

Maximizing the Benefits of Computer Aided Medical Transcription by Outsourcing to Multiple MTSOs

Introduction

The potential for background speech recognition to decrease costs, reduce turnaround time, and improve document consistency has been well proven in recent years. The eScription platform for computer aided medical transcription (CAMT) from Nuance, as one example, is being used with great success by more than 100 healthcare organizations across the United States. Interestingly, approximately one-half of these facilities staff in-house transcription departments; the other half outsources transcription to one or more medical transcription service organizations (MTSOs).

This white paper addresses a question frequently asked by potential customers that outsource transcription and are considering a change to CAMT: **What is the optimal approach for working with MTSOs?** Initial situations vary. Some organizations are used to working with one outsourced company. Other organizations are quite decentralized, with five, six, or seven MTSOs being used. Once the change to CAMT is made, what is the best approach for contracting with outsourced labor?

Customers of the eScription platform have discovered that they can reduce transcription costs and decrease document turnaround time by deploying background speech recognition technology along with a **multiple MTSO approach**. The information for this white paper was gathered from interviews with existing eScription customers, as well as conversations with MTSOs.

Background

How does computer aided medical transcription work, and how does an MTSO fit into the solution?

Using a proprietary background speech recognition engine and patented technologies researched and developed in real-world medical transcription environments, eScription software accelerates and improves the medical transcription process. When a clinician dictates, the speech is captured via phone or digital device, and then is interpreted and formatted using background speech recognition into a draft document, which needs to be reviewed and edited.

The drafts are available via a secure Web-based interface to the MTSO and its MTs who are responsible for *editing* the draft documents following the healthcare organization's established style guide for formatting, and within turnaround time guidelines established with the customer. Once completed by the MTs, documents are uploaded to the system for the clinicians to sign. Typically, an MT's productivity is doubled when editing documents as compared to typing them from scratch.

Some of the benefits of CAMT to your healthcare organization include:

- Quicker document turnaround time
- Increased document consistency for Electronic Health Records (EHR) integration
- Significant cost savings in medical transcription

CAMT is a technology solution that is also critically linked to a labor component. If an organization has in-house MTs, those individuals must be trained, managed and compensated so that your organization will get the most out of the software. Similarly, for organizations that outsource some or all of its transcription work, the approach to and management of MTSOs that provide the editing can make a difference in the turnaround time, quality, and cost savings results your organization can achieve.

Overview of an MTSO

A Medical Transcription Service Organization (MTSO) is a business that specializes in outsourced medical transcription. Generally, for U.S.-based companies, the MTSO will have a management, sales, and operations office in one location, and will employ home-based MTs around the country. The MTSO is responsible for distributing work to its MTs, as well as making sure that the work meets the quality standards of the client by employing a staff of Quality Assurance (QA) MTs that will check the work of the transcription staff. An MTSO may also sub-contract transcription work, in addition to having it completed by its own MTs.

Offshore MTSOs are another option that is available to your organization. Offshore MTSOs have a similar management structure as domestic MTSOs, except that the labor is completed by MTs outside of the U.S. The two most active international countries in medical transcription are India and the Philippines. Work done by offshore MTSOs tends to be less expensive than work done by domestic MTSOs. In addition some offshore MTs are able help reduce turnaround time because the work is performed in a different time zone. For example India's time zones are 9+ hours ahead, which enables MT's to work regular local business hours during non-US business hours. At times, pending organization approval, domestic MTSOs will also sub-contract labor to their offshore MTSO partners.

Medical Transcription Industry Trends and Concerns

The growing success of background speech recognition has had an impact on the medical transcription industry. Transcriptionists as 'editors' has led to changing needs for training and education. Productivity goals and compensation schemes must be adjusted. The most recent KLAS report on MTSOs states *"back-end speech recognition, however, has begun to transform medical transcription and the role of the medical transcriptionist. For those that have embraced back-end speech recognition, editing, not transcription, is the need."* At the same time, recent years have seen a rise in offshore transcription companies, and an increasing shortage of domestic labor.

Outsourcing transcription remains a strong and viable option for many healthcare organizations. However, interviews with HIM Directors and Transcription Supervisors reflect a number of concerns, which are described below.

- Frequent consolidation and acquisition of MTSOs can negatively impact document quality, customer service, and workflow. There have been over seven large acquisitions of MTSOs in the past five years, including two of the largest MTSOs merging in mid-2008.

- As an organization moves toward speech recognition, working with smaller MTSOs becomes challenging as additional training is needed. Or, if these MTSOs are supplementing in-house work, their services may no longer be needed as the in-house group experiences productivity gains resulting from eScripton software.
- Healthcare organizations that are opposed to their work being completed offshore are concerned that MTSOs may be sending their work offshore without their knowledge.
- There is an increasing challenge of finding enough qualified in-house MTs. A survey of MTs conducted by Bentley College in Waltham, MA² discovered that over 46.1% of domestic MTs are over the age of 50, with another 30.8% between the ages of 40 and 49.ⁱⁱ With an aging MT population and fewer new MTs joining the profession, staffing will continue to be a challenge.
- With the addition of speech recognition, some MTSOs put too much focus on the volume of documents that they are completing, and not enough focus on document quality and service.

As with many industries, the transcription industry will continue to be dynamic on a global scale, with change leading to uncertainty and concerns on the part of HIM Directors who need to manage MTSO resources. For organizations that require outsourced transcription services and are considering a change to CAMT, the information below, based on eScripton customer experiences, will provide helpful guidelines.

The Multiple MTSO Approach

Against this industry background and with the goals of CAMT in mind, we have observed that the most successful customers that utilize an MTSO service have adopted a multiple MTSO approach. This approach involves contracting with two or more medium or large sized MTSOs to edit draft documents.

The multiple MTSO approach offers many benefits for the healthcare organization, including:

- Healthy competition on price, quality and service
- Workflow flexibility
- Risk mitigation; and
- MTSO cooperation

Healthy Competition

Having more than one MTSO working with your organization creates a situation where the MTSOs will compete in a variety of areas to the benefit of the customer.

Price: *“MTSOs are much more sensitive to your organization’s pricing needs when there is another MTSO involved,”* says Suzi Liang, HIM Special Projects Manager at Piedmont Healthcare, an eScripton customer since 2003 based in Atlanta, GA. There is added incentive for the MTSO to offer your organization a price that is competitive.

Quality: MTSOs will create a higher quality draft when another MTSO is working on the same account. It's important for an MTSO to match (if not exceed) the quality of the other MTSO. This includes MTSOs removing underperforming MTs from your organization's account if you request it.

Customer Relationship: MTSOs working with an organization with multiple MTSOs know that their service will be compared to the service of the competing MTSO, and will strive to provide the highest level of customer service, as well as work to foster a positive relationship.

Turnaround Time: MTSOs will make every effort to keep up with the workload agreed upon with your organization, as it would be detrimental to lose volume to another MTSO. *"MTSOs don't want to be 'bailed out' by other MTSOs,"* says Liang.

Workflow Flexibility

A multiple MTSO approach gives your healthcare organization more flexibility by enabling more MTs to work on your documents and the option to blend on- and off-shore labor.

More MTs Available: By utilizing more than one MTSO, your organization is not constrained by the limitations of a single MTSO. Janine Stewart, Transcription Manager at Sacred Heart Medical Center, in Oregon (a member of the PeaceHealth system), and an eScription customer since 2005, explains that *"The multiple MTSO solution puts more people at the ready."* In the event that your organization needs more MTs working on your documents, your organization will have more resources available. In addition, *"Utilizing multiple MTSOs also allows you to leverage your costs by not having all your eggs in one basket."*

Blend of on- and off-shore labor: With multiple MTSOs located both on- and off-shore, your healthcare organization can use a 'follow the sun' approach, where domestic MTSOs are editing during the U.S.-based working day, and offshore MTs are working on documents during our night. Some eScription customers need a blend of local and offshore labor, which allows for 24 hour coverage, which can be critical to meeting turnaround time, as well as having labor available to handle any emergency dictations that may arise 'off-hours.'

Risk Mitigation

Contracting with multiple MTSOs means that a more extensive and diverse pool of labor is available to your organization should there be an issue with any of your MTSOs. There are certain unexpected events that can impact an MTSO's staffing and ability to meet your needs. Some of these events include:

Natural Disasters: Events such as blizzards, power outages, and tornadoes can affect specific areas of the country, putting MTs in that area out of commission and unable to work on your documents. An eScription customer relayed a story of an MTSO that had over 50% of its MTs displaced by Hurricane Katrina. This led to major backlogs and a lot of scrambling by the customer to find MTs that could take on work.

Illness: In the winter months, sicknesses like the flu can affect large numbers of MTs in one area. As a result, MTSOs can have several MTs become unavailable to work. Having multiple MTSOs will help minimize this risk.

Poor Relationships/Poor Work: For any reason, if there is a rapid decrease in the quality of an MTSO's work, or if there is an issue in the relationship that cannot be resolved, having another MTSO under contract means that work can be gradually shifted to it, without immediate pressure to get a new service provider under contract right away.

Sudden Changes at MTSO: eScription customers have witnessed MTSOs experiencing organizational change that has impacted their work. For example, one MTSO was acquired, and another MTSO's owner passed away suddenly. Sue Flynn, Transcription Supervisor at Medical Associates of Menomonee Falls, an eScription customer since 2006, works with MTSOs where the owners are heavily involved in the business, and would be concerned if anything happened to them.

These examples, not all of them common, have happened, and have left organizations in a tough spot, in dire need of transcription labor. Having another experienced MTSO under contract that is working and familiar with the clinicians and work types can serve to minimize the risk of these unexpected issues.

MTSO Cooperation

Having multiple MTSOs working with your organization means there are more sets of eyes looking at the account, more perspectives on how your account works, and more people aware of your organization's workflows and 'ins and outs.' MTSOs that work on the same account will compare notes on the best way to serve a customer, or work with each other to help the other out of a backlog situation. These MTSOs are able to learn more about their mutual customer from one-another. For example, two eScription MTSO Alliance members have worked with each other to help eliminate backlogs at customer sites, or to 'get out in front' of work in order to avoid a potential backlog situation.

Drawbacks

Although our customer experiences have highlighted the benefits of a multiple MTSO approach, it is important to mention one drawback that we sometimes hear. The main drawback to having a multiple MTSO approach is that an organization must manage 'two of everything.' If there is a change, two organizations need to be made aware of it. There are two or more bills that need to be reconciled and paid. There are multiple relationships that need to be fostered and maintained. Some customers, prior to using the eScription platform, have indicated that, at times, it would be better to have "one check to write and one person to call."

With that in mind, not a single eScription customer that employs multiple MTSOs has wanted to switch back to a single MTSO solution. The benefits of having multiple MTSOs editing their documents on the eScription platform far outweigh the drawbacks.

Best Practices in Working with Multiple MTSOs

How many MTSOs should my organization use?

The answer to this question depends on a number of factors. First, it is important to determine how much volume your organization is comfortable with an MTSO handling. Using a very small MTSO typically increases the challenges that are described earlier. Consequently all of the eScription MTSO Alliance members are mid-to-large sized MTSOs.

There is no formula that should dictate how many MTSOs an organization will use. However, from our experience, a rule of thumb that seems to work well is to start with two MTSOs. If your organization will outsource more than 20 million lines, add an additional MTSO for each 10 million lines outsourced above 20 million lines. It is important that you consult internally, as well as with your potential MTSO partners and, if you would like, with the eScription MTSO Alliance Relations Manager, who is available to answer your questions regarding MTSOs.

What are my options for managing workflow among multiple MTSOs?

Your organization can utilize a number of different solutions for different situations. Here are some examples that eScription customers have successfully used. One option is to assign specific business entities or work types to different MTSOs. This method allows an MTSO to get to know specific work types and the associated dictating clinicians. For example, one eScription customer has one MTSO work on all of its clinics' work, while another MTSO handles its acute care hospitals.

Alternatively, facilities utilizing the eScription CAMT platform find that workflow and turnaround time can be improved with an open pool of work from which all MTSOs will draw documents. This way, MTSOs will transcribe the documents that have the shortest turnaround time requirements first. Not allowing an MTSO to work on certain work types can negatively impact turnaround time overall.

In addition, knowing how much work to expect is extremely beneficial to an MTSO, as it will be better able to staff accordingly. The biggest challenge that an MTSO faces on a day-to-day basis is staffing. There is a constant balancing act between having enough MTs to handle the work (a shortage of MTs will lead to increased turnaround times and backlogs), but not having too many MTs (idle MTs will leave to work for other MTSOs). Keeping a consistent predictable volume is helpful to the MTSO, and leads to better service for your organization.

Operational Tips from eScription Customers working with Multiple MTSOs

Below are some best practices that have been passed along by existing eScription customers that utilize a multiple MTSO approach.

- (1) Make sure the MTSOs understand your organization's transcription environment, and that they are aware of the challenges your organization faces, your work types and their specifics, and the volumes they should prepare for and expect. If you anticipate more work at certain times of the month or year, make sure they are all aware of it and can assist you with it.
- (2) Be sure to understand the contracts and all of the charges. It's important to have similar contracts for each of your MTSOs to avoid any confusion.
- (3) Find out about resolution of issues and responsiveness. Is someone available on nights and weekends? Does one MTSO have this availability while another does not?
- (4) It is important to manage the expectations of each of the MTSOs, and make sure that they are consistent. Communication is key.
- (5) Know the process and the workflow on each of the MTSO's sides thoroughly. Know and understand any differences between each of the MTSO's processes.
- (6) Demand specific information and reports regarding your work (how many documents are being QA'd, TAT, etc.) and get this information from each of the vendors. This allows you to compare the multiple vendors.
- (7) Require a quality report on a regular basis from the MTSO.
- (8) Perform your own QA on the MTSO on a less frequent and random basis to compare the QA reports they provide. Facilities that employ this approach tend to have the least issues with quality from an MTSO.

The eScription MTSO Alliance

With the challenges facing the transcription industry and benefits of a multiple MTSO solution in mind, Nuance created its eScription MTSO Alliance Program at the request of existing customers. This program was designed to help ensure that eScription customers could contract with MTSOs that have extensive experience using eScription software for CAMT.

Some of the benefits from working with eScription MTSO Alliance partners include:

- Smoother 'go-lives' and upgrades on the eScription platform
- Faster realization of cost savings and turnaround time results due to experienced transcriptionists and management
- Flexibility to choose multiple MTSOs using domestic and/or offshore labor for competitive rates and service

Summary

The combination of the eScription software with a multiple MTSO approach has been proven to be successful. It provides you with competitive pricing and service, flexibility to divide work to meet specific needs, risk mitigation in an industry sensitive to changes in labor pool and management, and the cooperation of outside service providers that are knowledgeable about your organization's needs and challenges. With this approach, your organization is well positioned to optimize the benefits of lower costs, improved consistency, and reduced document turnaround time that the eScription platform delivers.

¹KLAS Medical Transcription Services Organizations Study; June 2008 © 2008 KLAS Enterprises, LLC www.KLASresearch.com

²2007 SURVEY OF MEDICAL TRANSCRIPTIONISTS: PRELIMINARY FINDINGS; Prepared by the Bentley College Healthcare Documentation Production Project for the AHDI/MTIA ADVOCACY SUMMIT (<https://www.aamt.org/scriptcontent/downloads/MTSurveyReport-Preliminary.pdf>)

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