

January 10, 2005

J-1

United States Nuclear Regulatory Commission
Region I
DNMS-LAT
475 Allendale Road
King of Prussia, PA 19406-1415

03020156

Re: License No. 45-23001-01

Dear Sir or Madam:

We are writing with regard to the materials license currently on file for Bon Secours St. Mary's Hospital, Inc. ("BSSM") (license # 45-23001-01, the "NRC license"). Pursuant to NUREG-1556, we are providing the Nuclear Regulatory Commission (the "NRC") with the following information as required:

5.1 - Description of Transaction:

BSSM currently operates Bon Secours St. Mary's Hospital in Norton, Virginia (the "Hospital"). BSSM is a party to that certain asset purchase agreement dated November 9, 2004 (the "Purchase Agreement"), pursuant to which certain assets held by BSSM will be sold to Health Management Associates, Inc., or a designated direct or indirect subsidiary thereof (collectively "HMA"). The parties anticipate closing the transactions contemplated by the Purchase Agreement on January 31, 2005 (the "Closing"). After Closing, HMA will operate the Hospital, which will be renamed Wise Regional Medical Center. All licenses for operation of the Hospital, including the NRC license will be held by:

Norton HMA, Inc.
Third Street
Norton, Virginia 24273

5.2 - Change of Personnel:

At the time of the transfer, HMA does not intend to change or add new personnel, or otherwise alter the duties of existing personnel, having control over licensed activities. Kathleen A. DePonte, M.D. will remain the Radiation Safety Officer for the Hospital and Madge Kiser will continue in the position of Chief Radiologic Technician.

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5.3 - Changes of Location, Equipment & Procedures:

At the time of the transfer, the organization exercising control of the licensed program will no longer be BSSM, but will be HMA. Thereafter, the Hospital will operate under the name Wise Regional Medical Center. The NRC License should be amended to reflect this name change. All of the equipment covered by the NRC License will remain at its present location. The operators, procedures, location, and facilities associated with that equipment will remain the same. There will not be any change in the personnel associated with the NRC License requiring license amendment or notification, even without a change in control.

5.4 - Surveillance Records:

BSSM has performed and documented all surveillance activities required under the NRC License. BSSM has reviewed the pertinent surveillance records and determined that they are current and will be so at the time of the transfer. At the time of the transfer, there will not be any outstanding surveillance items.

5.5 - Decommission and Related Records Transfers:

All decommission and related records required to be maintained by BSSM under the NRC License will be transferred to HMA at Closing. As the transferee, HMA will be responsible for maintaining such records until such time as the NRC License is terminated, or at such time when HMA is no longer the licensee. BSSM has documented the ambient radiation levels of the licensed facilities using a Ludlum 14c GM with 44-9 CE pancake detector, range x0.1-0.2 mr/hr, x1,000-2,000 mr/hr and a Victoreen 498 GM with 44-9 CE pancake detector range x1-1 mr/hr, 1 r/hr - 1,000 mr/hr for area surveys, along with a weekly wipe test using an Adamlab 950 well counter. Findings are in accordance with NRC guidelines with very low levels of radiation noted on recent NRC inspection. Neither BSSM nor HMA is aware of any contamination existing at the time of this letter. No decontamination efforts will be necessary at the time of transfer as there will not be any decommissioning prior to the transfer.

5.6 - Transferee's Commitment to Abide by the Transferor's Commitments:

As the transferee, HMA agrees to abide by all constraints, conditions, requirements, representations, and commitments made to the NRC by BSSM pursuant to the NRC license. At this time, neither BSSM nor HMA is aware of any unresolved inspection or enforcement issues requiring written confirmation by HMA.

If further information is needed, please do not hesitate to call Kim Ruark of Jones Day at 404-581-8522. Thank you for your time and consideration.

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If further information is needed, please do not hesitate to call Kim Ruark of Jones Day at 404-581-8522. Thank you for your time and consideration.


Sincerely,

BON SECOURS ST. MARY'S HOSPITAL, INC.



Lowell Jones, Chief Executive Officer

NORTON HMA, INC.



Name: Timothy R. Parry
Title: Service President

This is to acknowledge the receipt of your letter/application dated

1/10/2005, and to inform you that the initial processing which includes an administrative review has been performed.

☒ AMEND. 45-23001-01
There were no administrative omissions. Your application was assigned to a technical reviewer. Please note that the technical review may identify additional omissions or require additional information.

☐ Please provide to this office within 30 days of your receipt of this card

A copy of your action has been forwarded to our License Fee & Accounts Receivable Branch, who will contact you separately if there is a fee issue involved.

Your action has been assigned Mail Control Number 136287.
When calling to inquire about this action, please refer to this control number.
You may call us on (610) 337-5398, or 337-5260.

BETWEEN:

License Fee Management Branch, ARM
and
Regional Licensing Sections

: (FOR LFMS USE)
: INFORMATION FROM LTS
: -----
:
: Program Code: 02120
: Status Code: 0
: Fee Category: 7C
: Exp. Date: 20140930
: Fee Comments: CODE 23
: Decom Fin Assur Req'd: N
: ::::::::::::::::::::::::::::::::::::::

LICENSE FEE TRANSMITTAL

A. REGION *I*

1. APPLICATION ATTACHED

Applicant/Licensee: BON SECOURS ST. MARY'S HOSP., INC.
Received Date: 20050113
Docket No: 3020156
Control No.: 136287
License No.: 45-23001-01
Action Type: Amendment

2. FEE ATTACHED

Amount: _____
Check No.: _____

3. COMMENTS

Signed *M.A. Perkins*
Date *4/6/05*

B. LICENSE FEE MANAGEMENT BRANCH (Check when milestone 03 is entered /___/)

1. Fee Category and Amount: _____

2. Correct Fee Paid. Application may be processed for:

Amendment _____
Renewal _____
License _____

3. OTHER _____

Signed _____
Date _____