

SAFETY EVALUATION REPORT
PROPOSED CHANGE OF CONTROL FOR BYPRODUCT MATERIALS LICENSE
NUMBER 21-35150-01, *Associated Physicians Group, P.L.C.*

DATE: September 5, 2018

DOCKET NO.: 030-38743

LICENSE NO.: 21-35150-01

LICENSEE: Associated Physicians Group, P.L.C.
1695 W. 12 Mile Road, Suite 200, Berkley, Michigan 48072

TECHNICAL REVIEWER: Magdalena R. Gryglak, Materials Licensing Branch, Division of
Nuclear Materials Safety

SUMMARY AND CONCLUSIONS

Associated Physicians Group, P.L.C. ("the transferor") is authorized by NRC License No. 21-35150-01 for the possession and use of byproduct material for diagnostic imaging in humans. The U.S. Nuclear Regulatory Commission (NRC) staff reviewed a request for consent to a direct license transfer submitted by the licensee that will result from the purchase by Dearborn Cardiology ("the transferee"). The direct transfer of control is described in letters dated June 18, 2018, and August 20, 2018 (Agency Documents Access and Management System (ADAMS) Accession Nos. ML18198A084 and ML18232A163, respectively).

The request for consent was reviewed by NRC staff for direct change in control of a Title 10 *Code of Federal Regulations* (CFR) Part 30 license 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. The NRC staff finds that the information submitted by the licensee sufficiently describes and documents the transaction and commitments made by the transferor and the transferee.

As required by 10 CFR 30.34 and section 184 of the Atomic Energy Act of 1954, as amended (the Act), NRC staff has reviewed the application and finds that the proposed change in control is in accordance with the Act. The staff finds that, after the change of control, the licensee will remain qualified to use byproduct material for the purpose requested, and will continue to have the equipment, facilities, and procedures needed to protect public health and safety, and to promote the security of licensed material.

SAFETY AND SECURITY REVIEW

According to data obtained from the NRC's Web Based Licensing System, Associated Physicians Group, P.L.C. has been an NRC licensee since April 12, 2017. No NRC inspections were conducted at the facility since April 12, 2017. However, the NRC conducted an inspection of the facility on February 20, 2015, while the license was under control of Associates in Medicine, P.C. No violations of NRC requirements were identified during the inspection.

The commitments made by the transferee and the transferor state that Dearborn Cardiology:

- A. will amend NRC License no. 21-35304-01 to incorporate NRC License No. 21-35150-01 into the existing radiation safety program for Dearborn Cardiology prior to termination of License No. 21-35150-01.
- B. will not change the Radiation Safety Officer listed in the NRC license;
- C. will not change the personnel involved in licensed activities;
- D. will not change the locations, facilities, and equipment authorized in the NRC license;
- E. will not change the radiation safety program authorized in the NRC license; and
- F. will keep regulatory required surveillance records and decommissioning records.

The transferee, Dearborn Cardiology, currently possesses active NRC license No. 21-35304-01. Therefore, for security purposes, Dearborn Cardiology is considered a known entity following the guidance provided by the NRC's Office of Federal and State Materials and Environmental Management Programs (FSME) "Checklist to provide a basis for confidence that radioactive materials will be used as specified on the license," September 3, 2008 revision (basis-for-confidence checklist). The purpose of the basis-for-confidence 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.

Dearborn Cardiology is not required to have decommissioning financial assurance based on the types and amount of material authorized by License No. 21-35304-01.

REGULATORY FRAMEWORK

Associated Physicians Group, P.L.C's License No. 21-35150-01, was issued under 10 CFR Part 30, Rules of General Applicability to Domestic Licensing of Byproduct Material. The Commission is required by 10 CFR 30.34 to determine if the change of control is in accordance with the provisions of the Act and give its consent in writing.

10 CFR 30.34(b) states: "No license issued or granted pursuant to the regulations in this part and parts 31 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."

As previously indicated, the staff evaluation is based on guidance in NUREG-1556, Volume 15, Revision 1. As discussed in NUREG-1556, Volume 15, Revision 1, NRC is generally using the term "change of control" rather than the statutory term "transfer" to describe the variety of

events that could require prior notification and written consent of the NRC. The central issue is whether the authority over the license has changed. Associated Physicians Group, P.L.C.'s request for consent describes a direct change of control resulting from a sale between Associated Physicians Group P.L.C and Dearborn Cardiology and, as such, the transfer requires NRC consent.

DESCRIPTION OF TRANSACTION

In letters dated June 18, 2018, and August 20, 2018, Associated Physicians Group, P.L.C. ("the transferor") notified the U.S. Nuclear Regulatory Commission that Dearborn Cardiology ("the transferee") intends to purchase its assets by sale. The transaction is described in ADAMS Accession Nos. ML18198A084 and ML18232A163. After the transferee purchases the transferor's assets, Dearborn Cardiology will remain in control of all licensed activities under License No. 21-35304-01. The NRC staff finds that the request for consent adequately provides a complete and clear description of the transaction, and is consistent with the guidance provided in NUREG-1556, Volume 15, Revision 1.

TRANSFEE'S COMMITMENT TO ABIDE BY THE TRANSFEROR'S COMMITMENTS

The NRC staff finds that the commitments and information submitted by Associated Physicians Group, P.L.C. and Dearborn Cardiology in letters dated June 18, 2018 and August 20, 2018 are consistent with the guidance outlined in NUREG-1556, Volume 15, Revision 1.

ENVIRONMENTAL REVIEW

An environmental assessment for this action is not required since this action is categorically excluded under 10 CFR 51.22(c)(14)(xi).

CONCLUSION

The staff has reviewed the request for consent submitted by Associated Physicians Group, P.L.C. ("the transferor") and Dearborn Cardiology ("the transferee"), with regard to a transfer of control of byproduct materials License No. 21-35150-01. The staff has found that the transfer of control has no significant impact on public health and safety. Accordingly, the staff approves the request for consent to a transfer of control pursuant to 10 CFR 30.34(b).

Submitted information sufficiently describes the transaction, and documents both the licensee and the transferee understanding of the license and commitments. Since the change in control does not affect licensed facilities or personnel directly involved in licensed activities, staff finds that the request demonstrates that the licensee personnel have experience and training sufficient to properly implement and maintain the license. The staff further finds that the licensee and the transferee have committed to maintain existing records, and abide by all existing commitments to the license, consistent with the guidance in NUREG-1556, Volume 15, Revision 1.

In accordance with the above analysis, the staff concludes that the change in control would not alter previous findings, that licensed operations will not be inimical to the common defense and security, or to the health and safety of the public.