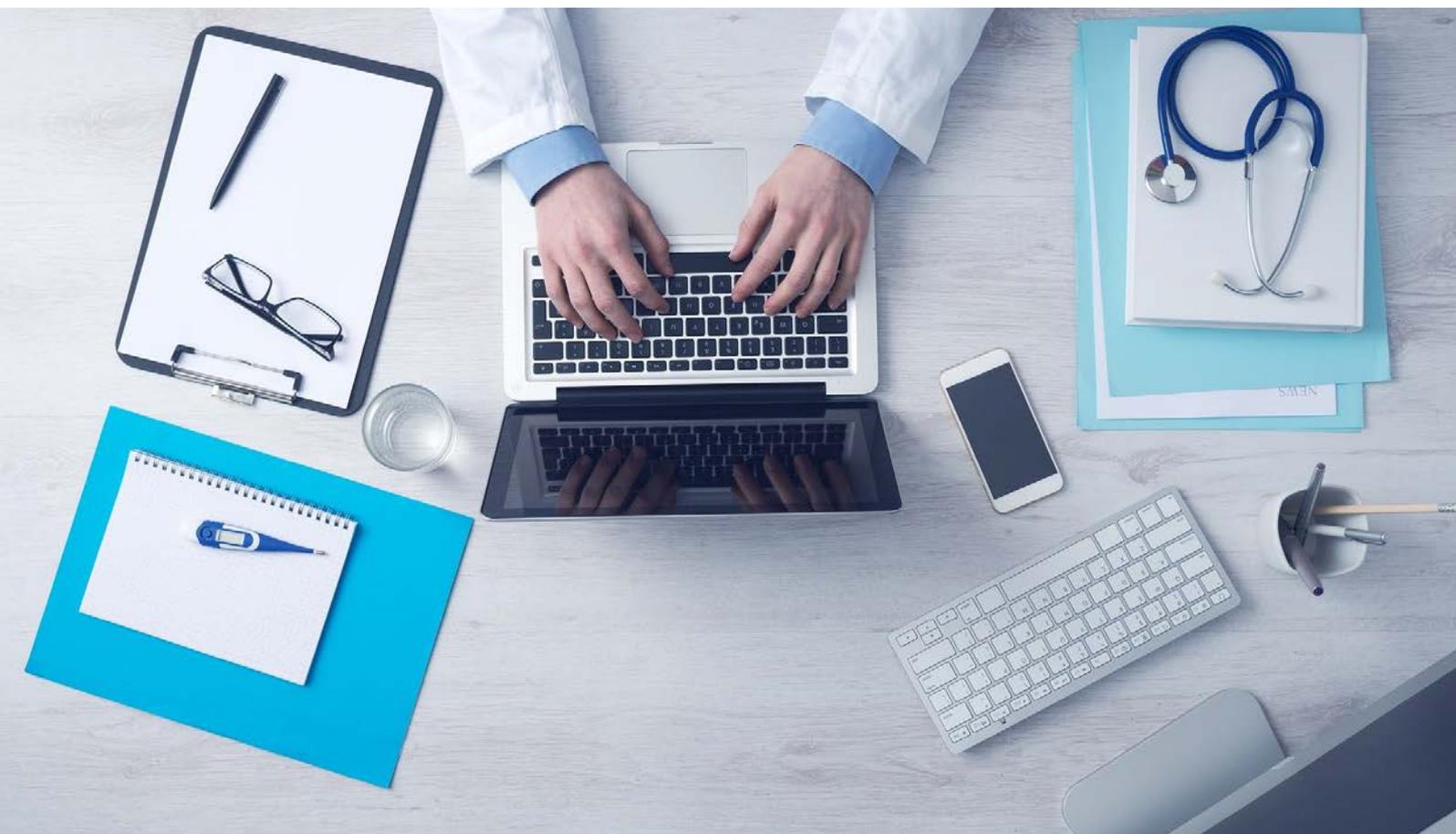




**SYNOPTEC**

The Comprehensive Guide  
**to Reducing  
Transcription Costs**



## Reducing Transcription Costs

Complete, accurate medical records available in a timely fashion are critical for good patient care, patient safety and managing liability. The most commonly used documentation methods are based on transcription services. Good transcription is time intensive, expensive and places a heavy burden on many institutions. The global medical transcription market was [estimated at \\$41.4 billion in 2012 \[1\]](#) with projected annual growth of around 6%. Transcription costs can represent a significant outlay for individual institutions, and cutting these costs is a popular target for hospital and clinic administrators charged with saving money.

In this e-book, we'll explore three of the most common methods of cutting medical transcription costs: outsourcing transcription, use of electronic patient record systems to assist in dictation/transcription and replacing transcription with structured synoptic reporting. We'll also discuss ways to reduce costs without impacting accuracy, timeliness or volume.

## Outsourcing Medical Transcription

Outsourcing medical transcription services is perhaps the most commonly employed method to try to cut costs. Numerous providers advertise online and may claim they can cut transcription costs in half. Outsourcers may be based in the same country, or in many cases have overseas-based transcribers.

### *The Benefits of Outsourcing Transcription*

Outsourcing transcription can save an institution a significant amount of money since it eliminates overhead costs associated with in-house transcriptionists. Outsourcing contracts are typically based on payment per article, line or even word. Institutions therefore save on expenses such as office space, equipment, training, health insurance and employee leave. One provider has estimated that an in-house transcriptionist can [cost up to US \\$46,000 annually \[2\]](#). Estimates of outsourcing the work of one transcriptionist suggest [savings of between \\$10,000-\\$22,000 per year \[3\]](#). Payment only for work received also avoids inherent workplace inefficiencies; surveys suggest most workers achieve only around [six hours of effective output in the average eight hour working day \[4\]](#). In a 2007 Gallup poll, employees themselves even recognized they probably waste around an hour of time each day.

### *The Pitfalls of Outsourcing Transcription*

Devolving responsibility for a critical service outside of the institution removes some control over the output. Supervision, training and quality control are lost—or at best are communicated through an intermediary. You rely completely on the company ensuring their transcriptionists are well-trained, kept up-to-date and are well-versed in the terminology used by your clinicians. This may become a particular problem when services are outsourced overseas. While savings may be greatest, English may not be the first language of the transcribers, making recognition of complex medical terms, or reconstructing poorly-recorded snippets more difficult.

The risks associated with poor quality transcription can be very serious, and may result from even the smallest error in terminology. Of course, mistakes can result in significant liability for your institution. In December of 2012, an Alabama jury awarded \$140 million to the family of a diabetic woman who died after a massive insulin overdose. The overdose was attributed in part to a transcription error by an outsourcing provider in India whose services were saving the hospital [two cents per line \[5\]](#).

*“The risks associated with poor quality transcription can be very serious, and may result from even the smallest error in terminology.”*

### *How to take Advantage of Outsourcing Transcription*

The ramifications of poorly managed or executed transcription can be dire both for the patient and your institution; before committing to outsourcing you need to be confident in the provider and every stage of the process.

The key to maximising the benefits outsourcing can bring is to do your homework. Make sure you are happy with the training and quality assurance processes provided by the outsourcing company. Ask questions about the hiring process and supervision of employees. Think about employee turnover. Will your work be regularly assigned to a dedicated transcriptionist? This can help improve accuracy over time through increased familiarity with terminology and style of dictation. Make sure you understand what happens to your document at every stage in the process, and that you understand the precautions taken by the company to ensure your document remains secure and confidential at all times.

Other factors to consider include turnaround time, and dictation methods; in addition to traditional telephone-based dictation methods, outsourced providers may also offer systems accessible via mobile apps, allowing clinicians the flexibility to dictate anywhere.

Once you are happy with the external process you will need to think about what in-house quality assurance needs to be in-place, who will be undertaking this and how long will it take. Be realistic about what resources this is likely to need and factor these into your cost calculations.

Above all make sure you are happy with the balance between cost savings and quality. Saving a few cents on transcription may not be worth the risk of significant patient harm or litigation.



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## Computer assisted dictation / Electronic patient records

Increasing use of technology—both in the form of electronic patient records and more limited computer assisted dictation and transcription systems—has the potential to save both time and money. Computer assisted dictation utilises voice recognition software to produce a first draft of the document as the words are spoken. The accuracy of voice recognition has improved hugely in recent years, making it a much more practical tool. In particular, software which enables the system to learn from repeated dictation by an individual can [vastly improve accuracy \[6\]](#).

However, the quality of the voice recording is crucial, and can be impaired particularly in [noisy environments \[7\]](#). The resulting document will usually also need proofreading. Although this process may be less time consuming than primary dictation, some studies show it can be open to missed problems as errors may produce sentences which are grammatically correct and wrong only in their sense, making them more difficult to pick up. The task of checking and correcting the document may be undertaken by support staff, but may also fall to the clinician, potentially increasing their workload.

Electronic patient record systems have been projected to offer potentially huge savings if universally employed. Two studies from America gave a figure of around [\\$80 billion per year of potential savings \[8\]](#), although this figure is likely to be hugely over-inflated and does not take into account the costs of introducing the systems. Potential savings seem significant, although reported benefits vary from largely cost neutral improved quality of care, through small per-patient savings with improved efficiency and revenue to average savings of 10% per patient [9-11].

Advantages of electronic patient records may be many and varied. From the point of view of report production, in addition to voice recognition technology, ‘smart phrases’ can be used to rapidly

reproduce commonly employed phrases without repeatedly typing the same content. For example, this could allow the clinician to produce a phrase covering all pertinent negatives in just [two or three keystrokes \[12\]](#).

Not only does this save time, but if used carefully it can ensure all relevant elements are included every time and simple errors such as spelling mistakes are eliminated. Care needs to be taken to ensure a 'tick-box' mentality doesn't override careful thought and interrogation of the individual case, but if used well, smart phrases can be a real asset.

#### *The Benefits of Computer Assisted Dictation / electronic patient record*

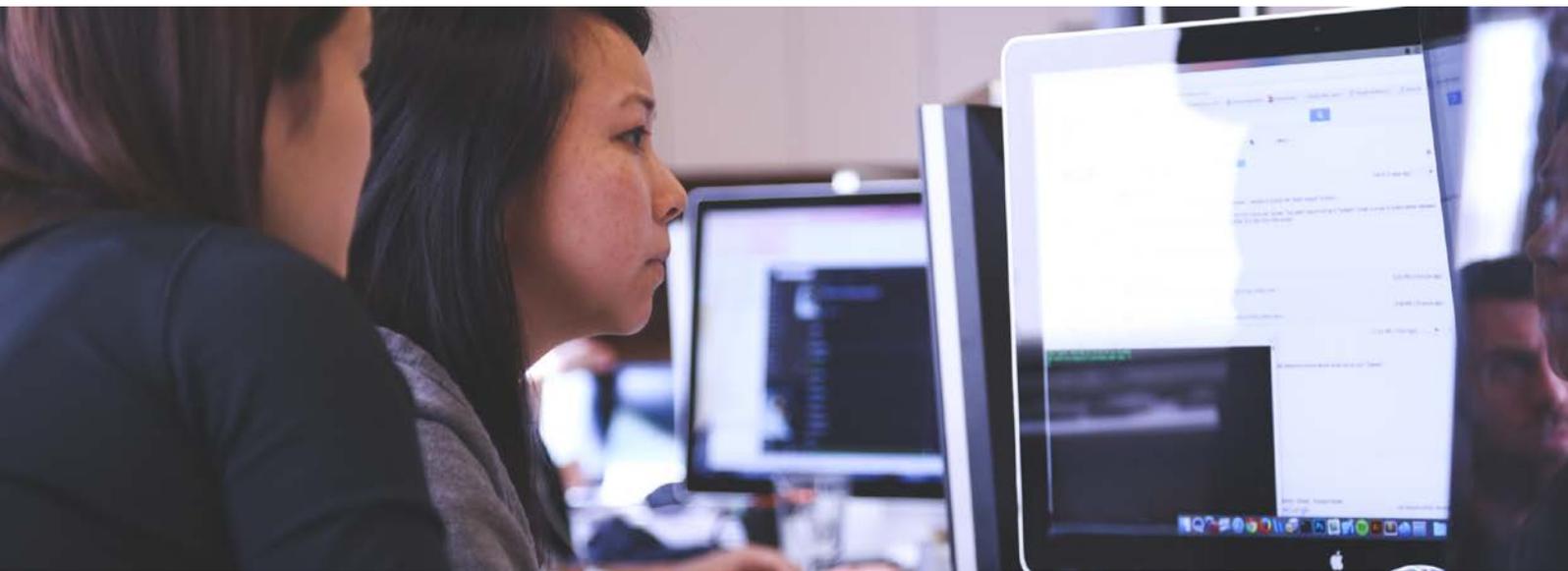
As well as efficiency, electronic patient records can produce benefits for patient care, allowing access to all results and information in any location and producing reports that are almost immediately available to all professionals caring for the patient. By reducing the number of steps of information transfer, the potential for lost reports or those incorrectly ascribed to the patient is also reduced. If employed to their full extent, electronic patient records can completely remove the need for, and therefore the cost of, transcription services.

#### *The Pitfalls of Computer Assisted Dictation / electronic patient record*

Although voice recognition software has improved hugely in recent years, errors are still made, which may be subtle and difficult to detect. Either a transcriptionist or the clinician needs to carefully proofread the text to pick out and correct errors. Use of smart phrases and electronic patient record systems can help with some of these problems, although issues around work load for clinicians remain.

#### *Taking Advantage of Computer Assisted Dictation / electronic patient record*

Electronic patient record systems can represent a huge outlay for institutions. Ensuring that staff are fully trained and supported through their introduction is key to success. Taking the time to set-up and personalise things like smart phrases will improve accuracy and save time in the long term. For both systems, thinking about who is going to proofread and finalise the dictated document, and the costs this will involve, will give a more realistic overview of potential savings.



## Synoptic Reporting

By completely moving away from narrative reports, synoptic reporting can eliminate transcription costs entirely. In synoptic reporting, the clinician or a staff member assisting with the procedure enters data directly into the report by following a pre-formatted template. The formatting makes it quick and easy for the clinician to enter this information, eliminating the need for narrative dictation. Without dictation, there's no need for transcription.

### *The Benefits of Synoptic Reporting*

1. **Cost savings:** The source of the cost savings by using synoptic reporting is obvious: implementation of a synoptic reporting system eliminates a large percentage of ongoing transcription needs, thus eliminating a significant expense on an ongoing basis. Estimating the size of this benefit may be more difficult. In 2011, Praxia Intelligence Information's *Synoptic Reporting Tools Project: An Evaluation Study* estimated that during a pilot, \$316,000 was saved by avoiding transcription of 5,948 reports. Looking at the numbers another way and estimating the time saved, along with [clinician costs \[13\]](#), cost of transcription, and [time taken to create reports \[14\]](#), removing the cost of even outsourced transcription and factoring in the ongoing cost of support from the software provider, savings of around \$550 per clinician per week seem eminently achievable.
2. **More rapidly available reports:** Among these numbers is the recognition that the time taken to dictate a report, plus then proofread and correct the transcribed version is consistently found to be less than that taken to [produce a finalised synoptic document \[14\]](#). The final document is then available immediately, reducing the average time for a complete and verified report from around eight days to [less than half an hour \[14\]](#). It is clear to see how this reduction might benefit patients.

3. **Gold-standard reports:** Within pathology, synoptic reporting is increasingly recognised as the ‘gold standard’ and is supported by the [College of American Pathologists \(CAP\)](#) because the structured template [ensures more complete reporting \[15\]](#). A 2011 study on the impact of introducing synoptic reporting for rectal cancer concluded, “Completeness of reporting, irrespective of subspecialist interest, was dramatically increased by the use of a synoptic report.” In addition, with the use of online synoptic software, reports can be completed from a variety of devices, anywhere with an Internet connection, and the structured format enhances the possibility of [data extraction in the future \[16\]](#). This sentiment is backed up by several large-scale studies showing [increased report completeness](#) with the use of synoptic tools [\[17\]](#).

### *The Pitfalls of Synoptic Reporting*

The most significant difficulty with synoptic reporting is that it represents a huge culture change for many clinicians. [Change management may therefore prove a significant challenge \[18\]](#). The cost of the system itself of course also needs to be taken into consideration, although a look at the numbers show that the initial cost outlay should be rapidly balanced by substantial ongoing savings. Such a fundamental change may require higher-level approval within the organisation than for smaller cost-saving ‘tweaks’ which can be carried out at departmental level, and this may act as a deterrent for some.

Choosing the right system is crucial. Questions to consider might include:

- Is the template design process flexible enough to ensure that local standards and preferences can be supported?
- Can changes be made quickly and easily, without requiring IT support?
- Does the vendor have experience with clinical documentation workflow?
- What kind of support will your organization receive from the vendor during and after implementation?



### *Taking Advantage of Synoptic Reporting*

To fully realise the benefits of synoptic reporting, several key factors are needed. Moving from traditional narrative reporting to structured template-based reports is a huge change for many clinicians. Ensuring you have key [advocates for change](#) on board to champion the change amongst more reluctant colleagues is essential [\[18\]](#). Supporting the implementation with [evidence of increased efficiency, accuracy and completeness of reports](#) may also be fundamental in driving change [\[17\]](#).

The choice of provider is crucial; synoptic reports should be flexible and easily adaptable to local specialisms. Investment in time, technology and training will also ensure the transition progresses smoothly and achieves maximum benefits for your staff, patients and institution. Phased introduction of the system will allow administration and a few clinician leaders to work out configuration details during a pilot, then implement one facility area at a time. Although some duplication of entry may be required during the pilot, clinicians and administrators will retain access to both systems until the integration is complete, ensuring quick accessibility of patient information at every stage.

## Conclusion

Cutting costs and increasing efficiency is key to the success of many institutions. Reducing transcription costs is a common target which can result in large savings. Several options are available; when assessing your options, be sure to consider the cost benefits of the new system, the risks associated with the solution and the likelihood that the solution will continue to serve your institution in the relatively long term. It may be that taking the time to invest in large scale change will prove to be a more effective long-term solution, resulting in improvements in patient care as well as reducing costs.



“Cutting costs and increasing efficiency is key to the success of many institutions. Reducing transcription costs is a common target which can result in large savings ... It may be that taking the time to invest in large scale change will prove to a more effective long-term solution...”

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