

Containing Medical Transcription Costs

Searching for ways to eliminate unnecessary expenditures has become second nature to administrators, and finding new opportunities is always a welcome site. In the quest for savings, one area that shouldn't be overlooked is medical transcription services.

Consider Outsourcing

As administrators know, hiring in-house labor can drive up overhead costs, as well as present a challenge in retaining the proper number of transcriptionists to handle the workload generated from fluctuating patient volumes. Using voice recognition software is another option. However, the accuracy of the technology is questionable. For these reasons—as well as others—many hospitals find that outsourced medical transcription services often provide the best combination of cost and accuracy.

With ample competition in the field, there's significant room for securing optimal pricing. When a facility issues a request for proposal for transcription services, hospital staff should take into consideration price, quality of service, turnaround time, and accuracy.

Ask What Methodology the Vendor Uses

Different methodologies are used in the industry and should be considered before signing a contract with a transcription vendor. Most methodologies depend on the number of lines in a report to calculate cost per report. The industry standard is 65 characters to a line, including spaces. However, it's common for some vendors to define lines with fewer than 65 characters, or to count each hard line break as a new line.

The following are methods for calculating a defined line, as described by the American Standard Code for Information Interchange:

- > Printed character line: any line that has 65 characters, which is calculated by counting all characters and spaces and dividing the total number by 65.
- > Visual character only line (VCO): the total number of characters one can see divided by 65.
- > Visual black character (VBC): the total number of characters one can see with the naked eye.

Measuring by VBC eliminates variables and provides the most accurate measurement. Also, pricing can be established on a per character basis instead of per line, which is often the most cost-effective method. Additional factors impact-

ing cost will be volume (higher volume equates to lower cost) and the urgency of receiving the report (quicker turnaround equates to higher cost).

Take Advantage of Free Trials

Once you narrow your list of potential providers based upon price, quality of service, and turnaround time, you then need to complete a more detailed comparison. Many providers offer a free trial run—take advantage of this. There's very little cost involved in setting up an account, so it makes sense to send a recording or two to each of the providers you're investigating.

For each of these trials, pay attention to the details of how the provider operates:

- > How does the price, quality of service, turnaround time, and accuracy compare?
- > How will you be invoiced? Which method fits your organization most appropriately?
- > Does the vendor outsource any of its transcription work to offshore sites?
- > Are customer service representatives helpful and responsive?

Identifying a transcription company that meets your operational and financial needs can be challenging, but it's certainly worth the effort. ☎

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Stanford Bars Gifts, Samples from Vendors

Physicians at Stanford University Medical Center can no longer accept gifts or drug samples from pharmaceutical representatives on hospital grounds or at off-site clinics. The hospital's gift ban extends to sales reps from medical device makers and other companies.

Two other academic medical centers—Yale University and the University of Pennsylvania—have adopted similar policies in the last two years.

Stanford's new ethics policy:

- > Prohibits gift-giving on school, hospital, or clinic grounds.
- > Requires sales and marketing representatives to make an appointment before being allowed in patient areas.

- > Does not allow companies to provide food at Stanford.
- > Prohibits vendors from shaping the content of on-campus meetings or lectures.
- > Bars physicians from publishing medical journal articles that have been ghostwritten by industry contractors.

A recent article in the *Journal of the American Medical Association* found that 90 percent of the \$21 billion that the drug industry spends on marketing goes to physicians in the form of gifts, lunches, drug samples, and sponsorship of education programs. ☎

For more information, visit <http://mednews.stanford.edu/releases/2006/september/coi.html>.