

Overseas Transcription Is It Foreign Aid? By Hannah Fiske



With apologies to the patriotic anthem, should we send the work, send the work over there? Transcription firms that outsource overseas are feeling the heat about sending jobs out of the country while addressing hard questions about security issues.

Hospitals and medical practices face a startling dilemma: provide quality care, maintain facilities incorporating the latest technological advances, and meet the needs of an aging population that will require increasing medical care over the next two decades. Healthcare organizations and physician practices are expected to accomplish these goals while operating in a world of ever-tightening budgets. To make matters worse, healthcare personnel are often in short supply. Shortages of nursing staff and other allied health professionals have been well-publicized by the media, but there is another shortage that affects hospitals and patients no less dramatically but draws less attention—that of quality medical transcriptionists (MTs).

To meet the demands of increasing numbers of patients, more intricate procedures, and the ever-important bottom line, many facilities have turned to outsourcing for assistance with medical transcription. In turn, many transcription firms faced with the same shortage of MTs have turned to overseas solutions, utilizing personnel based in foreign countries to help meet the requirements of their clients.

This solution has allowed medical transcription companies to meet their clients' needs, provide rapid turnaround, and offer quality work at competitive prices. The practice of overseas medical transcription outsourcing has also sparked a debate among those in the medical transcription profession, particularly U.S.-based MTs, many of whom express concerns about the impact this practice may have on their positions and pay.

While individual opinions obviously vary, the controversy over offshore medical transcription is a frequent subject of discussion on online chat boards and wherever a group of transcriptionists gathers. But is overseas transcription the problem many make it out to be?

"This practice has been going on a long time, and I have not seen that there is an increase in the number of unemployed MTs," says Beth A. Tribelhorn, CMT, president of Preferred Physicians Transcription, Inc., Greenwood Village, Colo. "In reality," she adds, "this is probably not as big a problem as people think." More overseas transcription companies have begun to realize that it is difficult to deliver extremely inexpensive transcription, she says, adding, "It costs them the same amount of money required by a U.S.-based company to produce quality medical transcription."

Transcription companies began using overseas MTs more than five years ago, according to Tribelhorn. "It really became a much larger business when the Internet became a reality," she says. "Without the Internet, large-scale transfer of voice files simply would not have been possible." U.S.-based transcription firms also began looking overseas for assistance, she explains, when the shortage of qualified MTs and increased demands for more transcribed documents started impacting their ability to meet clients' needs. Additionally, she says, health insurance companies started requiring more documentation, presented in the format they need in order to reimburse quickly, resulting in the need for more MTs. "The shortage created the market," she adds, "but now the problem is not only a shortage of MTs. It's a shortage of quality MTs, and quality is the most important part of transcription." There are many ways, she continues, to deliver a product rapidly, but in this day and age, quality has become the main priority.

Overseas transcription firms employ MTs in several countries, including India, Pakistan, Great Britain, and the Philippines, according to Kim Andosca, CEO of the American Association of Medical Transcription (AAMT), Modesto, Calif. Most firms are based in countries where English is the first or second language, Andosca says, but improvements in technology and communications are making it possible to employ qualified MTs in more locations around the world than ever before. "The AAMT has a few international members, primarily those employed or contracted with U.S.-based companies," she explains. "The organization does no marketing overseas, so these MTs usually find out about us through their employers." While the AAMT is not an international organization, it does offer basic services to any MT who asks to join, regardless of his or her country of residence.

If using overseas transcriptionists opens companies up to scrutiny from their American counterparts, why do they choose to follow that path? The answers vary, depending on the needs of a firm and its clients, but many cite the need for affordable labor, according to Tribelhorn. "Originally, I believe the fact that overseas MTs were cheaper must have been a big selling point," she says, adding that friends and acquaintances involved in quality assurance for overseas transcription agencies have told her that MT salaries in foreign countries are far lower than those of U.S.-based MTs. "The layers of quality assurance they had to implement to be competitive with U.S.-based companies," she says, "and to offer a quality product to their clients is where many of those companies were probably surprised by the cost."

One of the primary benefits of working with overseas MTs, from an employer's point of view, is being able to find quality MTs at all, according to Skip Conover, president of CBay Systems Ltd., a medical transcription firm employing more than 2,000 MTs in India alone.

"We are one of the few transcription companies in the United States that has any capacity whatsoever," Conover says. "Many small companies have trouble growing because they cannot find MTs. They may get a sale to a hospital and need to find 10 or 12 MTs in a short period of time, which is extremely hard to do in this country." Recently, he recalls, CBay tried to hire an MT in the Charlotte, N.C., area. Its advertisement garnered only one response from a qualified MT, who was hired, but vacated the position a short while later. "Our policy," Conover adds, "is to hire any MT who can pass our quality test because we need them."

According to Conover, CBay has grown by approximately \$15 million over the past four years. The firm now employs more than 130 MT professionals in the United States and is the nation's largest employer of Indian MTs. Bearing this in mind, are they able to provide the quality U.S.-based clients demand? Absolutely, according to Conover.

"The professionals we employ in India are every bit as good as those we employ in the United States," he says. "In India, we hire only college graduates, who we train, certify, and audit." MTs in the United States, he adds, are also administered an online test, which they are required to pass in order to be considered for employment. "We have always believed that it is essential to turn the work around by the next day," he adds. "If we couldn't do that while maintaining a high level of quality, we couldn't keep or grow our business."

Among the concerns expressed by U.S.-based MTs regarding the use of their overseas counterparts is the possibility that jobs will be lost to foreign MTs who are willing to work for less money, according to Andosca. "There are MTs who feel they are losing their jobs or not being hired for new positions because the work is going offshore," she says. "The other side of the argument is that employers are concerned about the huge shortage of MTs in this country and are constantly—and often unsuccessfully—searching for them."

The shortage of MTs, Andosca adds, is directly impacted by the lower wages earned by overseas MTs—a situation similar to what is happening in the nursing industry. MTs are beginning to shy away from the profession because it is no longer financially attractive. "In that sense, because offshore transcription has possibly held down wages, I think it may be part of the problem," she explains. "In other words, the lower salaries may be indirectly contributing to the continuing shortage."

Conover disagrees, stating that CBay employees receive wages and benefits superior to those enjoyed by many MTs in the United States. "Our employees are salaried, rather than working piece work, like MTs do in many other companies," he says. "People who believe MTs' wages are lowered by the use of offshore transcriptionists are simply wrong. There is a shortage of good MTs, and we need them." With more healthcare facilities moving toward electronic medical records, he adds, the need for well-trained MTs will increase.

As the war on terrorism continues, Conover feels it is important to address concerns about security. CBay, for example, uses encryption in all communication protocol, and all of its production centers have closed local area networks, he says.

"None of the computers have disk drives, so no one can take a file off a computer. Only people who have signed our agreement of confidentiality, no matter where in the world they are located, can even look at a document," he explains. "In my career, I have never heard of a single case of a transcription company, within the United States or offshore, breaching confidentiality. Not one. In truth, breaches are more likely to happen within the very hospital where the patient is treated because that is where he or she is known." If MTs are located far from the region where a patient resides, he adds, a breach of security is extremely unlikely.

"The security issue is a valid one, and many people are concerned about it," Andosca adds. U.S.-based companies working with offshore transcription firms, she says, are required to abide by U.S. privacy and security legislation. "HIPAA [Health Insurance Portability and Accountability Act] and other legislation will ferret the security issue out," she continues. "These concerns will be brought to the forefront and will have to be addressed publicly."

Because of technological advances, she expects the trend toward globalization to continue, which would have a significant effect on healthcare and confidentiality issues. "The public is beginning to become more informed and more concerned with their own confidentiality and the quality of documentation," she notes. "Quality is the key that will end up, at some point in the future, being more important than dollars and cents."

In the midst of so much controversy, how will the debate over offshore transcription be resolved?

"It will take willingness on both sides," says Andosca. "The problem with chat boards is that they tend to perpetuate one idea. They have their purpose and offer a way of getting ideas out into the world through good conversation, but they often don't tell both sides of the story."

Continuing education within the profession and involvement in the medical transcription community—including the AAMT—could go a long way toward alleviating fears that may, to some extent, be unfounded, Tribelhorn explains. "Through involvement, U.S.-based MTs could get to know MTs on the other side of the world," she offers. "Knowledge is a wonderful ice-breaker. We tend to be more afraid of what we don't know than that with which we are familiar."

— Hannah Fiske is a staff writer at For the Record.

An Overseas Model That Works: An Interview With ACUSIS President David Iwinski

Considering the increasing medical needs of the baby boomer generation, the ongoing shortage of quality medical transcriptionists is enough to make any health information professional quake in his or her shoes. How can the healthcare industry—which is, after all, a service business—provide quality care for an increasing number of patients, while keeping an eye on the bottom line?

One Pittsburgh, Pa.-based medical transcription company offers a solution. Acusis LLC is composed of 400 employees, with administrative and sales offices in the United States and a medical transcription and software development team in India.

Recently, David Iwinski, Jr, CEO of Acusis, discussed with For the Record his views about overseas transcription and how, when implemented as part of a smart business strategy, it can benefit healthcare organizations and their patients.

For the Record (FTR): Please tell us about some of the benefits of overseas, or offshore, transcription? Does it impact the quality of medical care provided by physicians or healthcare facilities?

David Iwinski (DI): The most popular reason for outsourcing is the potential for significant cost savings. With the growing pressure on healthcare facilities to cut costs, outsourcing medical transcription services can provide instant relief from budget reduction pressures. Equally as important, hospitals and clinics can be free to focus on what they do best—patient care.

Anytime you can improve the profitability of a healthcare facility, you free up cash flow that can be utilized in other areas, such as expanded services or efficiency improvements. It's important to keep in mind that a career in medical transcription can have a different connotation in India than in the United States. For instance, we require our medical transcriptionists to have not only a college degree, but proven experience as well. In fact, many of them have science backgrounds and are licensed doctors, nurses, and pharmacists.

Then, of course, there's the positive time differential. While customers in the United States are sleeping, their files are being transcribed. This, in turn, allows for consistent, rapid turnaround time.

FTR: There are many people who regularly express concern about overseas medical transcription. To what do you attribute their concern, and do you feel it is justified?

DI: Many people are concerned about this practice because, unfortunately, they view doing business halfway around the world differently than doing business across town. However, modern technology negates this and distance is not a factor.

If you're going to establish a relationship with an offshore company, it's important to do your homework. A lot of companies start up in a hurry without adequate testing of their systems and processes, thereby compromising quality and service. Use of subcontractors is common, so clients often do not know who's performing their transcription. This makes ensuring quality and turnaround time difficult, and ultimately it's the customer who is left unsatisfied. Our company is vertically integrated. We own and manage the entire process, using our own proprietary AcuSuite software, hiring only the best people, and utilizing multiple layers of quality control and assurance.

FTR: Have the events that took place on and after September 11 impacted the overseas transcription process/industry in any way? How do you address peoples' fears?

DI: Recent worldwide events have demonstrated the need for contingency plans encompassing total operations control. You never know what can happen; you have to anticipate the unexpected and prepare for it so operations may continue uninterrupted. Unfortunately, the failure to plan for alternative processing capabilities is far too common in the transcription industry today.

It is for this very reason that we have developed operational capabilities designed to prevent the interruption of our overseas operations in the event of a power failure, natural disaster, etc. We have taken measures to ensure that we can continue to provide the quality and turnaround time our customers expect. We have three locations in India, as well as a team of home-based transcriptionists that helps us achieve this dependability.

The Acusis Data Center and System Network are designed to provide private and secure data processing that has redundancy and operational excess capacity. All aspects of our systems in both the United States and India are maintained and managed with stringent procedures and processes to ensure uninterrupted operations. If an unexpected event occurs, our redundant systems (hardware, software, and people) will continue to process all transactions during this period.


FTR: How do companies doing transcription overseas meet the requirements of the Health Insurance Portability and Accountability Act (HIPAA) and other privacy/security-related regulations?

DI: This is certainly an area people should investigate before contracting with an offshore outsourcing company. We have planned for this and built our model around HIPAA-protected health information guidelines. From a technical standpoint, we have gone to great lengths—from voice capture to final document transcription—to ensure that all aspects of our data network, servers, and infrastructure are maintained at the highest level of security.


We've achieved this through careful network design and adherence to strict data backup, disaster recovery, and emergency mode policies. All data communications (point to point, file transfer protocol, e-mail) are secured via encryption and password access controls. "Business Associate? agreements, signed by Acusis, a legal U.S. entity, demonstrate to our customers that Acusis is HIPAA-compliant.


FTR: Are there concerns about medical errors stemming from transcription by a transcriptionist based in a country where English is a foreign language?

DI: Actually, this is somewhat of a misnomer. In India, English is the most commonly spoken language. Furthermore, it is the most read and

written language. India has a vast pool of highly educated professionals who know  "Americanisms" and English grammar. Employee hiring and selection practices, along with continuing education and training, are key to our success.

FTR: How could overseas transcription stand to impact or strengthen the HIM industry in the future? What trends do you see?

DI: There are a couple of reasons why overseas outsourcing is likely to increasingly become the transcription  trend of the future.? The high cost of in-house transcription, coupled with the shortage of U.S.-based transcriptionists, will mean that a greater percentage of transcription service will be performed outside of the United States, as well as outside the hospital or clinic.

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