How to be a Successful Research Administrator When Dealing with Clinical Trials Budgets and Payment Terms for both NIH and Industry Sponsored Trials

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Session Objectives

- The role of Centralized Services
  - Types of Services
  - Advantages and Disadvantages

- Developing Study Budgets for Pharmaceutical Sponsor and NIH
  - Evaluating the Budgets
  - Developing Your Budget
  - Payment Schedules

- Negotiation of Budgets
  - Key terms for Clinical Trial Sponsors
  - NIH Awards Key Terms and Conditions

- Post award Management of Funds
  - Financial Compliance
  - Closeout Processes
  - Annual and Final Reporting
Types of Centralized Services

**Administrative**
- Regulatory
- IRB
- Budgets
- Contracts
- Financial Management
- Registration and Scheduling of Study Participants

**Clinical Services**
- Pharmacy
- Laboratory

**Personnel**
- Lab Tech
- Research Coordinator
- Nursing
- Research Assistants
Advantages of Centralized Services

- Regulatory and IRB – streamline processes
  - Investigator files- CV’s and licenses
  - Lab licenses, normal values and certification
  - Financial Disclosures, W-9 and 1572 Forms
  - Expertise in IRB Application, ICF, sponsor requirements and documentation

- Budgeting, Billing and Contract Negotiations
  - Knowing institutional costs and familiarity with acceptable contract language
  - Proper Patient Registration and Billing Procedures
Advantages of Centralized Services

- Pharmacy
  - Research Pharmacist
  - Knowledge of Investigational Agents and Investigational Brochures
  - Drug Accountability and destruction
  - Monitoring visits
- Secure Drug Storage Facility

- Central Lab for Specimen Processing
  - Familiarity with Lab manuals
  - Certified to handle and ship
  - Experience with process and packaging of research samples to central labs
  - Proper storage of samples
Advantages of Centralized Services

Research Coordinators, Assistants, and Nurses

- Dedicated and experienced research staff
- Trained and crossed study coverage
- Maintains continuing research education/certification
- Mentored
- Efficiency in overall study management, CRF completion (paper or electronic)
Sponsor Advantages

- Centralized point of contact
- Experienced and dedicated staff to study
- Liaison to ancillary departments
  - Pharmacy, IRB, Lab, etc.
- Minimizes monitoring visits (time at site)
- Fewer queries
- Strengthens relationship for future studies
Study Budget Development
Preparing to Develop the Budget

- Obtain final version protocol
- Obtain clarifications from sponsor (i.e., use of central lab, supplied equipment, additional reporting, training, etc)
- Review feasibility of protocol with Principal Investigator and/or study team
- Assess needs and key components required for the implementation of the protocol
Review the Protocol

- Read the protocol to understand the visits and complexity of the trial
- Determine if there will be other affected areas
- Look at all of the components of the protocol
  - Schedule of events
  - Schema
  - Visit detail
  - Informed consent template
  - Case Report Forms
Reviewing the Protocol:

Laboratory
- Central lab vs local lab
- Who’s drawing the blood
- Who will process the samples
- If local what if a test is positive?

Radiology
- Copies of Films
- Who will read the Films

Cardiology
- Echos
- Reading fees

Pulmonary
- PFTs

Pharmacy
- Tracking
- Randomization
- Preparation
- Drug Dispensing
- Specific requirements for monitoring
- Drug return or destruction at conclusion of trial

Pathology
- Reading Fees
- Additional Slides or Blocks
Research vs Standard of Care

**Research**
- Non-covered, non-routine charges
- Patients would not generally be receiving this care
- Cost of care is billed to sponsor

**SOC**
- Routine care that the patient would receive regardless of study participation
- Cost of care is billed to third party provider or patient (e.g., “covered” charges)
Types of Study Budgets From Industry Sponsors

- Flat amount per patient
  - $10,750 per patient including Indirect Costs (IDC)
  - Not Detailed

- Payment Per Visit
  - Each Visit has flat fee; Screening $3,290, Visit 1 $2,890, etc.

- Payment Per Activity
  - $$ amount is attached to each service/procedure associated with the protocol, references schedule of events/procedures to be performed
  - Includes PI, Coordinator fees, Pharmacy, Ancillary Costs
  - IDC rate, IRB Fees, Start up and Closeout Fees, Other Fees
Study Budget Costs

- Start up costs
  - Non-subject charges
  - Standard across Institution

- Per-subject costs
  - Budget for one single, completed subject

- Variable/ Event Based costs
  - Event that may or may not occur during the study
Start Up Costs

- Initial IRB Preparation and Review Fees
- Pharmacy Review Fees
- Lab Review Fee
- Regulatory Document Preparation
- Storage Fee
- Radiology Review Fee

- Administrative Fee
- Advance Upfront Payment
- Start Up Fee
  - PI and Coordinator Effort, Investigator meeting, Site Initiation, etc...
- Other fees applicable to institution
  - Clinical trial fee
Per Subject Study Costs

Patient Care

- Procedures
- Tests
- Labs

Subject Costs

- Stipends
- Travel
- Lodging

Personnel Costs

- Physician
- Coordinator
- Nursing
- Lab Tech
- Other Specialists
Event Based Fees

- Annual IRB Preparation and Review Fee
- Pharmacy Maintenance Fee
- IRB Amendment Preparation and Review Fee
- Safety Report Preparation & Review Fee will charge $100 for first 50 then or $30 each
- Advertising Fee
- Medical Records Fee – copying or pulling records
- Supply Fee
- Additional Training
- Monitoring Visit Fee
Personnel Costs: Study Coordinator

- Recruitment
- Screening
- Consenting
- Randomization
- Review of diaries
- Pill counting
- Coordinating the study visit- scheduling
- Amount of time at each study visit
- Communication with study participant/family
- Training

- CRF Completion: paper or electronic
- Maintenance of study files and Regulatory binder
- SAE Reporting
- Monitoring Visits
- Communications with monitor and sponsor
- Resolving Queries
- Close out visit
Personnel Costs: Research Nurse

- PK Study – multiple and timed blood draws
- Infusions
- Administration of study drug or device
- IV start and blood drawing
- Vital signs
- Clinical testing that the PI would delegate to the nurse
- Online training
- Investigator Meetings
Personnel Costs:
Lab Technologist

- Collection and or storage of samples
- PK Studies
- Processing of samples
- Dry ice / lab supplies / centrifuge
- Shipping materials
- Packaging of samples
  - Labeling and completion of courier forms
  - Who’s paying for shipment?
Personnel Costs: Physician Fees

Physical Exams

- Complete
- Brief
- Limited
- Follow-up

Procedural Charges

PI Fee – Responsible for the conduct of the study

On-line Training, Investigator Meetings, In services
Other Budget Considerations

- Inpatient vs Outpatient
- Potential for multiple Amendments
- Adult vs. Pediatric Trials
- Duration of Study
- Complexity of Study
- Difficulty recruitment of study participants
- Amount of Resources Used
- Special Training required
Payment Schedules

- Initial Payment
- 1st Quarter Payment
- 2nd Quarter Payment
- 3rd Quarter Payment
- Closeout Payment
Payment Schedules: When Should You Expect Payment

Expectation of Initial Payment

- Invoiced upon executed contract
- Start Up Costs – IRB Fees, Regulatory Fee, Pharmacy, Storage, Administrative Fee, etc.
- Advance Payment for One Patient

Expectation of Per Patient Payments

- Quarterly Payments based upon
  - Number of visits
  - Procedures
  - CRF Completion
Payment Considerations: Invoicing and Holdbacks

- IRB Fees- Limiting # of amendments and annual approvals

- Safety Reports - Caps are place on how many or how payment is made, ie. one lump sum

- Screen Failures - paid by a flat fee and not based upon costs incurred per screening visit and language limits the number of screen failures
  - Sponsor will pay 75% of screening visit
  - 1 screen fail for X patients enrolled

- Early Termination of Subject - Payment for subject made at the end of the study rather than upon month or quarter of termination

- % of Payment withheld

- Final Payment- When and how is it triggered
Pharmaceutical Clinical Trial Agreements: Important Sections to Review

- Budget and Payment Schedule
- Termination Clause
- Monitoring or Auditing Visits
- FDA Inspections
- Case Report From Completion
- Publication
- Subject Injury
Negotiations with the Sponsor

Plan and Prepare!

- Identify potential issues ahead of time
- Know the importance of the issue
- Know what are must have items, what items you want to have and what costs you are able to reduce
Financial Compliance

- Implementing Billing Processes and Procedures
- Finance and Billing Offices
- Registration procedures for study participants
- Quality Assurance of Procedures – Internal Audits
- Corrective Action Plans – New Procedures
Financial Compliance

- What Procedures do you have in place?
  - Scheduling of Study Participants
  - Financial Stipends to Participants
  - Documentation?

- Billing Processes
  - Where do the bills go
  - Who reviews
  - Who determines what is study related

- Communications with study staff essential

University of Not SoSmart Fined $1m for Double Dipping!!
Financial Compliance

Internal Study Initiation Meetings prior to starting a study

- Who is responsible for what?
- How will patients be registered?
- What ancillary departments will be involved?
- How will billing procedures be implementing?
- How will stipends be paid?

Communication is **Key** with Study Staff
Financial Management

- Create Financial Document Binder
  - Track subjects/payment
  - Follow up with Sponsor as needed

- Aging Report for Invoicing Sponsors – Tracking Tool

- Clinical Trial Agreement Amendments
  - Unknown costs
  - Protocol Amendment/ Change in Procedures
  - Additional Training for study staff
  - Re-consenting

- Know your resources
Financial Close Out

- Establish financial close out of study fund/account process
- Invoice for final payment
- Ensure all study related costs have been paid
- Reconcile account for funds received and final payouts
- Establish Residual Accounts (if applicable)
- Maintain Records
Federal Clinical Trials
The Proposal

Clinical Trial Components

- Project Narrative
- Budget and Justification
- Research Plan
- Protection of Human Subjects
- Enrollment/Inclusion of Children, Women, Minorities
- Compliance
- Data Sharing
- Dual PIs

- Consortiums
- Performance Sites/Collaborators
- Service Centers
- Central Labs
- Data Center
- Specimen Repository
- Data Safety Monitoring Board or Plan
- Resource and Environment
Preparing the Budget

- Read and Interpret the Funding Opportunity Announcement (FOA)
  - Types of FOA’s
    - Request for Applications (RFA)
    - Request for Proposals (RFP)
    - Program Announcement (PA)
  - Review the requirements
    - Announcement and SF 424 Instructions
  - Understand the funding mechanism
  - What are the limitations?
  - Communicate with the department
Budget

- Should conform to Funding Announcement guidelines
- Should identify all costs necessary and reasonable
- Should define all allowable costs
  - Research costs vs. Standard of Care
  - Patient Care Costs
  - Research Personnel vs. Professional Fees
  - Consortium Costs vs. Service Contracts vs. Consultant
  - Core Labs / Service Centers
  - Research Pharmacy
  - DSMB members and travel
Participating Site Funding

- Effort allocation for personnel working on the Trial
  - Personnel Salary and Fringe with % Effort
  - Other costs for patient care
  - Travel for PI and/or Coordinator

- Per patient enrolled
  - Fixed amount per patient enrolled
  - Fixed amount with event based payment for patient care cost that is not standard of care
  - Milestone payments
Budget Justification

- Narrative of all budgeted line items
  - Consortium/Center Agreements
  - Participating Agreements
    - Cost reimbursable, fee for service, per patient
  - Ancillary tests
    - What tests will be done? Standard of Care or Research Only
  - Patient Care costs
  - Travel
    - DSMB and other Scientific meetings
    - Kick Off Meetings
    - Travel to various participating sites
    - Monitoring Visits
- Other Costs
  - Research Pharmacy
  - Subject Reimbursement and Travel
  - Professional Fees
MTDC

- Modified Total Direct Cost (MTDC) consists of all direct costs except for: equipment, alterations, patient care, tuition, off-campus rental costs, scholarships and fellowships, consortium in excess of $25,000
Consortium Documents

- Face Page
- Biosketches
- Resource and Faculties Page
- Detailed Budget and Budget Justification
- Letters to form a Consortium
- Letters of Support
- Other documents??
What are some of the challenges we face?

- Lack of time to work with Consortium Investigator and/or Grants Office
- BIG Budget or Commitment from PI and not enough funds
- Budget Justification not complete and unclear
- Biosketch not up to date or wrong version used
- Back and forth with multiple revisions due to changes in scope of work or decrease in scope which impact budget
- Additional Consortiums added at last minute
- Documents not properly signed
Research Plan

- Human Subjects Section
  - Protection (Risks, Protection)
  - Potential Benefits
  - Enrollment
  - Inclusion of women, children and minorities

- Multiple PD/PI Plan (MPI)
  - Is it clear what each PI will be responsible for?

- Data Safety Monitoring Plan (DSMP)
  - Has everything been addressed?
Research Plan

- Data Safety Monitoring Plan (DSMP)
  - Must be included for all clinical trials
  - Must be submitted to the applicant's IRB and to the funding IC for approval prior to the accrual of human subjects

- Who will do the monitoring?
  - PI
  - Institutional Review Board (IRB)
  - Designated medical monitor
  - Independent individual/safety officer
Research Plan

- Data and Safety Monitoring Board
  - Required for multi-site clinical trials involving interventions that have a potential risk to the participants

- Required for Phase III clinical trials

- Who Chooses the board?

- Phone calls / Annual meeting / Webinar
  - Travel costs are the responsibility of the prime awardee
Research Plan

• New Policy for Reimbursement for DSMB Members

  • DSMB members receive a $200 honorarium per person, per meeting (If phone or webinar this is the only expense)

  • In-person meetings held in the Washington DC/Baltimore area, travel expenses can be estimated at approximately $1200 plus $200 honorarium
Consortiums

- An agreement typically issued through Sponsored Projects, whereby the research project is carried out by the grantee and one or more other organizations. The grantee must perform a substantive role in the conduct of the planned research and not merely serve as a conduit of funds to another party or parties.

- Budget consists of DC & IC (depending on type)

- Grantee collects IC on the 1st $25,000
Service Agreement

- Service Contract: An agreement typically issued through Procurement whereby the grantee is purchasing a service from another institution (i.e. assays)

- Budget consists of a total cost, inclusive of IDC

- Grantee collects IDC on the entire amount
Resources / Performance Sites

- Are all the sites listed?

- Are all sites performance sites? Are some also consortiums?

- Do all performance sites have the resources to do the work proposed?

- Do all performance sites have institutional support, i.e. signed facepage?
It’s awarded...

- Prime Grantee (NOA Received / Federal Contract)

- Does the NOA reflect a budget cut?
  - Know in advance what items can be cut
  - Will there be any changes to the Scope of Work?

- Contract Terms and Conditions
  - Read and re-red the terms and special conditions
  - Foreign sites – clearance, other restrictions
  - IRB Approval Requirements
  - Registration with Clinical Trials.Gov
Compliance

- Know the rules!
  - What’s your responsibility when accepting an award?

- What are the pitfalls?
  - Start-up costs weren’t requested
  - Milestones weren’t realistic, can’t recruit

- Compliance and Monitoring

- Federal Funding Accountability and Transparency Act (FFATA)
Compliance - FCOI

• Financial Conflict of Interest

**Purpose:** to promote objectivity in research by establishing standards to ensure there is no reasonable expectation that the design, conduct, or reporting of research funded under NIH grants, cooperative agreements or contracts will be biased by any conflicting financial interest of an Investigator.

**Who’s Responsible?**
- Each Institution that applies for NIH grants or cooperative agreements or research contracts (including subrecipient institutions)
- The Investigator: The PI and others responsible for the design, conduct, or reporting of research funded by the NIH, (including subgrantees, contractors, or collaborators)

Compliance – A-133

- **Subrecipient Monitoring**
  
  - Ensure federal funds are used for authorized purposes in accordance with laws, regulations and provisions of the prime award
  
  - Advise subrecipients of all applicable federal requirements by including the appropriate flow-down provisions from the prime agreement
  
  - Review A-133 audit reports to determine if any findings pertain to the subrecipient relationship
  
  - Ensure that potential or current subrecipients are not on the Excluded Parties List System (EPLS)
  
  - Conduct site-visits and/or perform audits