

**SAFETY EVALUATION REPORT
PROPOSED TRANSFER OF CONTROL FOR BYPRODUCT MATERIALS LICENSE
NUMBER 47-17058-01, COMMUNITY HEALTH ASSOCIATION D/B/A JACKSON
GENERAL HOSPITAL**

DATE: September 9, 2019

DOCKET NO.: 03012119

LICENSE NO.: 47-17058-01

LICENSEE: Community Health Association
d/b/a Jackson General Hospital
P.O. Box 720
Ripley, West Virginia 25271-0720

TECHNICAL REVIEWER: Robert Gallagher

SUMMARY AND CONCLUSIONS

Community Health Association, d/b/a Jackson General Hospital (Jackson General), is authorized by U.S. Nuclear Regulatory Commission (NRC) License Number 47-17058-01 for the possession and use of byproduct material for the purpose of medical diagnosis. The NRC staff reviewed a request for consent to a proposed indirect transfer between West Virginia University Hospitals, Inc. (WVUH) and Jackson General. In the indirect transfer, WVUH will become the sole corporate member of Jackson General, which will neither change its legal name, doing business as name, or mailing address nor will the membership change result in any immediate change to the officers, managers, or directors of the licensee.

The direct transfer of control is described in Agency Documents Access and Management System (ADAMS) package accession number ML19046A295, which includes letter dated February 1, 2019 (ML19217A115) and letter dated April 10, 2019 (ML19046A296).

The NRC staff reviewed the request for consent for a direct change of control of a 10 CFR Part 30 license using the guidance in NUREG 1556, Volume 15, Rev. 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 Jackson General sufficiently describes and documents the transaction and commitments made by WVUH.

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 transfer of control is in accordance with the Act. The staff finds that Jackson General remains qualified to use byproduct material for the purpose requested and will have the equipment, facilities, and procedures needed to protect public health and safety and promote the common defense and security.

SAFETY AND SECURITY REVIEW

According to data obtained from the NRC's Web Based Licensing System, Jackson General has been authorized to use byproduct material for medical purposes since September 13, 1976. The NRC conducted a main office inspection of Jackson General Hospital on February 19, 2019 and did not identify any violations during this inspection. As stated in commitments submitted to the NRC, WVUH:

- A. will not change the radiation safety officer listed in the NRC license issued to Community Health Association d/b/a Jackson General Hospital (License No. 47-17058-01);
- B. will not change the 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;
- E. will not change the organization's name listed in the NRC license; and
- F. will keep required surveillance records and decommissioning records.

WVUH has a valid Medical Broad Scope license first issued by the NRC on April 9, 1985 (License No. 47-23066-02). Therefore, for security purposes, WVUH is considered a known entity following the guidance provided by the NRC's Office of Nuclear Material Safety and Safeguards (NMSS) "Checklist to provide a basis for confidence that radioactive materials will be used as specified on the license," September 3, 2008 revision (Checklist). The purpose of the 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.

Jackson General is not required to have decommissioning financial assurance based on the types and amount of material authorized in License No. 47-17058-01. Under the proposed transfer, WVUH will assume the assets and liabilities of the transferor Jackson General.

REGULATORY FRAMEWORK

The NRC issued Jackson General's License No. 47-17058-01 under 10 CFR Part 30, Rules of General Applicability to Domestic Licensing of Byproduct Material. The NRC is required by 10 CFR 30.34(b) to determine if the transfer of control is in accordance with the provisions of the Act and, if so, give its consent to the transaction in writing.

10 CFR 30.34(b)(1) 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, Rev. 1. The central issue is whether the authority over the license has changed. Jackson General's request for consent describes an indirect transfer of control resulting from a plan to enter into an Agreement and Plan of Affiliation. As a result of the Agreement and Plan of Affiliation, WVUH will become the sole member of Jackson General, who will not change its legal name, doing business as name, or mailing address. Likewise, the Agreement and Plan of Affiliation will not result in any immediate change to the officers, managers, or directors of the licensee.

DESCRIPTION OF TRANSACTION

The indirect transfer of control is described in Agency Documents Access and Management System (ADAMS) package accession number ML19046A295, which includes letter dated February 1, 2019 (ML19217A115) and letter dated April 10, 2019 (ML19046A296).

Jackson General and WVUH plan to enter into an Agreement and Plan of Affiliation whereby WVUH will become the sole corporate member of Jackson General. 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 Appendix E of NUREG-1556, Volume 15, Rev. 1.

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

The NRC staff finds that the information submitted by West Virginia University Hospitals, Inc. sufficiently describes and documents the commitments made by both parties and is consistent with the guidance in NUREG-1556, Volume 15.

ENVIRONMENTAL REVIEW

An environmental assessment for this action is not required because this approval of the described transfer of control and the associated administrative license amendment are categorically excluded under 10 CFR 51.22(c)(21).

CONCLUSION

The staff has reviewed the request for transfer of control with regard to a transfer of control of byproduct materials License No. 47-17058-01 and, pursuant to 10 CFR 30.34(b), consents to the indirect transfer of control.

Consistent with the guidance in NUREG-1556, Volume 15, Revision 1, the submitted information sufficiently describes the transaction, documents the understanding of the license and commitments; demonstrates that personnel have the experience and training to properly implement and maintain the license and that they will maintain the existing records. The submitted information also demonstrates that the transferee will abide by all existing commitments to the license, consistent with the guidance in NUREG-1556, Volume 15.

Therefore, the NRC staff concludes that the proposed transfer of control would not alter the previous findings, made under 10 CFR Part 30, that licensed operations will not be inimical to the common defense and security, or to the health and safety of the public.