

# Outsourcing Reshapes Transcription Model

By *Dave Woodrow*

*Tighter finances and growing patient volumes are pushing providers to take another look at how health care data reach the medical record.*



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The days of wax cylinders and Olivetti typewriters are long gone, but the recent advancements in the medical transcription industry have been no less significant. Dictation and transcription technologies have changed, as has the perception of medical transcription by health care leaders. Growing transcription volumes and changing business imperatives continue to prompt providers to consider the best outsourcing options. Ultimately, the future of the industry lies in the synergy between human medical language specialists and speech-understanding software to create a faster, more flexible electronic medical record.

## **Technology Enables Outsourcing**

As with other industries, medical transcription has benefited from the Internet. Instantaneous telecommunications and secure data entry methods have improved efficiency and opened up a new source of English-speaking medical language specialists around the world. Continually increasing medical transcription volumes, as well as a need for shorter turnaround times, drive health care organizations to take advantage of outsourcing. This is a trend that shows no signs of stopping, as the aging population of the United States, more stringent billing policies and an increasingly litigious society drive up the volume of health care, and thus the quantity of patient records. As hospitals and insurance providers serve more individuals and more revenue is at stake, shorter turnaround times for reports are critical.

These concerns also have led to more cost-consciousness on the part of health care organizations. As insurance and regulatory requirements have begun to eat away at the bottom line, transcription services have been targeted as a point of savings, and medical transcription service providers have been able to oblige with outsourcing both locally and internationally. However, great care must be taken not to commoditize medical transcription, as the quality of the service—not the speed and price—is the most important element of cost reduction.

Further, medical documentation is the genesis of not only the patient care continuum, but the revenue cycle as well. The faster a transcribed report can be delivered for coding, the more quickly the insurance provider can be properly billed so that the provider receives payment. The business case for fast, efficient medical

transcription is to reduce the time between services rendered and payment received, improving DNFB (discharged, not final billed) status. A faster and more accurate billing cycle relieves revenue pressure on the provider, leading to smoother operations and ultimately, happier personnel and patients.

## **Shift in Staffing**

The overall shift in the human resources model also has been dramatic. Medical language specialists are rarely directly employed by the hospital, and the transcription work is rarely performed on the premises. In fact, 90 percent of United States-based medical language specialists work from their homes, and nearly all are employed by service providers. While knowing the transcriptionists personally and providing face-to-face instruction are arguments for facility-based services, current business imperatives make this scenario unlikely. The transition from visual supervision to virtual supervision creates anxiety for some hospitals, but the benefits to the organization make adaptation essential. Turning to a third party for transcription services eliminates overhead and provides scalability, both with personnel and physical space, that would otherwise not be possible with a facilities-based solution.

Technological advancements, along with significant cost-cutting pressure and increasingly rigorous regulatory demands, have prompted health care entities to embrace outsourcing.

## **Technology and Security Requirements**

From an outsourcing perspective, security must be top priority. The industry standard dictates that health care service providers use layered security architecture with role-based permission capabilities and verification stamps on all reports. Various standards and rules, such as ISO and HIPAA, provide recognizable benchmarks that span service lines and industries. ISO-certified and HIPAA-compliant service providers will ensure that reports are maintained on U.S.-based servers and that audio files are deleted from local workstations once transcribed. They will also guarantee that the technology is in place to provide an audit trail that tracks by whom, when and where a file is touched.

World-class security requires scrupulous attention to detail. In addition to the items mentioned above, digital certificates and encryption should be part of the service provider process. Digital certificates, the equivalent of a digital signature, provide clients with assurance that they are connected to a valid server and that files can be accessed by authorized individuals only. Additionally, point-to-point encryption ensures that data is secure while at rest and in transit.

While there is still a level of trepidation regarding the security of overseas medical transcription, offshore service providers have put rigorous human and physical controls in place. Some organizations' remote facilities require key-card access and provide video monitoring.

## **Human Touch Needed**

Despite the technological changes in the past several decades, medical transcription remains a skilled

trade that ultimately comes down to people. Whether they reside in the United States or abroad, are employed by the hospital or a service provider, or work from home or an office, qualified medical language specialists are responsible for the final conversion from speech to text. The advent of voice recognition technology has caused some health care entities and service providers to deemphasize the importance of personnel, but computer programs still lack the intuition and finesse necessary to properly transcribe medical dictations. While it is clear that the future of the industry lies with speech understanding, the technology is not going anywhere without skilled people. In fact, much of electronic record technology is far from automated, and it still ultimately relies on the inputs of humans with specialized skills.

In the end, technology will help provider organizations keep documentation costs under control and free up physicians to concentrate on what—not how—they are dictating. The ability to capture content at the origin of the record, maintain data integrity and then relay this information to coding and billing functions automatically provides the closed-loop solution so many organizations seek.

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