

THE UNIVERSITY OF MICHIGAN

REGENTS COMMUNICATION

ACTION REQUEST

Subject: Subcontract Agreement between the University of Michigan and Rehabilitation Team Assessments, LLC

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 a proposed subcontract agreement. This then triggered a review by the Medical School Conflict of Interest Board. A plan for the management of the possible risks associated with the conflicts of interest was developed by the Board and agreed to by the parties involved.

This proposed subcontract agreement (“Agreement”) falls under the State of Michigan Conflict of Interest Statute because Dr. Andrew Haig is both an employee of the University of Michigan (“University”) and the sole owner and President of Rehabilitation Team Assessments, LLC. 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. Andrew Haig is Professor of Physical Medicine and Rehabilitation, Medical School and the sole owner of Rehabilitation Team Assessments, LLC (“RTA”). RTA is a for-profit business that provides hospitals with multidisciplinary assessments of outpatient rehabilitation needs.

RTA is conducting a clinical study to validate a diagnostic questionnaire of emergency room patients for treatment of back pain. RTA is conducting the study under a prime contract with the Center for Health Research and Transformation, a non-profit partnership between the University and Blue Cross Blue Shield of Michigan. RTA wishes to subcontract a portion of the work to the University. The University’s work will be under the direction of Dr. Bradley Uren, Instructor in the Department of Emergency Medicine, who will serve as Principal Investigator.

Agreement Terms:

The University will enter into a subcontract with RTA that will cover standard procedures for performance of projects as well as provisions implementing University policies related to intellectual property and publication. The subcontract will cover a three-year (3) project with a total authorization not to exceed Twenty Five Thousand dollars (\$25,000). The University will use standard sponsored project accounting procedures to determine the project’s cost. Budgets will be reviewed and approved by authorized representatives of each department and school/college where the project is to

be performed. Because research projects are often amended, the subcontract will include provisions for changes in time and budget. University procedures for approval of the project will be followed and additional review by the Medical School Conflict of Interest Review Board will be conducted as appropriate.

Impact of the Agreement:

The subcontract will enable research to be performed in a timely manner to explore and further advance clinical research in the treatment of back pain in emergency room patients.

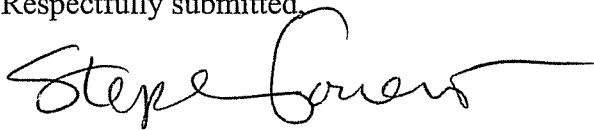
Pecuniary Interest:

The pecuniary interests of Dr. Haig arise from being a sole owner and President of Rehabilitation Team Assessments, LLC.

Recommendation:

This matter will be 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 subcontract is negotiated in conformance with standard University practices, I recommend that the Board of Regents approve of the University entering into a subcontract with Rehabilitation Team Assessments, LLC.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Stephen R. Forrest". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Stephen R Forrest
Vice President for Research

September 2010