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December 17, 1992

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Secretary Samuel J. Chilk
U.S. Nuclear Regulatory Commission
Washington, DC 20555
Attn: Docketing and Service Branch
Docket No. PRM-170-3

Re: Nuclear Regulatory Commission; American College of Nuclear Physicians and Society of Nuclear Medicine; Request for Comment on a Petition for Rulemaking; 57 Federal Register, No. 198, October 13, 1992, 46818-46819.

Dear Mr. Chilk,

Fairfax Hospital is one of the largest not-for-profit providers of health care services in the metropolitan Washington D.C. area. As a not-for-profit provider of Nuclear Medicine services, and a current licensee from the Nuclear Regulatory Commission, Fairfax Hospital welcomes the opportunity to respond to the aforementioned petition for rulemaking on licensing, inspection, and annual fees charged to licensees.

Licensure fees continue to have an increasing effect on our hospital. During fiscal year ending 1991, Fairfax Hospital spent \$5,100 on licensure fees to the NRC. In 1992, Fairfax Hospital spent 10,400 on licensure, amendment, and inspection fees. This represents a cost increase of over 200%. Moreover, these fees are generally considered non-reimbursable costs of nuclear medicine. Consequently, in an era of cost-cutting measures in the health care industry, this is an additional expense which we must absorb.

In 1992, the NRC informed health care providers that a 20-percent increase in fees would be levied upon them, in order to implement a quality assurance program. Fairfax Hospital supports the petitioners' request that the NRC decrease its FY 1993 budget attributable to materials licenses by scaling back this quality assurance program to focus on those procedures that have the highest risk for causing harm to patients.

Fairfax Hospital believes that not-for-profit medical institutions should be exempted from licensure and inspection fees. Currently the NRC provides this exemption for educational institutions, due to their inability to pass licensure fees on to the public, and because educational institutions serve the public health and welfare as well as provide "unique contributions to society." This interpretation ignores many of the fundamental similarities between not-for-profit health care providers and educational institutions.

First, as previously mentioned, licensure fees are non-reimbursable expenses that not-for-profit hospitals, like educational institutions, must absorb. Second, as with educational institutions, not-for-profit health care facilities contribute to the public health and welfare through their contributions to

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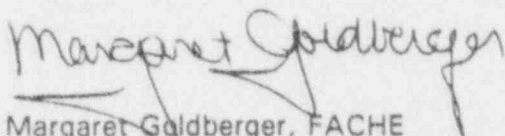
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community health care and other programs. During FY 1991, Inova Health Care Systems, Fairfax Hospital's parent organization, provided over 130 million dollars worth of health care services to patients without insurance coverage, as well as patients covered by Medicaid, Medicare and other public programs for which we were not fully reimbursed. In addition, Fairfax Hospital provides a comprehensive OB-GYN Clinic for our community. During 1991, over 3000 women were treated in more than 22,000 visits. We believe that these services are provided for the public health and welfare and are equally as significant as the "unique role" that the NRC equates to educational institutions.

Fairfax Hospital believes that the NRC should be required to demonstrate the need to regulate not-for-profit health care institutions. In January of 1990, the American Hospital Association, AHA, submitted a letter to the NRC expressing their concerns over the proposed quality assurance program. As you are aware, that letter requested the NRC to demonstrate a valid and justifiable need for health care facility regulation. Fairfax Hospital joins the AHA's request that a re-evaluation of the quality assurance program be conducted including the factors mentioned in that letter and in response to NRC's experience implementing its quality assurance program during the past year.

In closing, Fairfax Hospital would like to thank the NRC for this opportunity to participate in the ACNP/SNP petition. We believe that an exemption should be granted for not-for-profit medical institutions that provide valuable contribution to public health and welfare. As part of this, Fairfax Hospital respectfully requests that the NRC demonstrate the implementation of its quality assurance program and the costs needed to fund this program before additional budgetary increases are imposed upon not-for-profit health care facilities in the forthcoming years. If you have any questions regarding our comments or concerns, please contact my office at 703-698-3143.

Respectfully yours,



Margaret Goldberger, FACHE
Assistant Administrator, Professional Services

cc: Everett M. Devaney, FACHE, Sr. Vice President, IHS/Administrator, Fairfax Hospital
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