

Committee on Energy and Commerce
U.S. House of Representatives
Witness Disclosure Requirement - "Truth in Testimony"
Required by House Rule XI, Clause 2(g)(5)

1. Your Name: Richard F. Averill		
2. Your Title: Director Public Policy		
3. The Entity(ies) You are Representing: 3M Health Information Systems, Inc.		
4. Are you testifying on behalf of the Federal, or a State or local government entity?	Yes	No X
5. Please list any Federal grants or contracts, or contracts or payments originating with a foreign government, that you or the entity(ies) you represent have received on or after January 1, 2013. Only grants, contracts, or payments related to the subject matter of the hearing must be listed. <p style="text-align: center;"><i>See Attached</i></p>		
6. Please attach your curriculum vitae to your completed disclosure form. <p style="text-align: center;"><i>See Attached</i></p>		

Signature:  **Date:** 2/9/15

Domestic

Contract No.	Source	Contract Value
CMS-HSM-500-2009-00055C	Center for Medicare & Medicaid Services	\$18,813,236

Contract No.	Source	Contract Value
W81K04-13-F-0015	United States Army	\$ 1,192,470.73
VA246-13-C0144	Department of Veterans Affairs	\$ 564,196.10
VA618-C40076	Department of Veterans Affairs	\$ 14,638.36
CHS1387344 / CHS1590713	Indian Health Services	\$ 13,860.44
HHSI244201300319P	Indian Health Services	\$ 9,680.00
#52852-12	Indian Health Services	\$ 8,199.00
HHSI2400007A	Indian Health Services	\$ 8,444.00

International

Contract No.	Source	Contract Value
0100304PN008	Ministry of Health Social Services & Equality – Spain	165.000 €
HIS2012101	Federale Overheidsdienst Volksgezondheid, Veiligheid van de Voedselketen en Leefmilieu (Belgium MoH)	50.000 € one time fee

RICHARD F. AVERILL

Richard Averill is Research Manager for 3M Health Information Systems. He brings to the Company extensive experience in health care consulting, systems programming and analysis, operations research and statistics. Mr. Averill has been a leader in the application of casemix technology to problems in health care. He has directed many large-scale projects in hospital reimbursement, management planning and quality assurance. He is one of the developers of the Diagnosis Related Groups (DRGs) patient classification scheme and was instrumental in the design and implementation of the New Jersey Prospective Reimbursement System.

Education

Mr. Averill received a Masters in Administrative Sciences from Yale University. He also has a Masters of Science in Physics and Mathematics from Georgetown University and a Bachelor of Science in Physics and Mathematics from Fairfield University.

Experience

From 1973 through 1981, Mr. Averill was the Director of health related research at Yale University's School of Management. As Director of Research, he was responsible for the management of all research projects, and maintaining a professional staff of programmers, analysts and physicians. While at Yale Mr. Averill directed many large research projects including:

- The design and development of the Diagnosis Related Groups (DRGs). The most recent project to revise the DRGs involved the participation of more than one hundred physicians from across the country.
- The design and development of a patient classification scheme for ambulatory care patients. This patient classification scheme is designed to be used as a basis for evaluating productivity in ambulatory care settings such as HMOs.
- The design and development of a casemix cost accounting methodology which subsequently became the basis of the Medicare prospective payment system.
- The design and development of improved utilization review methodologies for PSROs. These methods included physician profiling and focused review systems.

Mr. Averill has been with 3M Health Information Systems (formerly Health Systems International) since 1981. For 3M Health Information Systems Mr. Averill has directed projects including:

- The design and implementation of the New Jersey prospective reimbursement system. Mr. Averill served as chief consultant to the State of New Jersey throughout the development of the system.

- The facility management of the Connecticut Area II PSRO. Mr. Averill had complete administrative responsibility for this PSRO and reported directly to its Board of Directors.
- The design of the diagnostic specific portions of the national PSRO reporting system.
- The management of a wide variety of hospital rate appeals and planning projects.
- The design of a wide variety of computer systems including systems for medical records, utilization review, quality assurance and claims adjudication.
- The development of the All Patient DRGs (AP-DRGs). The AP-DRGs were developed in conjunction with the New York State Department of Health.
- The development of the All Patient Refined DRGs (APR-DRGs). The APR-DRGs were developed in conjunction with the National Association of Children's Hospitals and Related Institutions.
- The development of statistical systems designed for analyzing health care data.

Mr. Averill has been principal investigator on research projects funded by the Health Care Financing Administration and the Department of Commerce:

- The annual updates to the DRGs.
- The development of a prospective payment system for outpatient care which includes the development of the Ambulatory Patient Groups (APGs) patient classification system.
- The development of the International Classification of Diseases 10th Revision Procedure Coding System (ICD-10-PCS) as replacement for the ICD-9-CM procedure coding system.
- Multiple research projects for the Medicare Payment Advisory Commission (MedPAC) including projects on readmission rates, episodes of care, and the relationship between mortality and readmissions.
- The development of a patient classification system for predicting future health care expenditures within a risk-based capitated payment system.

Memberships and Presentations

Since 1979, Mr. Averill has been a lecturer at Yale University's School of Epidemiology and Public Health. He has been a member of the Editorial Advisory Board of ICD-9-CM. Mr. Averill is a member of the Sigma Xi, Scientific Honor Society. He has published extensively on health services research and information systems and is a frequent speaker at conferences across the country.

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