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February 21, 1997

John Betjeman  
Chief Executive Officer  
Methodist Hospital of Gary, Inc.  
600 Grant Street  
Gary, IN 46402

SUBJECT: NRC INSPECTION AND NOTICE OF VIOLATION

Dear Mr. Betjeman:

This refers to the inspection conducted on January 17, 1997 (with continued NRC in-office review through January 29, 1997) at Methodist Hospital of Gary, Inc., in Gary and Merrillville, Indiana. The purpose of the inspection was to determine whether activities authorized by the license were conducted safely and in accordance with NRC requirements. At the conclusion of the inspection, the findings were discussed with members of your staff.

The inspection was an examination of activities conducted under your license as they relate to radiation safety and to compliance with the Commission's rules and regulations and with the conditions of your license. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, independent measurements and observation of activities in progress.

In addition to the above areas, the inspector examined actions described in your letter dated December 14, 1993, regarding violations identified during our June 30, 1993 inspection. We have no further questions regarding these matters.

Based on the results of this inspection, the NRC has determined that violations of NRC requirements occurred. The violations are cited in the enclosed Notice of Violation (Notice). A written response is required.

Notwithstanding the guidance contained in Section VII. of the NRC's Enforcement Policy, which allows the NRC to use discretion and not cite minor violations which are self-identified, we are issuing Violation No. 1 of the enclosed Notice. The violation was not corrected within a reasonable period of time.

We are concerned that despite self-identification of Violation No. 1 in October 1993 and subsequent discussions of the violation during your Radiation Safety Committee Meetings on October 5, 1993 and December 14, 1993, you failed to correct the violation until August 1994. Be advised that pursuant to 10 CFR 35.21, the licensee, through the Radiation Safety Officer (RSO), is responsible for ensuring that radiation safety activities are being performed in accordance with approved procedures and regulatory requirements in the daily operation of the licensee's byproduct material program. Successful oversight

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enables licensees to: (1) self-identify problems/weaknesses; (2) implement prompt, effective corrective actions; and (3) monitor the effectiveness of the corrective actions taken to prevent recurrence. Please address this concern by providing a description of the actions taken or planned to ensure that self-identified violations are promptly corrected.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter, the enclosure, and your response to this letter will be placed in the NRC Public Document Room (PDR). To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be placed in the PDR without redaction.

Sincerely,

Original Signed by Roy J. Caniano

Cynthia D. Pederson, Director  
Division of Nuclear Materials Safety

License No.: 13-16558-01  
Docket No.: 030-11234

Enclosure: Notice of Violation

bcc w/enc: PUBLIC  
B. Clayton, EICS

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