



Best Practices: Outsourced Transcription

Cost Savings, Turn-around and Workflow Improvements Define Decision to Outsource Transcription



Valley Health

"Precyse has hit every deadline we have set. With Precyse, I wait for nothing. The team is responsive and on target. Each week we had progress calls with documented minutes and action plans."

Nadine Polasko
Corporate Director of HIM

Valley Health selected Precyse Solutions from a field of more than 25 vendors and the positive outcomes continue more than two years later.

THE CHALLENGE

Like many health systems and individual hospitals, Valley Health had always staffed and managed an in-house team of transcriptionists at each of its six facilities. By 2007, though, the challenge of hiring and retaining qualified people and managing an ever-growing workload became a daunting effort. Compounding the situation was outdated technology: Valley Health needed to upgrade both its transcription and dictation systems. Nadine Polasko, Corporate Director of HIM for Valley Health, knew a major change was needed and started the ball rolling by issuing a lengthy and detailed RFI to over 25 transcription vendors.

"We narrowed the field from 25 vendors, to six, and then to three. Precyse's technology impressed us; the sales team and presenters demonstrated deep knowledge of transcription and hospital processes, and there was a good chemistry between the Valley Health and Precyse teams," Polasko explains. "Most important, though, was the confidence Precyse had in assuring us that our expectations could be met."

Polasko and Valley Health's Senior Vice President of Finance and CFO, Craig Lewis, knew that a decision to outsource would not be popular with the HIM department or with others in the community. "Precyse helped us manage the transition and offered, from the very start, an opportunity for our existing staff to become Precyse employees and even granted them the seniority with Precyse that they had earned through Valley Health," Lewis notes. Some took the offer, others shifted to Valley Health's transition pool, and a few others ultimately left Valley Health all together. Lewis continues, "The handling of this transition helped smooth the way for physician acceptance. Our executive team appreciated the proactive, positive approach displayed by Precyse."

THE SOLUTION

In October 2007 Precyse converted Valley Health's largest facility, Winchester Medical Center, to its proprietary software platform. Within one week of implementation Precyse was exceeding client expectations of turnaround for the highest volume Valley Health facility. Reports were being returned and distributed within mere hours of dictation, including discharge summaries.

Implementation of transcription services for the other facilities quickly followed. By the end of the year, Precyse was providing improved TAT at every facility. By early 2008, the average TAT jumped to 94.4% and at year-end it hit 96.8%.

Similar metrics were achieved on quality assurance. 2008 started out with an outstanding QA average of 98.7% across all facilities and finished the year with a 99.1% average.

At first, the physicians at Valley Health expressed resistance to the shift in transcription direction. There was the perception that their needs could only be met with in-house transcription services.



Valley Health

2007

33,000 IP Admissions
116,000 ER Visits
3,066 Newborns

Winchester Medical Center
Winchester, VA
411 Bed Acute Care Facility

Warren Memorial Hospital
Front Royal, VA
71 Bed Community Hospital

**Shenandoah
Memorial Hospital**
Woodstock, VA
Critical Access Hospital

**Hampshire
Memorial Hospital**
Romney, WV
Critical Access Hospital

Page Memorial Hospital
Luray, VA
Critical Access Hospital

By the time Polasko's team issued a physician survey six months into Precyse's contract, the results showed the medical staff was pleased with the new arrangement: 98.1% of survey respondents rated TAT as good to excellent and nearly 70% rated the transcription accuracy as good to excellent.

Precyse would not settle for a 70% quality satisfaction rating and was determined to further improve ratings in this area. Precyse internal quality audits were reflecting accuracy rates in the very high 90% range and Precyse was determined to resolve the discrepancy.

Again, Precyse's proactive approach to business issues made all the difference. "Precyse contacted the physicians who didn't rate the transcription accuracy as good or excellent and learned what their underlying problems were and solved them by delivering quality results," says Polasko.

The financial impact of this outsourcing decision for Valley Health has been very significant. In addition to the reduction of costs related to salaries and benefits, capital equipment and support/maintenance, Precyse provided innovative ways to control costs. Precyse has applied the most current technology offering with PrecyseNet™ with its advanced automated speech recognition (ASR) capabilities in order to achieve the greatest cost savings.

Valley Health reports an annual savings of about \$750,000 by outsourcing to Precyse. Lewis notes that he no longer has expenses for staff salary and benefits (and incentive pay that had historically been granted at Valley Health), office space, equipment or system upgrades. Valley Health anticipates that these cost savings will only grow. They are participating in a beta test of Precyse's latest transcription solution: a front-end/back-end speech recognition system. Twelve physicians from the pool of top dictators are in training on the software tool and Valley Health predicts that the use of voice recognition across its facilities will reduce costs even more and further reduce TAT.

Polasko sums up her working relationship with Precyse by saying, "I couldn't have a better vendor/partner relationship." Lewis echoes these sentiments and is quick to add, "If there are no physicians knocking on my door to complain about their transcribed documents, I am happy. Add to this the cost savings realized to date and those projected ahead—it's a CFO home run."