# **Megatrends Promise Transcription Changes**

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by Gordon Zernich, BA, and Bill DeVitt

HIM directors who are staying ahead of the curve can understand the effect that several megatrends will have on the transcription industry. These trends include increased volumes, use of third-party transcription services, new technology and increased expectations, standardized billing, and shared risk. Following is a brief description of these trends.

#### Increased Volumes

HIM departments are experiencing an increase in transcription workload as more reports with greater amounts of detail are dictated. Implementation of Ambulatory Payment Classifications (APCs) results in more dictation, which increases the transcription workload. In fact, the impact of APCs will be as dramatic as that of DRGs in 1983. In addition, there is a fear of compliance reviews, so physicians dictate under the old adage that the more they say, the safer they will be from adverse compliance findings.

# A Shortage of Skilled Transcriptionists

As the number and length of physician reports grow, so does the shortage of skilled transcriptionists in many parts of the country. The transcription profession is attracting fewer new entrants than ever. Repetitive stress syndrome is becoming a limiting factor as the work force ages. As a result, a growing percentage of medical transcription work has joined the ever-increasing flow of information work going to English-speaking offshore locations such as the Philippine Islands and India. This does not necessarily involve cost savings. Rather, it is an attempt to balance supply and demand.

## **Technology and Increased Expectations**

Technology greatly influences the transcription function, often by raising the expectations of those in the field. Most HIM departments have received pressure from transcriptionists to work from home. Pioneered by transcription service providers, new technology makes this move available, and healthcare facilities have to respond. In turn, physiciansare less tolerant of the old processes.

Internet enablement also opens up national labor pools. For example, a hospital in Texas can effectively recruit and employ transcriptionists in Oregon. An Internet connection has become an expectation. Spotty service tolerated five years ago is now unacceptable.

Rising expectations necessitate a more holistic view of transcription. Historically, transcription has been treated like a laundry service. An organization sends it out—via dictation—and it comes back cleaned and folded as a typed report. However, the requirements for an effective transcription solution in today's world are much greater.

For example, a report may be transcribed and returned to the HIM department within one and a half hours. It may take another 12 to 30 hours, however, for it to be charted. While many may not view this as a transcription problem, the physician cannot use the information in a timely manner. Both in-house and third-party transcription services must strive toward solutions that address the entire process.

# Other Technology Trends

Three other technology trends seem poised to influence transcription. The availability of application service provider (ASP) technology allows facilities to obtain high-tech functionality on a variable cost basis. The ASP model is accessed through an Internet browser that offers medical transcription software on a usage basis. It is not installed or downloaded on the computer.

Speech recognition will begin to fulfill its long-awaited promise, and as the computerized patient record (CPR) becomes more common, the structure it brings, together with direct physician input, will naturally reduce dictation. Vendor literature touts the minimization of physician dictation as being one of the CPR's main benefits.

### **Billing**

Some HIM professionals do not consider pricing by the line to be a very credible billing practice. A line can be defined differently and there are often extras fees when using an external transcription service that increases the per line cost. For example, if a line requires bold type or underlined text, it may count as more than one line.

Because of this sentiment, there is a call for more uniform transcription billing standards. One possibility is billing based on the encounter. The bill could be based on average prices for dictation of a particular type, length, and complexity.

## Outsourcing on an At-risk Basis

Another business trend is outsourcing on an "at-risk basis." Transcription experts can work with physicians to make dictation more effective. This can result in reduced transcription and savings of 10 percent or more. In other industry outsourcing arrangements, this windfall is shared with the client. This may soon take place in the transcription arena.

#### What Lies Ahead

In the more distant future, HIM directors may see an increase in autocoding directly from transcription with coders reviewing and correcting codes rather than initially assigning the codes. In addition, dictated reports might include report format instructions that allow a job to be completely self-contained. In that way, transcription work could be auctioned over the Internet, with transcriptionists setting the price.

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