

**THE UNIVERSITY OF MICHIGAN
REGENTS COMMUNICATION**

ACTION REQUEST

Subject: Regental Action Required Under the State of
Michigan Conflict of Interest Statute

Action Requested: Authorization for the University to enter into an agreement with Physicians
Triage Service, PC (University of Michigan Employee, Patricia Miley, Owner
and President)

Background:

The University of Michigan Department of Pediatrics seeks approval to enter into an agreement with Physicians Triage Service, PC ("Physicians Triage") to provide nurse call coverage services. Physicians Triage will take after-hours calls from patients of ambulatory pediatric clinics and either answer the patients' needs or page the doctor on call for further evaluation.

The proposed agreement falls under the State of Michigan Conflict of Interest Statute as Patricia Miley is a University employee as a Registered Nurse with the University of Michigan Hospital and Health Center at the Briarwood Health Center and would be a party to the contract as Owner and President of Physicians Triage.

However, the Statute allows the University to enter into such agreements if the following conditions are met:

- a) The public servant promptly discloses any pecuniary interest in the contract to the official body which has power to approve the purchase, which disclosure shall be a matter of record in its official proceedings.
- b) The purchase is approved by a vote of not less than 2/3 of the full membership of the approving body in open session without the vote of the public servant making the disclosure.
- c) The official body discloses the following summary information in its official minutes:
 - i) The name of each party involved in the contract.
 - ii) The terms of the purchase, including duration, financial consideration between the parties, facilities or services of the public entity included in the purchase, and the nature and degree of assignment of employees of the public entity for fulfillment of the purchase.
 - iii) The nature of any pecuniary interest.

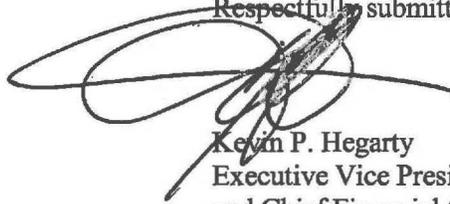
The following information is provided in compliance with the statutory requirements contained in Section (c) above:

- i) The parties to the contract are the Regents of the University of Michigan and its Department of Pediatrics and Physicians Triage.
- ii) The agreement is to provide after-hours nurse call coverage services from patients of ambulatory pediatric clinics. The contract duration is for one year with two one year renewable options for an approximate per year cost of \$36,000 and a total contract value of \$108,000.
- iii) The pecuniary interest arises from the fact that University of Michigan employee, Patricia Miley is Owner and President of Physicians Triage.

Patricia Miley has met state law requirements with the disclosure of her pecuniary interest and formal appointment arrangements with the University of Michigan. Requirements, if any, that may be applicable under the Medical School's or OVPR's Conflict of Interest Committee's procedures are separately analyzed and managed.

We recommend that the Board of Regents approve the agreement between the University of Michigan and Physicians Triage subject to requirements, if any, that either the Medical School's or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kevin P. Hegarty', is written over the typed name and title below.

Kevin P. Hegarty
Executive Vice President
and Chief Financial Officer

May 2016