Contracting for SOM Physician Services

Per the terms of the Member Practice agreement, all service income earned by SOM faculty must be assigned to UPI for billing and collection.

This includes income earned for consulting services (e.g. for pharmaceutical companies) and clinical services (for an outside health care facility).
Contracting for Physician Services

To bring about the assignment of service income to UPI, the contract is executed between UPI and the external company/health care facility on behalf of SOM and the physician.
Contracting for Physician Services

UPI has a template contract for physician services containing all required legal terms and conditions. The tempalte is available on the UPI intranet site.

If the UPI template is not used, the initial draft contract (from the company) must be provided in Microsoft Word so that required changes can be made (in redline).
Contracting for Physician Services

In addition to fulfilling the SOM requirement of assigning service income to UPI, contracting through UPI has other advantages:

- Ensures that faculty member will be covered by Colorado Governmental Immunity and SOM Self-Insurance Trust/Supplemental liability insurance because faculty member will be performing services within scope of university employment.
Contracting for Physician Services

Legal review of service contracts:

- Protects SOM’s and faculty member’s ownership interest in intellectual property
- Protects faculty against overreaching non-competition clauses
- Ensures compliance with Colorado and federal law (Stark and Anti-Kickback compliance).
- Ensures compliance with SOM conflicts of interest policies
Contracting for Physician Services

Moreover, contracting through UPI is quick and efficient (especially if you follow the procedures).

Only UPI signs the contract on our side – upon confirmation (by e-mail) of department chair approval.
Physician Service Contracts are subject to an internal SOM/UPI assessment:

10% for SOM Academic Enrichment Fund plus 2.15% for UPI Administration

(12.15% total)
Exempt Honorarium exception

Certain honorarium payments are exempt from assignment to UPI for billing and collection.

Exempt honorarium is a one-time modest payment for a faculty member’s participation in a single occurrence event, such as a conference or a lecture.
Exempt Honorarium

A faculty member may participate in the event and collect the exempt honorarium payment directly from the sponsor company without involving UPI.

However, faculty member will be participating in his/her personal capacity (not within scope of university employment).
SOM Conflicts of Interest/Speaker Policy

Even if a payment is exempt honorarium, if the single occurrence event is a lecture on behalf of industry, faculty member must still comply with SOM Speaker Policy.

Exempt honorarium means exempt from income assignment to UPI – NOT exempt from SOM Conflicts of Interest/Speaker policy.
SOM Speaker Policy

Prohibits faculty from engaging in paid speaking on behalf of pharmaceutical companies /medical device manufacturers unless for a legitimate educational purpose not related to marketing company’s products.
SOM Speaker Policy

Faculty member must have final control over the content of presentation and accompanying materials, such as slides based on his/her independent professional judgment.

Sponsor company may not have right to review or approve content of presentation.