

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

Approved by the Regents
July 15, 2010

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and Patient Provider Communications, Inc.

Action Requested: Authorization to enter into Agreement

Preamble:

A statutory conflict of interest situation was identified by the Division of Research, Development and Administration while reviewing the Proposal Approval Form. This then triggered a review by the Medical School Conflict of Interest Board. A plan for management of the possible risks associated with the conflict of interest was then developed by this Board and agreed to by the parties involved.

The proposed agreement ("Agreement") falls under the State of Michigan Conflict of Interest Statute because Dr. Lance Patak is both an employee of the University of Michigan and a partial owner and Chief Executive Officer of Patient Provider Communications, Inc. The law permits such an agreement provided it is disclosed to the executive officers and approved in advance by a 2/3 vote of the Regents of the University of Michigan.

Background:

Dr. Patak is House Officer in the Department of Anesthesiology in the Medical School. Dr. Patak is also the partial owner and Chief Executive Officer of Patient Provider Communications, Inc. ("Company"). The Company desires to fund a project in the School of Nursing under the direction of Dr. Huey-Ming Tzeng, Associate Professor in the School of Nursing.

Nature of the Agreement:

The Company has received an award from the National Institutes of Health under the Small Business Technology Transfer (STTR) Program for the purpose of developing advanced patient call light system using touch screen technology. The Company wishes to enter into a subcontract with the University to enable Dr. Huey-Ming Tzeng in the School of Nursing to assist in the performance of this funded research.

Agreement Terms:

The terms of the Agreement conform to University policy. The period of performance for the project is one (1) year and the amount of funding support is \$89,862.

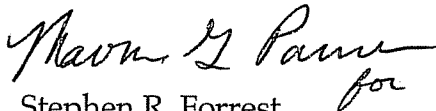
Impact of the Agreement:

The Agreement will support an effort by Dr. Tzeng, co-investigator Marita Titler and two student research assistants to use Dr. Tzeng's expertise and University resources to facilitate the collection of data, conduct analyses of the data that measure the effectiveness of the system and to enhance further development of the system.

Recommendation:

This matter has been reviewed and approved by the Medical School Conflict of Interest Board. In light of the disclosure made in this document and our finding that the agreement was negotiated in conformance with standard University practices, I recommend that the Board of Regents approve of the University's entering into this Agreement with Patient Provider Communications, Inc.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Stephen R. Forrest", with a small "for" written below it.

Stephen R. Forrest
Vice President for Research

July 2010