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January 28, 2022

Carol Hill  
U.S. Nuclear Regulatory Commission  
Region IV  
1600 E. Lamar Blvd.  
Arlington, TX 76011-4511  
Carol.Hill@nrc.gov

Mail Control Number: 630191  
Docket Number : 3012143  
License Number : 25-13173-02  
Licensee Name : St. James Healthcare

Re: Notice to the Nuclear Regulatory Commission of Potential Transfer of Control

Dear Ms. Hill;

We are writing to you on behalf of St. James Healthcare, a Montana nonprofit corporation (the "Hospital"), License number 25-13173-02, to inform you of a potential transfer of control pursuant to Title 10 of the Code of Federal Regulations (10 CFR) Part 30.34(b).

As described in greater detail below, we do not believe that the impending transaction between the Hospital's parent entity, the Sisters of Charity of Leavenworth Health System, Inc. d/b/a SCL Health, a Kansas not-for-profit corporation ("SCL Health") and Intermountain Health Care, Inc., a Utah nonprofit corporation ("Intermountain") qualifies as a transfer of control. Notwithstanding this, the Hospital respectfully submits this letter and enclosures pursuant to 10 C.F.R. § 30.34(b) and the guidance set forth in NUREG-1556 Volume 15.

I. **Description of Transaction**

A. **Planned Changes in Organization**

As you may be aware, SCL Health is the sole corporate member of the Hospital, and the parent entity of a non-profit health system primarily in Colorado and Montana. Prior to the transaction, SCL Health's corporate members were the duly appointed members of Leaven Ministries (an unincorporated entity authorized by the Catholic Church and a Public Juridic Person with authority to carry out the health related ministries of SCL Health and its Catholic entities) of which there are currently six (6) (the "Leaven Members").

Pursuant to a Merger Agreement between SCL Health and Intermountain, Intermountain's existing parent corporate entity will be reorganized as the ultimate parent organization for a new Consolidated System (such reorganized entity is referred to herein as the "Consolidated System Parent"). The Consolidated System Parent shall be added as a new member of SCL Health in addition to the Leaven Members, and will have certain governance authority and powers over the Consolidated System. Organizational charts depicting the SCL Health system pre- and post- Merger are attached at Exhibit A for your reference. Although the transaction is, in its title, fashioned as a "Merger," the SCL Health corporation is not merged into any Intermountain Health entity as a result of the transaction.

As a result of the transaction, there will be no immediate changes to any of the following (i) Members of the Hospital's Board of Trustees ("Board"); (ii) the name of the Hospital; or (iii) the mailing address of the Hospital. The Hospital's Board shall continue to retain primary oversight of the operations of the Hospital

and as otherwise required by applicable legal requirements and accreditation bodies, and SCL Health's board of directors shall be reconstituted as a Consolidated System region board of trustees, with oversight over Consolidated System operations in Montana (including the Hospital). The Hospital will continue to exercise control over the licensed program, and possess the power to determine corporate policy as it relates to the Hospital (consistent with System policies) and thus to determine the direction of the activities under the license. Following the closing of the transaction, the Hospital Board has the power to recommend the appointment and removal of the Hospital's trustees and officers, subject to SCL Health approval and Consolidated System Parent ratification of such decisions.

B. Planned Changes in Personnel or Duties Related to the Licensed Program.

There are no changes to the Hospital personnel who have control over licensed activities, including Authorized Users, the Radiation Safety Officer and the Reviewing Officials. There are also no changes to the duties of any such individuals contemplated as a result of the transaction. The Hospital will not be adding any new individuals to its license.

C. Planned Changes to Location, Facilities or other Procedures Related to Hospital's Licensed Program

There are no changes in the Hospital's location, facilities, equipment, radiation safety program, use, possession, waste management, or other procedures that relate to the Hospital's licensed program as a result of the transaction. There will be no changes as a result of the transaction to any of the following: (i) the facilities where licensed material will be used or stored, (ii) the equipment used in licensed activities, or (iii) the procedures, including routine operating and emergency procedures for the licensed activity.

D. Status of the Hospital's Radiation Safety Program,

The Hospital's surveillance program is current and it will be current at the closing of the transaction. The Hospital has performed, documented, and reviewed all required surveillance and applicable test results are attached hereto at Exhibit B.

E. Decommissioning Funding Plans and Financial Assurance Instruments

The Hospital's current decommissioning funding plans (DFP) will not be changed as a result of the transaction. No other financial assurance documents will be changed as a result of the transaction, and all financial assurance instruments associated with the Hospital's license will continue to be held in the Hospital's name.

F. Transfer of Records Concerning Decommissioning of the Facility

The Hospital shall keep and continue to maintain all records concerning safe and effective decommissioning of the Hospital, including: evaluations concerning waste disposal by release as effluents (either air or water); release to sewers; incineration; disposal of liquid scintillation medium and animal tissue as if it were not radioactive; and disposal by all methods specifically allowed through the license. The Hospital will continue to accept full responsibility for the decommissioning of the site, including any contaminated

facilities and equipment. There will be no changes to the Hospital's existing radioactive waste management program.

G. Control of Licensed Material

The parties have agreed that there will be no transfer of control of the licensed material and activity as a result of the transaction. The Hospital will maintain control of the licensed material and activities.

H. Transferee Commitment

The Hospital will continue to abide by all constraints, conditions, requirements, representations, and commitments of the Hospital, including, but not limited to, information submitted in support of license amendments (including documents itemized in the tie-down condition of the license), the maintenance of decommissioning records required by applicable federal regulations, completion of corrective actions for open inspection items and enforcement actions and, if required, implementation of site decontamination and decommissioning activities. The Hospital is knowledgeable of and accepts full responsibility for open inspection items (if any) and/or any resulting enforcement actions.

II. **Conclusion**

The parties expect to close the transaction following the satisfaction or waiver of all closing conditions and subject to any regulatory approvals, which is anticipated to be at the end of the first quarter of this year. As summarized above, we believe that the transaction will not result in a transfer of control of the Hospital's license necessitating the NRC's prior consent.

Thank you for your consideration. Please do not hesitate to contact me at 303-813-5454 or [kelly.adams@sclhealth.org](mailto:kelly.adams@sclhealth.org) should you have any questions or need any further information.

Best,

A handwritten signature in blue ink, appearing to read 'Kelly Adams', followed by a horizontal line.

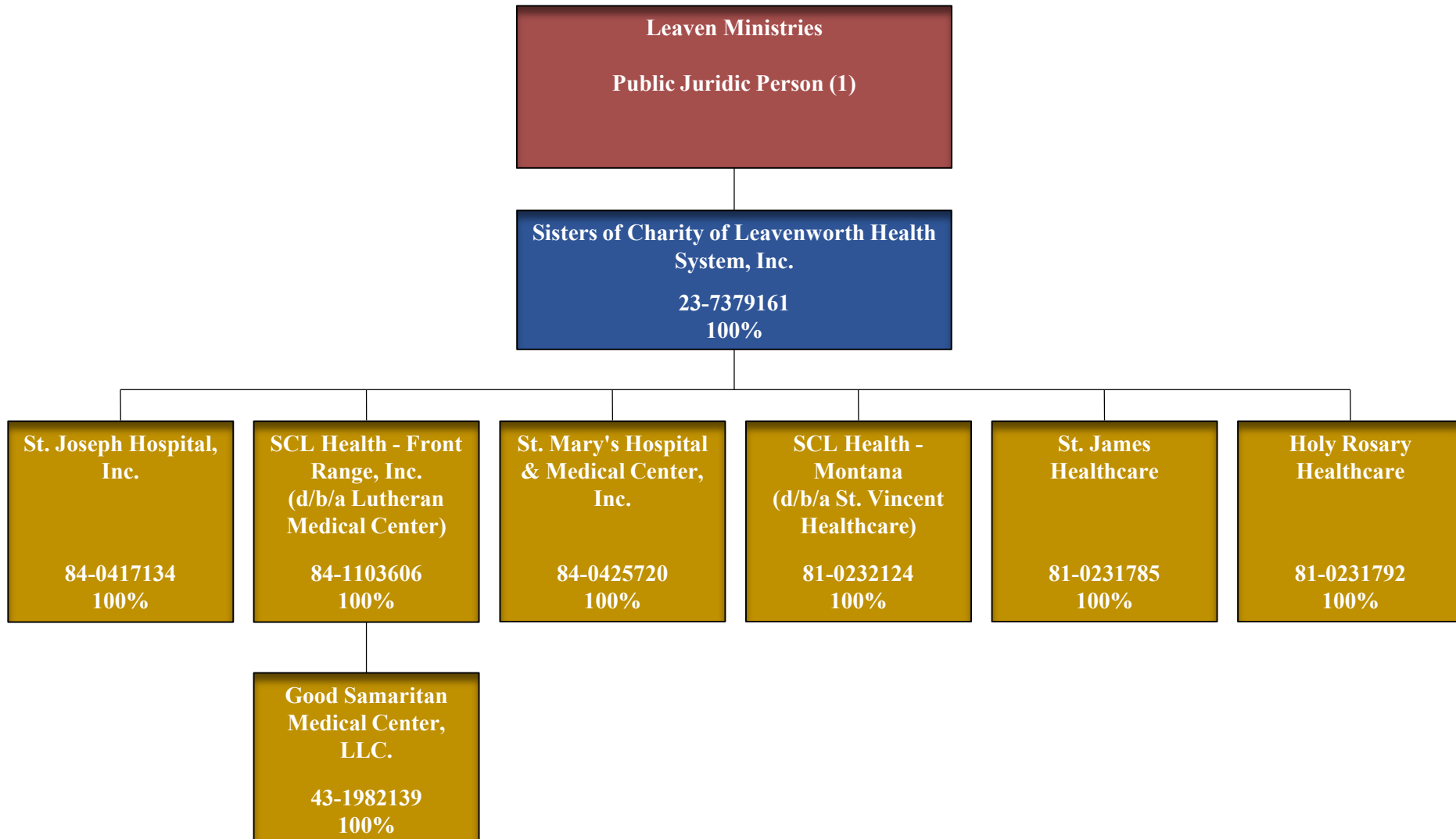
Kelly Adams  
Associate General Counsel  
SCL Health

Cc: Jeremy Peters, Vice President, Strategic Growth & Business Development  
[Jeremy.peters@sclhealth.org](mailto:Jeremy.peters@sclhealth.org)

**EXHIBIT A**

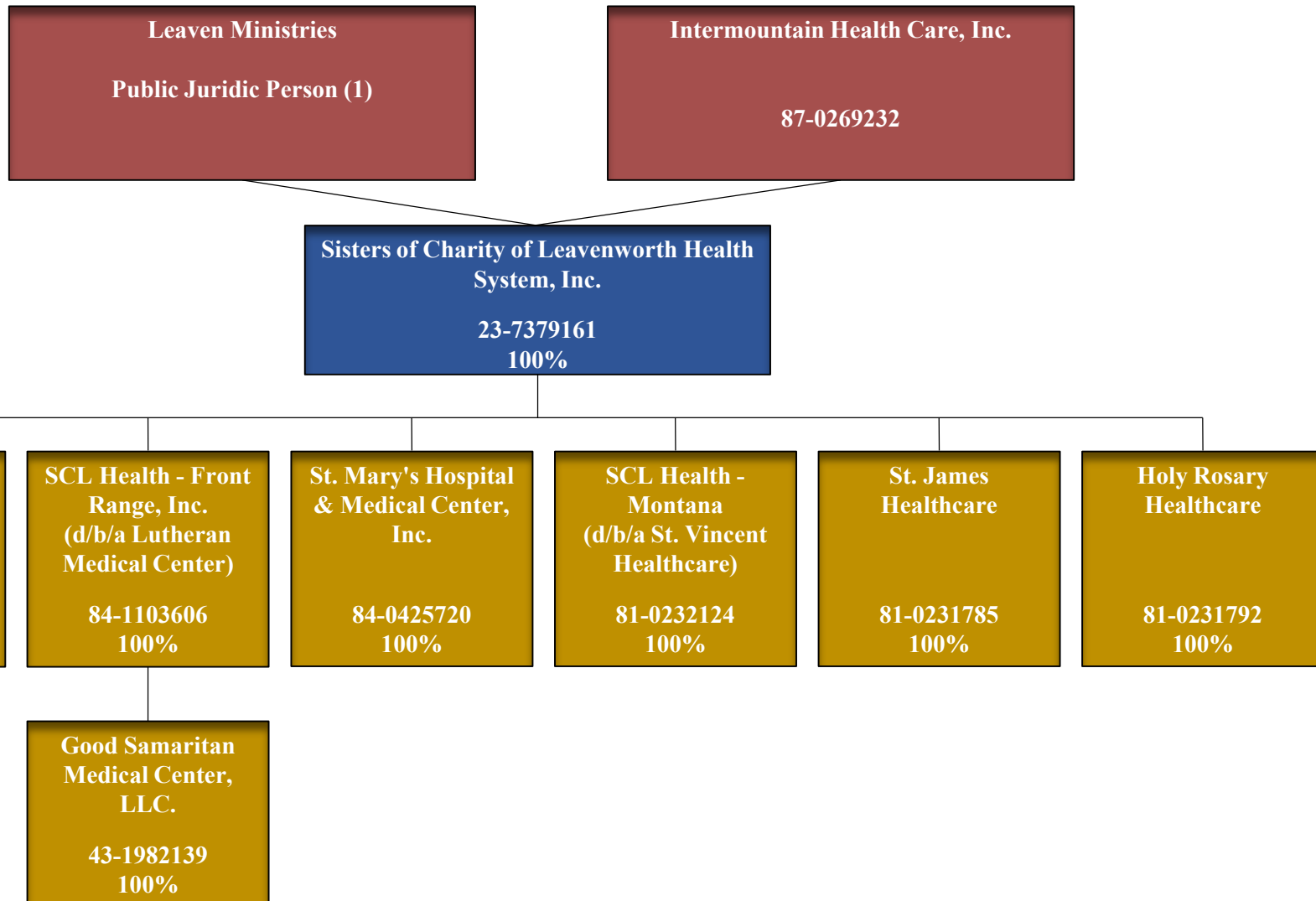
**(attached)**

# Organizational Chart - Pre-Merger



(1) The Members of Leaven Ministries are also the corporate members of SCL Health. Currently, there are six Members of Leaven Ministries.

# Organizational Chart - Post-Merger



(1) The Members of Leaven Ministries are also the corporate members of SCL Health. Currently, there are six Members of Leaven Ministries.