areas of the Upper Peninsula, DCHS and Marshfield, which is, itself, a holder in good standing of a License for Medical Use of Radioactive Material from the State of Wisconsin Department of Health Services, are exploring a long-term "partnership" that will: (i) provide new opportunities and efficiencies, (ii) further their collective goals related to health reform, and (iii) ensure that the health care needs of the communities served by DCHS continue to be met in the future.

To facilitate this new arrangement, Marshfield will replace the County as sole corporate member of DCHS, through a brief intermediate step process. After the Transaction, DCHS will carry on and operate the hospital in substantially the same manner, including with regard to day-to-day decision making, before the corporate reorganization, as stated above. Consequently, the ultimate control over the license will continue to be vested in DCHS.

In addition to the above description of the Transaction, we are providing the following, consistent with our understanding of additional information the NRC will require to act on this request:

1. ***Description of any changes in personnel or duties that relate to the licensed program, including training and experience for new personnel.***

   There will not be any changes in personnel or duties that relate to the licensed program arising out of the Transaction.

2. ***Description of any changes in organization, location, facilities, equipment or procedures that relate to the licensed program.***

   There will be no changes in organization, location, facilities, equipment or procedures that relate to the licensed program in connection with the Transaction, and the organization, location, facilities, equipment, and procedures that relate to the licensed program will remain intact.

3. ***Description of the status of the surveillance program (surveys, wipe tests, quality control) at the present time and the expected status at the time that control is to be transferred.***

   The surveillance program (surveys, wipe test, quality control) records are complete and up to date. The surveillance program will continue without change following the Transaction. Records of program audits are available for review as are the NRC inspection reports, and there are no open items requiring corrective action.

4. ***Confirmation that all records concerning the safe and effective decommissioning of the facility will be transferred to the transferee or to NRC, as appropriate. These records include documentation of surveys of ambient radiation levels and fixed and/or removable contamination, including methods and sensitivity.***

   DCHS has not decommissioned any facility with respect to its nuclear medicine program and no decommissioning will be performed as a result of the Transaction. All records that would be required for possible future decommissioning will remain at DCHS and be available to assist in performing decommissioning if it becomes necessary.

5. ***Confirmation that the transferee will abide by all constraints, conditions, requirements and commitments of the transferor or that the transferee will submit a complete description of the proposed licensed program.***

   See Attachment A for the confirmation that, when Marshfield becomes the sole member of DCHS, it will continue to cause DCHS to abide by all constraints, conditions, requirements and commitments previously made.

6. ***Provide documentation that the transferor and transferee agree to the change in ownership or control of the licensed material and activity, and the conditions of transfer; and the transferee is made aware of all open inspection items and its responsibility for possible resulting enforcement actions.***

   See Attachment A for the confirmation.

If you have any questions or need further information regarding the Transaction, please feel free to contact Dr. John S. To, Radiation Safety Officer, DCHS, who can be reached at the following phone numbers: 906-774-1313. Dr. John S. To is the current Radiation Safety Officer and will continue in that role following the acquisition of sole membership.

If you have any questions or need further information related to the transaction itself, please feel free to contact Charles Nelson at (906) 776-5502.

Sincerely,

Charles Nelson
President and CEO
Dickinson County Healthcare System

Gordon T. Edwards
Chief Financial Officer
MCHS Hospitals, Inc.

Attachments

ATTACHMENT A

Upon closing the Transaction, Marshfield Clinic Health System, as Transferee of the sole membership interest of Dickinson County Healthcare System(Transferor), agrees and certifies that it will continue to direct the Dickinson County Healthcare System to abide by all constraints, conditions, requirements and commitments of Dickinson County Healthcare System's Nuclear Regulatory Commission License # 21-18889-01.

Transferee has been made aware of all open inspection items and Transferee's responsibility for possible resulting enforcement actions

Dickinson County Healthcare System

By: Charles Nelson
Its: President and CEO

MCHS Hospitals, Inc.

By: Gordon T. Edwards
Its: Chief Financial Officer

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Attorneys & Counselors

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REGION III
ATTN: MAGDALENA R GRYGLAK
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ATTN: MAGDALENA R GRYGLAK
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