

## **BUSINESS PLAN EXECUTIVE SUMMARY**

### **SITUATIONAL ANALYSIS**

Approximately one in seven (52 million) Americans manifest some type of disabling condition, and one-third of that cohort has a disabling condition so severe that they are unable to carry out the activities of daily living such as attending school or working. The economic costs associated with disabling conditions are enormous. In its report *Enabling America: Assessing the Role of Rehabilitation Science and Engineering*, (1997)<sup>1</sup> the Institute of Medicine (IOM) estimated that the 1994 medical care expenditures (direct costs) for people with disabilities amounted to approximately \$160 billion dollars, and indirect costs (lost productivity) amounted to approximately \$155 billion annually or more than 4% of the country's gross domestic product.

### **INVESTMENT RATIONALE**

In Indiana, 35% of adults report arthritis or chronic joint problems. In addition, there are over one million people with disabilities, and in 2001 there were over 33,000 occupational injuries that required rehabilitative care. While the cost of rehabilitation is significant, preventative care and early intervention programs can dramatically reduce the costs associated with disabilities. It is estimated that every \$1 invested in rehabilitation returns \$11 in benefit back to the state through the recapture of lost wages and productivity gains related to an increase in mobility. Every \$1 invested in a research center typically returns \$10 in external funding to the state. Further, as many as 42 new jobs are generated for every \$1 million in external contracts and grants. Assuming that the Center will be generating \$3-4 million per year in five years, more than 150 new jobs in Indiana could be associated with its work and partnerships.

### **INTERDISPLINARY COLLABORATION**

The **Indiana Center for Rehabilitation Sciences and Engineering Research (ICRSER)** is a permanent collaboration between Indiana University Purdue University Indianapolis (IUPUI), the Rehabilitation Hospital of Indiana (RHI) and the Richard L. Roudebush Veterans Administration Medical Center (VA). This collaboration will result in the creation of a Center<sup>2</sup> that will research new techniques, science, devices and technology relevant to rehabilitation and mobility. It will operate as a semi-autonomous unit of the Indiana University School of Health and Rehabilitation Sciences (SHRS) located on the IUPUI campus. SHRS is the fiscal agent responsible for this initiative.

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<sup>1</sup> *Enabling America: Assessing the Role of Rehabilitation Science and Engineering* (1997)  
Institute of Medicine

<sup>2</sup> The word "Center" denotes the proposed collaborative program, not its physical location.

## **LEADERSHIP**

Leadership for this initiative is currently being provided by Mark Sothmann, Dean of the School of Health and Rehabilitation Sciences at IUPUI and Denny Armington, CEO of the Rehabilitation Hospital of Indiana.

The Center will have a full time Director and an advisory board made up of the Deans (or their representatives) of each of the seven participating schools on the IUPUI campus, the CEO of the Rehabilitation Hospital of Indiana, a representative of the Richard L. Roudebush Veterans Administration Medical Center and the Executive Directors of the IU and RHI Foundations. Additional Advisory Board members will be appointed from the academic and corporate sectors for three-year terms. A search for a full time Director will begin with the inception of the Center.

## **PHILANTHROPIC OPPORTUNITY**

The Partners seek to raise a total of \$14 million in external funds to support the center's, first five years of operations including the recruitment of a Director and at least six established research scientists holding joint appointments at IUPUI, and the construction of a new building adjacent to the Rehabilitation Hospital of Indiana to house the Center's clinical programs.

Funding for this Center will be sought from a variety of sources, including private gifts, corporate sponsorships, state economic development funds, federal earmarks, research contracts and grants. The federal government alone spends \$450 million dollars on rehabilitation research each year through various agencies. This Center will use the combined strength of seven schools located on the IUPUI campus, a strong relationship with the Rehabilitation Hospital of Indiana (RHI), and the Roudebush VA Medical Center. With academic, clinical and industrial partnerships the Center will position itself as the premier research facility in North America for rehabilitation sciences and engineering research. The Center's location in Indiana is particularly significant given the presence of world-renowned medical device corporations in the state.

Future expansion of the Center will include moving into a new facility on the grounds of the Rehabilitation Hospital of Indiana. IUPUI laboratories will continue to be used alongside of the new facility. Capital costs for the new facility are the responsibility of the RHI Foundation.