The University of Michigan Regents Communication

Request for Action

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

Action Requested: Authorization for the university to enter into a contract with Decimal Code, Inc. (University of Michigan Employee, Michael L. Burns, owner, and University of Michigan Employee, John Vandervest, owner)

Background:

The University of Michigan's Michigan Medicine Revenue Cycle Administration seeks approval to enter into a contract with Decimal Code, Inc. for a retrospective study of charge capture performance in Michigan Medicine's high acuity and catastrophic care patient population.

The proposed contract falls under the State of Michigan Conflict of Interest Statute as Michael L. Burns is employed by the University as an Associate Professor for Anesthesiology and Associate Chief Medical Informatics Officer of AI and would be a party to the contract as owner of Decimal Code, Inc.; and as John Vandervest is employed by the University as a Data Architect Staff Specialist with the Michigan Medicine Department of Anesthesiology and would be a party to the contract as owner of Decimal Code, Inc.

However, the Statute allows the university to enter into such contracts if the following conditions are met:

1) 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.
2) 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.
3) The official body discloses the following summary information in its official minutes:
    a) The name of each party involved in the contract.
    b) 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.
    c) The nature of any pecuniary interest.

The following information is provided in compliance with the statutory requirements contained in Section (3) above:

a) The parties to the contract are the Regents of the University of Michigan and its Michigan Medicine Revenue Cycle Administration and Decimal Code, Inc.
b) The contract is for a retrospective study of charge capture performance in Michigan Medicine's high acuity and catastrophic care patient population, including model configuration and configuration and calibration, a Charge Capture Gap Analysis, and a final report of findings and recommendations. The contract is for a duration of three years from the initial start date of January 28, 2026, at a total cost not to exceed $45,000. Decimal Code, Inc. will supply the necessary resources and personnel to fulfill this contract. The remaining base contract terms and conditions were tailored to meet the particular needs of this contract and have been approved by Procurement Services after advice from the Office of General Counsel.
c) The pecuniary interest arises from the fact that University of Michigan employees, Michael L. Burns and John Vandervest are owners of Decimal Code, Inc.

Michael L. Burns and John Vandervest have met state law requirements with the disclosure of their pecuniary interests and formal appointment arrangements with the University of Michigan. Requirements, if any, that may be applicable by the supervisors of Michael L. Burns and John Vandervest under the Michigan Medicine Revenue Cycle Administration or OVPR's Conflict of Interest Committee's procedures are separately analyzed and managed.

We recommend that the Board of Regents approve the contract between the University of Michigan and Decimal Code, Inc. subject to requirements, if any, that the supervisors of Michael L. Burns or John Vandervest or the Michigan Medicine Revenue Cycle Administration or OVPR's Conflict of Interest Committee may impose.

Respectfully submitted,



Robert A. Hewlett III
Executive Vice President
and Chief Financial Officer

November 2026