

# LIFEPOINT HEALTH

July 1, 2015

Materials Licensing Branch  
U.S. Nuclear Regulatory Commission, Region III  
2443 Warrenville Rd., Suite 210  
Lisle, Illinois 60532-4352

Re: Clark Memorial Hospital - Transfer of Control of NRC License No. 13-12367-01

Dear Sir or Madam:

In accordance with 10 C.F.R. §30.34(b) and Volume 15 of NUREG-1556, please accept this letter as an official notice to the Nuclear Regulatory Commission ("NRC") that RHN Clark Memorial Hospital, LLC ("Buyer") intends to acquire substantially all of the assets that are used in the operation of Clark Memorial Hospital, a 241-bed acute care hospital located at 1220 Missouri Avenue, Jeffersonville, Indiana 47130 (the "Hospital"), from Clark Memorial Hospital, an Indiana County Hospital existing under the laws of the State of Indiana ("Seller"). The parties anticipate that this transaction will be effective as of 12:01 AM Eastern Daylight Time on August 1, 2015 (the "Proposed Effective Date"). In connection with the transaction, the parties request the NRC's written consent to transfer the Hospital's Nuclear Materials License Number 13-12367-01 (the "Nuclear Materials License") from Seller to Buyer. For your convenience, we have attached a copy of the Hospital's Nuclear Materials License.

In addition, below please find the following information related to this transaction:

1. **Provide a complete description of the transaction (transfer of stocks or assets, or merger). Indicate whether the name has changed and include the new name. Include the name and telephone number of a licensee contact who NRC may contact if more information is needed.**

On February 23, 2015, The Regional Healthcare Network of Kentucky and Southern Indiana, LLC, a Delaware limited liability company and joint venture between LifePoint Health, Inc. and Norton Healthcare, Inc. ("RHN"),<sup>1</sup> entered into a Memorandum of Understanding with Seller pursuant to which, and as will be set forth in more detail in an Asset Purchase Agreement being negotiated between the parties, we, as the Buyer (EIN 47-4000401), a Delaware limited liability company and wholly-owned subsidiary of RHN, will acquire from Seller substantially all of the assets that are used in the operations the Hospital, together with the businesses and facilities ancillary thereto (the "Transaction"). It is anticipated that the Transaction will close, effective as of the Proposed Effective Date.

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<sup>1</sup> The sole members of RHN are Norton Enterprises, Inc., a Kentucky corporation and an indirect, wholly-owned affiliate of Norton Healthcare, Inc., a Kentucky non-profit corporation, and Norton Partner, LLC, a Delaware limited liability company and an indirect, wholly-owned subsidiary of LifePoint Health, Inc., a Delaware corporation.

Following closing, we intend to operate the Hospital under its current licensed name, Clark Memorial Hospital. It is not expected that the Transaction will affect the policies, operations, facilities or equipment of the Hospital with respect to its radioactive materials licensed activities.

Following the Transaction, Damion Hazlett, M.D. is expected to become an employee of the Buyer and will remain the Radiation Safety Officer. His contact information is (812) 283-2115.

2. **Describe any changes in personnel or duties that relate to the licensed program. Include training and experience for new personnel.**

No changes in personnel responsible for the Hospital's radiation safety program, the radiation safety officer, the authorized users, or any other persons identified on the license or in the license application as having responsibility for radiation safety or authorized to use licensed materials are expected to occur as a result of the Transaction.

3. **Describe any changes in the organization, location, facilities, equipment or procedures that relate to the licensed program.**

Other than the change of corporate ownership described in item #1, it is not anticipated that the Transaction will result in any changes in organization, locations, facilities, equipment or procedures that relate to the activities conducted under the Hospital's Nuclear Materials License.

4. **Describe 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.**

Seller provides assurances that all records are accurate and up to date according to NRC requirements. The last completed survey occurred December 30, 2014 by Daves & Kelly, Inc., which concluded that the Hospital was in compliance with presently accepted standards of radiation safety. Radiation physicists conduct semi-annual surveys. It is expected that the current status of the surveillance program and schedule of surveys will continue unchanged after the Transaction.

5. **Confirm 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.**

Per Seller, and in accordance with condition 14 of the Hospital's Nuclear Materials License, the Hospital maintains possession below limits such that decommissioning is not necessary. Buyer provides assurances that possession will continue below possession limits following the Transaction. All records will be transferred to Buyer on the Proposed Effective Date and will remain on the Hospital's premises. Seller provides assurances that all surveys and wipe tests indicate that there is no contamination of the facility or equipment. Should any contamination occur prior to the Proposed Effective Date, it will be the responsibility of Seller to decontaminate. Should any contamination occur on or after the Proposed Effective Date, it will

be the responsibility of Buyer to decontaminate.

6. **Confirm 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.**

By signature below, Buyer commits, as of the Proposed Effective Date, to abide by all constraints, conditions, requirements, representations, and commitments identified in and attributed to the existing Nuclear Materials License as issued to the Hospital. Seller provides assurances that there are no open violations. Should any violations be identified prior to the Transaction, Seller agrees that it will take full responsibility for such items and/or any resulting enforcement actions.

If you have questions or require additional information about this notice, please contact Kevin A. Page, Esquire of Waller Lansden Dortch & Davis, LLP, Nashville City Center, 511 Union Street, Suite 2700, Nashville, Tennessee 37219, who can be reached by phone at (615) 850-8892 or e-mail at [Kevin.Page@wallerlaw.com](mailto:Kevin.Page@wallerlaw.com).

Sincerely,

A handwritten signature in black ink, appearing to read "S. Raplee".

Scott Raplee  
President  
RHN Clark Memorial Hospital, LLC

## Shaffer, Vered

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**From:** Kevin Page <Kevin.Page@wallerlaw.com>  
**Sent:** Thursday, July 02, 2015 10:43 AM  
**To:** Shaffer, Vered  
**Subject:** [External\_Sender] RE: RE: Change of Ownership for Clark Memorial Hospital  
**Attachments:** NRC Buyers Notice Ltr.pdf

Vared,

As requested, please see attached notice from RHN Buyer. Please let me know if you need anything else.

Hope you have a Happy Fourth!

Kevin A. Page  
615.850.8892  
kevin.page@wallerlaw.com

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**From:** Shaffer, Vered [mailto:Vered.Shaffer@nrc.gov]  
**Sent:** Tuesday, June 30, 2015 6:58 AM  
**To:** Kevin Page  
**Subject:** RE: RE: Change of Ownership for Clark Memorial Hospital

Good morning Kevin,

I think the issue is that it is generic. A statement that says, "We, RHN, have entered into a memorandum of understanding...." "We will acquire all of the assets...." And "Damion Hazlett, M.D., will become an employee of RHN and will remain the Radiation Safety Officer...." It needs to be clear that the voice speaking is the buyer.

I hope that helps!  
Vered

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**From:** Kevin Page [mailto:Kevin.Page@wallerlaw.com]  
**Sent:** Monday, June 29, 2015 1:31 PM  
**To:** Shaffer, Vered  
**Subject:** [External\_Sender] RE: Change of Ownership for Clark Memorial Hospital

Vered,

Quick question regarding buyer's notice. I believe you noted on our call this a.m. that we might need to tweak Q.1 (description of transaction) when preparing the buyer's responses. In looking through that section, I'm not sure exactly what information you would like tweaked. The description is pretty generic and not intended to be tailored to either buyer or seller. When you have time, would you mind clarifying what it is you're looking for in Q.1?

Thanks!

Kevin A. Page

615.850.8892  
[kevin.page@wallerlaw.com](mailto:kevin.page@wallerlaw.com)

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**From:** Shaffer, Vered [<mailto:Vered.Shaffer@nrc.gov>]  
**Sent:** Monday, June 29, 2015 10:05 AM  
**To:** Kevin Page  
**Subject:** Change of Ownership for Clark Memorial Hospital

Hi Kevin,

Thanks for speaking with me regarding the additional information I requested for the change of ownership for Clark Memorial Hospital, NRC License 13-12367-01. Below is my contact information. You can either fax me the additional information or scan it and email it to me.

Thanks!  
Vered

Vered Anzenberg Shaffer, Ph.D.  
Health Physicist

U.S. Nuclear Regulatory Commission, Region III  
Division of Nuclear Materials Safety  
Materials Licensing Branch  
[vered.shaffer@nrc.gov](mailto:vered.shaffer@nrc.gov)  
630-829-9862 (Office)  
630-515-1078 (Fax)

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