



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

REGION III  
2443 WARRENVILLE RD. SUITE 210  
LISLE, IL 60532-4352

January 28, 2022

William Skiles, M.D.  
Radiation Safety Officer  
Norton – King’s Daughters’ Health, Inc.  
1373 East State Road 62  
Madison, IN 47250

SUBJECT: NRC CONSENT TO INDIRECT CHANGE OF CONTROL AND AMENDMENT NO. 27 TO RADIOACTIVE MATERIALS LICENSE NO. 13-18692-01 FOR NORTON – KING’S DAUGHTERS’ HEALTH, INC.

Dear Dr. Skiles:

By letters dated October 20, 2021 and October 25, 2021, The Bethany Circle of King’s Daughters’ Health of Madison, Indiana Inc. d/b/a King’s Daughter’ Health (Licensee) submitted to the U.S. Nuclear Regulatory Commission (NRC) Region III Office a request for written consent to an indirect transfer of control of NRC Materials License No. 13-18692-01. The letters are available electronically from NRC’s Agencywide Documents Access and Management System (ADAMS), the NRC’s electronic document system, at accession nos. ML21295A150 and ML21302A032, respectively. The NRC’s ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. In accordance with Section 184 of the Atomic Energy Act of 1954, as amended (AEA), and Title 10 of the *Code of Federal Regulations* (CFR) CFR 30.34, the NRC consents to the transfer.

The Bethany Circle of King’s Daughters’ Health of Madison, Indiana Inc. d/b/a King’s Daughter’ Health is authorized by the NRC for the possession and use of byproduct material under 10 CFR Part 30. By letters dated October 20, 2021, and October 25, 2021, the Licensee requested written consent to the indirect transfer of control of its license from the NRC. Additional information was provided in letter dated November 29, 2021 (ADAMS accession no. ML21336A320). Because the license was issued under 10 CFR Part 30, “Rules of General Applicability to Domestic Licensing of Byproduct Material,” the NRC must find that the transfer is in accordance with the provisions of the AEA and, if so, must give its consent in writing prior to the transfer, in accordance with Section 184 of the AEA and 10 CFR 30.34(b). Additionally, the NRC staff reviewed the indirect transfer of control request using the guidance in NUREG-1556, Volume 15, Revision 1, “Consolidated Guidance About Materials Licenses – Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses,” dated June 2016.

10 CFR 30.34(b) states:

- (1) No license issued or granted pursuant to the regulations in Parts 30 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.

(2) An application for transfer of license must include:

- (i) The identity, technical and financial qualifications of the proposed transferee; and
- (ii) Financial assurance for decommissioning information required by 10 CFR 30.35.

As described in your October 20, 2021 letter, pursuant to an affiliation agreement, Norton Healthcare-Indiana, Inc. will become the sole corporate member of Bethany Holding, LLC, which is the sole corporate member of the Licensee. Norton Healthcare, Inc. is the sole corporate member of Norton Healthcare, Indiana, Inc. The indirect transfer of control took effect on January 1, 2022, as confirmed in your letter dated January 24, 2022 (ADAMS accession no. ML22026A418). The NRC staff finds that the Licensee's request adequately provides a complete and clear description of the transaction, consistent with 10 CFR 30.34(b) and Chapter 5 and Appendix E of NUREG-1556, Vol. 15, Revision 1. The sufficiency of the description is evaluated below.

The request for an indirect transfer of ownership was posted for public comment on the NRC website for 30 days in accordance with 10 CFR Part 2, Subpart M and as described in NRC's Regulatory Issue Summary 2014-08, Revision 1. No comments were received from members of the public.

The Bethany Circle of King's Daughters' Health of Madison, Indiana Inc. d/b/a King's Daughter' Health is not required to have financial assurance for decommissioning because of the types and amount of material authorized in its license. The NRC staff finds that the Licensee's request adequately provided information for financial assurance for decommissioning, consistent with 10 CFR 30.34(b) and Chapter 5 and Appendix E of NUREG-1556, Vol. 15, Revision 1.

Further, the NRC most recently conducted an inspection of the Licensee on July 19, 2019. No violations of NRC requirements were identified.

Additionally, as described in the correspondence, Norton Healthcare - Indiana, Inc. commits that it:

- A. will abide by all constraints, conditions, requirements and commitments of License No. 13-18692-01;
- A. will not change the radiation safety officer listed in the license;
- B. will not change personnel involved in licensed activities;
- C. will not change the locations, facilities, and equipment authorized in the NRC license;
- D. will not change the radiation safety program authorized in the NRC license; and
- E. will maintain records important to decommissioning as required by NRC regulations.

Based on these commitments, the NRC staff finds that the Licensee's request adequately documents the constraints, license conditions, requirements, representations, and commitments made by the transferee, consistent with 10 CFR 30.34(b) and Chapter 5 and Appendix E of NUREG-1556, Vol. 15, Revision 1.

The NRC staff used the guidance provided by the NRC's Office of Nuclear Material Safety and Safeguards' "Checklist to provide a basis for confidence that radioactive materials will be used as specified on the application," dated January 29, 2019. 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. Therefore, for security purposes, Norton Healthcare – Indiana, Inc. is considered to be a known entity. Its parent company, Norton Healthcare, Inc. is a

sole corporate member of Norton Hospitals, Inc. Norton Hospital, Inc. holds numerous radioactive material licenses in the State of Kentucky.

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

In conclusion, the staff has reviewed the request for an indirect transfer of control of License No. 13-18692-01. The NRC staff finds that the transfer of control is in accordance with Section 184 of the AEA and 10 CFR 30.34(b) and consents to the transfer.

Enclosed is Amendment No. 27 to your NRC Material License No. 13-18692-01 in accordance with your confirmation that the transfer has been completed as described in letter dated January 24, 2022. Please review the enclosed document carefully and be sure that you understand all conditions. If there are any errors or questions regarding any of the documents or this letter, please contact me at (630) 829-9875, or by e-mail at Magdalena.Gryglak @nrc.gov so that we may provide appropriate corrections and answers.

You will be periodically inspected by NRC. Failure to conduct your program in accordance with NRC regulations, license conditions, and representations made in your license application and supplemental correspondence with NRC will result in enforcement action against you. This could include issuance of a notice of violation, or imposition of a civil penalty, or an order suspending, modifying or revoking your license as specified in the General Statement of Policy and Procedure for NRC Enforcement Actions. Since serious consequences to employees and the public can result from failure to comply with NRC requirements, prompt and vigorous enforcement action will be taken when dealing with licensees who do not achieve the necessary meticulous attention to detail and the high standard of compliance which NRC expects of its licensees.

The NRC's Safety Culture Policy Statement became effective in June 2011. While a policy statement and not a regulation, it sets forth the agency's expectations for individuals and organizations to establish and maintain a positive safety culture. You can access the policy statement and supporting material that may benefit your organization on NRC's safety culture Web site at <http://www.nrc.gov/about-nrc/regulatory/enforcement/safety-culture.html>. We strongly encourage you to review this material and adapt it to your particular needs in order to develop and maintain a positive safety culture as you engage in NRC-regulated activities.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice and Procedure," a copy of this letter and its enclosure will be available electronically for public inspection in the NRC Public Document Room or from NRC's ADAMS.

Sincerely,

Magdalena R. Gryglak  
Health Physicist  
Materials Licensing Branch

Docket No. 030-14051  
License No. 13-18692-01

Enclosure: Amendment No. 27