

1/31/2018

To: MTSO CEOs, Healthcare CEOs, and HIM/HR managers.

A Medical Transcription Coalition was recently formed in response to conditions within medical transcription service organizations (MTSOs) as reported in online forums, sites such as Glassdoor, and petitions found at Change.org, signed by thousands of medical transcriptionists/editors (MT/Es) working in MTSOs.

The coalition's mission is to promote ethical outsourcing and improve worker conditions, performance measurement, and compensation for workers within MTSOs. The coalition seeks input from workers as well as other stakeholders. A website exists for interested parties to contribute their solutions at **mtcoalition.com**.

While there are many improvements suggested by the coalition, the primary areas for improvement for the purpose of this communication, as identified by employee and independent contractor workers include:

1. Increase in pay to market level similar to their equivalent peers in traditional healthcare settings, as outlined by the Bureau of Labor Statistics (BLS), which is at \$17 USD/hour average in 2016.

We recommend hourly pay to better compensate for variable, unweighted conditions and non keyboarding tasks and breaks. If production pay continues for keyboarding tasks, rates should be adjusted to BLS hourly equivalents (0.115 US cents per editing-to-transcription equivalent lines).

All wages/rates should be regularly adjusted for cost of living (COL).

2. Cessation of the practice of withholding or docking pay or benefits (PTO, insurance, etc), based upon insufficient performance metrics per pay period or other time frame.

Wages for both speech editing and transcription have been low and stagnant for over a decade. Annual merit increases are rare or nonexistent, incentive pay methods are insufficient, fluctuate with work changes and plateau, and cost of living adjustments have not been made. There can be little competition amongst MTSOs as they tend to follow the same processes and pay methods, despite their variables.

Speech recognition editing (SR), which requires the same knowledge and skill as transcription, has rates set too low for comparative productivity and pay with transcription. Many MTSOs, due to variability in efficiencies, realize only a 30% increase in productivity with SR, yet pay as if 100% with a 50% pay difference. Healthcare facilities do not pay a different rate for SR, they adjust production requirements and pay the same hourly rate.

Metric feedback and consequences contribute to lower wages as they are often applied too rigidly, given too frequently to self-adjust due to variable conditions (daily to biweekly), and used to dock pay or benefits as a negative incentive. This results in worker budget uncertainty, too frequent and reactionary performance reviews, stress affecting performance, and unnecessary turnover.

The above pay conditions have resulted in many MT/Es receiving wages similar to Walmart, McDonalds or other unskilled, minimum-wage or less laborers, while their equivalent peers in healthcare are paid at BLS levels. There are existing studies which identify the negative impact on employee morale and performance when they are impoverished and/or underpaid in comparison to equivalent peers for the technical knowledge, skill, and responsibility required (impact on patient care and HIPAA/PHIPA).

The above conditions are affecting the number of quality workers available, as many workers can no longer afford to enter or stay in the industry and are moving on. With the BLS predicting a mere 3% decline in the

need for MT/Es through 2026 due to technology advances and the increased demand for healthcare, this is concerning for patient care, healthcare providers, and the service industry.

The coalition recommends MTSOs achieve the above pay increases through means including:

- For qualifying MTSOs, through the savings afforded by the recent cut in corporate tax rates and/or other tax breaks.
- Become more competitive by restructuring/starting MTSOs with a more cooperative business model. Increase process efficiencies with the input of an involved workforce, shared resources and profits, self-directed work teams, flattened management levels, and decreased ratio of management to worker pay.
- Offset wage increases by profit gains in production and quality of higher paid and involved workers.
- Increase the rates charged to healthcare providers for transcription services.
- Rather than targeting MT/Es for budget cuts, increase their roles to pick up flattened layers. Expand their current role in documentation improvement from flagging inconsistencies, errors, and omissions, to other documentation completion items needed for patient care and reimbursement. Consider expanding their services, such as virtual assistants/scribes (patient privacy), documentation reviewers, QA, billing, coding, EHR dictionary/file maintenance, etc.

The BLS and other indicators forecast many years ahead yet for medical transcription and editing:

- Advancement in technology has not replaced the need for a human interface nor fully realized its promised accuracy and productivity for MT/Es or providers. (Average rate of human speech ranges between 120-200 wpm versus provider typing speeds, or provider SR plus provider edit rework).
- Providers continue to be stressed with documentation workloads, wanting more time with patients.
- Consumers prefer more personal, private care rather than physicians/scribes computing in visits.
- Changes in reimbursement and care have increased the need for prospective documentation completion, review, and use, for which MT/Es are suited to facilitate.

We promote a cooperative effort from all stakeholders in support of patient documentation with prosperity for all involved. We recommend providers include and verify in their contracts with MTSOs a provision for market-based pay and fair working conditions for the technical knowledge, skills, and responsibility required for transcription, editing, and documentation quality review. If these conditions are not present, consider retaining in-house transcription or contracting elsewhere where those conditions exist.

We also recommend that provider MTSO contracts be structured to ensure that off-shoring to other countries is not used to avoid adequately paying a highly-qualified work force. Off-shoring, which adds complexity and costs to management and quality, and make HIPAA/PHIPA enforcement more difficult and costly, is also contrary to public interest in preserving local and national economies.

The coalition invites you to visit the website and provide input as inclined. We would like your commitment to improving conditions as outlined above with a plan to communicate to workers and implement in the near future, by the suggested dates of March 2, 2018, Employee Appreciation Day, and May 13-19, 2018, National Medical Transcription week.

Sincerely,

Darlene Pfister, on behalf of the Medical Transcription Coalition