

## Transcription SLA – Executive Summary October 21, 2009 to PSO General Meeting

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### Background

- Centralized (Health Records) Transcription costs have exceeded budget for several years now, reaching critical levels (\$ 1 million over budget) by the end of 2008/09.
- Despite efforts by many people to raise awareness of the problem associated with increasing volumes of dictation and to achieve voluntary reductions in dictation minutes, the problem has only continued to worsen. Increases in dictation volumes across the city have continued at  $\approx 14\%$  annually. Current volumes between April and August 2009 at LHSC have increased a further 12 %.
- Continuing to provide transcription service levels exceeding budget can no longer occur.
- In March 2009 members of the Joint MAC received a briefing note highlighting the ongoing dictation issue and the need to reduce the funded transcription service level.
- On June 3, 2009 the recommended model to allocate new transcription service levels to medical departments was presented to Joint MAC along with strategies that would be available to use to reduce dictation volumes.

### What Steps have already been taken to address this issue

- In addition to encouraging voluntary reduction in dictation volumes and the use of templates to shorten dictations times; Health Records has already:
  - Negotiated a 12% reduction in fee rates with the external service provider; and
  - Implemented back end voice recognition software and to increase productivity levels in house
- **These two strategies have addressed close to 30% of the transcription cost problem to date**
- Several steps have also been take by physicians to address dictation volumes, including :
  - developing templates to reduce dictation time and transcription workload
  - participation in a pilot of “Advanced Clinical Notes” to directly enter clinical reports into the Electronic Patient Record (EPR).
  - Implementation of Cerner’s (MTM) transcription module where secretaries transcribe a portion of clinical reports so that these reports will appear in the EPR
- **New transcription service levels** have been established and communicated to Departmental Chiefs
- **Detailed Dictation Utilization Reports** have been developed and distributed to Departmental Chiefs monthly commencing in June 2009.
- On Friday September 18, 2009 Dr. C. Fernandes, as Co-Chair of City wide Joint MAC convened a **Discussion Group, with Stakeholder Representation**, to discuss the transcription budget overrun issue and gain agreement on strategies to move us forward to a satisfactory solution, recognizing the desire to support patient care, continue development of the EPR and achieve budget restrictions.

To achieve the 2009/10 transcription budget target, the hospitals need to reduce the overall level of funded service (volume) provided for transcription of clinical reports. Dictation/ Transcription services that exceed the budget will need to be shortened, replaced by an alternate form of clinical documentation, or be purchased from transcription services.

### Next Steps

- 1) Professional Staff Organization (**PSO**) **forum scheduled for Wednesday, October 21, 2009 at University Hospital, Auditorium A**, to present the issue, the process to date and the solutions that will help us all move forward.
- 2) Demonstrations of some of the key alternative strategies will be available on line for viewing to assist in understanding their value. Availability of these videos is targeted for late October.

- 3) It is recognized that one approach or one solution will not “fit” all departments. Rather, we want to ensure there are several strategies available to select from in order to assist departments in addressing the need to reduce overall dictation volumes. Chiefs of medical departments will be asked to document their departmental plan to reduce their volume of dictation in order to meet allocated dictation/transcription volumes. ***Departmental plans should be submitted to City-Wide Health Records Committee.***
- 4) PGY years 1 to 3's dictations will be reallocated based on a calculated revised training allocation methodology and departmental dictation allocations will be adjusted accordingly (July onwards). Simply, this means that PGY years 4 and up will be allocated to their specialty department and the other PGY's and Senior Medical Students will be allocated using the same proportionate rate of dictation use as the professional staff members within each department.
- 5) Detailed Dictation utilization reports will continue to be prepared and distributed monthly. **Departments will continue to be responsible for costs associated with dictation that exceeds the allocated service level at year end.**
- 6) A one page “How To Develop Templates” is available. Departments are encouraged to develop at least two (2) templates over the next few months to begin this process. To receive additional assistance about **how to create a template** or to request the development of a template, call Carrie Graat at ext. 32322 or via e-mail at: [carrie.graat@sjhc.london.on.ca](mailto:carrie.graat@sjhc.london.on.ca).
- 7) Health Records will continue to pursue opportunities to increase transcription productivity and explore the possibility of conducting a front end voice pilot project.

*Thank you.*

**Date**           **October 21, 2009**  
**To**               **Members of the Professional Staff Organization**  
**From**           **Dr. Christopher Fernandes**, LHSC Medical Advisory Committee Chair and Director  
Quality of Medical Care  
**Dr. Rob McFadden**, St. Joseph's Medical Advisory Committee Chair and Director  
Quality of Medical Care  
**Subject**       **Transcription SLA**

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### **Background**

- In December 2007 Health Records was directed as part of the Strategic Cost Review to reduce operational costs to mirror best quartile financial results reported at Peer Hospitals (Hay Benchmarking) which is 1.88 % of Direct Patient Care Costs. Peer Hospitals at best quartile included Mt. Sinai, Sunnybrook and UHN.
- The most significant driver of cost overrun in Health Records today is the continuing increase in dictation volumes resulting in escalating costs to provide transcription services. Central dictation volumes and associated transcription costs have increased annually for more than 5 years.
- F09 city-wide transcription actual spending exceeded budget by 27% (\$1 million).
- In F10, Health Records must NOT exceed its current transcription budget.
- Health Records has worked with the City-Wide Health Records Committee (CWHRC) for the past two years to identify strategies to raise awareness around the issue of dictation volumes and to 'get the word out' about the need to shorten the length of dictations and to reduce overall dictation volumes. Beginning in December 2008, the CWHRC Chair reported the increasing dictation volumes as a budget concern in his regular updates to the Joint Medical Advisory Committee (Joint MAC).
- Health Records has also worked with a group of senior physician leaders since May 2008 to review and advise us on a series of strategies that have been identified to address the overall Health Record Strategic Colt initiative, specifically with the goal of reducing expenses.
- Since November 2008, work with the senior physician advisory group has focused on strategies to reduce dictation volumes and the escalating transcription costs in order to bring expenses back to the budgeted level.
- The Joint MAC received a briefing note highlighting the ongoing dictation issue and the need to reduce the funded transcription service level in March 2009. On June 3, 2009 the recommended model to allocate new transcription service levels to medical departments was presented to Joint MAC along with strategies that would be available to use by medical departments to reduce dictation volumes, including the option to purchase additional dictation/transcription services that exceed allocated volumes.

- Health Records has implemented several strategies to achieve shortened dictation times and reductions in transcription costs, including:
  - Encouraging voluntary reduction in dictation volumes;
  - Encouraging development and use of templates;
  - Increasing dictation system users' awareness of the impact of increasing length of dictations eg. Transcription Facts and Figures – outlining the impact of just 12 seconds per report resulting in approximately \$247,000 additional cost annually (October 2007);
  - Negotiating a 12% reduction in fee rates with the contracted external service provider; and
  - Implementing back end voice recognition software and achieving significant improvements in productivity levels for related work.
- These strategies to reduce dictation volumes and transcription costs, have addressed close to 30% of the problem, however they have not been completely successful due to:
  - Continuing increase in dictation volumes including a City wide increase of 14% in F09; and
  - Dictation volumes that continue to increase in F10 (April to August).
- To achieve the F10 budget target Health Records needs to reduce the overall level of funded service (volume) provided for transcription of clinical reports. Dictation/Transcription services that exceed the budget will need to be reduced, replaced by an alternate form of clinical documentation, or require an alternate funding source.

### **Myths and Misconceptions**

- A few rumours and misunderstood concepts have come to our attention that merit clarification, including:
  1. ***Misconception: Transcription services that exceed departmental service allocations will be provided at exorbitant cost !***

***Reality: Transcription services that exceed the Departmental allocations will continue to be available. These services will be available without interruption to physicians at a fee of \$2.20 per dictated minute or at the average current rate of pay plus benefits paid to our transcriptionists, which is \$23.38 plus benefits or \$28.76/hr.***
  2. ***Myth: “Nothing has happened”***

***Reality: Several steps have already been taken to address transcription costs and dictation volumes. In addition to the strategies undertaken by Health Records identified above, some of the other steps taken to date, include:***

    - i. Several physicians have either worked with Transcription to develop and use templates to reduce dictation time and transcription workload or have made inquiries asking how to proceed with this strategy.

- ii. A group of physicians (31) have piloted the use of “Advanced Clinical Notes” to directly enter clinical reports into the Electronic Patient Record (EPR). Evaluation of this pilot has now been carried out. This feedback along with other learnings gained throughout the pilot will be used to improve and enhance this documentation strategy as we move forward.
- iii. Access to and training to use Cerner’s Medical Transcription Module (MTM) for physician secretaries who transcribe clinical reports have now been provided to 146 physician offices who have requested and implemented this transcription module to complete clinical reports.
- iv. Shortened dictation for clinical notes combined with direct keyboarding to edit notes in the author’s Message Centre. We know of one consultant who has implemented use of this strategy as part of her practice and academic role, supporting and training medical students to complete documentation.

### **Steps Taken to Date**

- 1) **New transcription service levels** have been established that reflect historic departmental transcription utilization patterns within current budget restrictions. The new service level allocations were communicated to Departmental Chiefs in June 2009.
- 2) **Detailed Dictation Utilization Reports** have been developed and distributed to Departmental Chiefs monthly commencing in June 2009.
- 3) On Friday September 18, 2009 Dr. C. Fernandes, as Co-Chair of City wide Joint MAC convened a **Discussion Group, with Stakeholder Representation**, to discuss the transcription budget overrun issue and gain agreement on strategies to move us forward to a satisfactory solution, recognizing the desire to support patient care, continue development of the EPR and achieve budget restrictions.
- 4) A **Report back to MAC Executive** coming out of the meeting on September 18, 2009 was delivered by Dr. C. Fernandes on Wednesday September 23, 2009.

### **Next Steps**

- 1) Communication to Joint MAC members through the Joint MAC Co-Chairs to summarize the issue, the process up to this point and solution options moving forward, with a second communication to occur approximately one week later.
- 2) Professional Staff Organization (**PSO**) **forum scheduled for Wednesday, October 21, 2009 at University Hospital, Auditorium A**, to present the issue, the process to date and the solutions that will help us all move forward.
- 3) Establish demonstrations of some of the key alternative strategies that will be available on line for viewing for anyone who is not familiar with the strategies, to assist in understanding their value. Availability of these videos is targeted for late October.

- 4) It is recognized that one approach or one solution will not “fit” all departments. Rather, we want to ensure there are several strategies available to select from in order to assist departments in addressing the need to reduce overall dictation volumes. Chiefs of medical departments will be asked to document their departmental plan to reduce their volume of dictation in order to meet allocated dictation/transcription volumes.  
***Departmental plans should be submitted to City-Wide Health Records Committee c/o Judy Farrell by Friday, October 30, 2009.***
- 5) PGY years 1 to 3's dictations will be reallocated based on a calculated revised training allocation methodology and departmental dictation allocations will be adjusted accordingly (July onwards). Simply, this means that PGY years 4 and up will be allocated to their specialty department and the other PGY's and Senior Medical Students will be allocated using the same proportionate rate of dictation use as the professional staff members within each department.
- 6) Detailed Dictation utilization reports will continue to be prepared and distributed monthly based on revisions to resident dictation allocation and departmental Dictation/Transcription allocations. **Invoicing** for services exceeding the new allocations will be deferred to the end of the year (December) and IF Departments have met at least 50% of the required reduction in dictation to meet service level allocations, invoicing will be further deferred to fiscal year end. Departments will continue to be responsible for costs associated with dictation that exceeds the allocated service level at year end.
- 7) Health Records will communicate the “process” for developing templates to aid in shortening dictation times. Medical departments will be encouraged to develop at least two (2) templates over the next few months to begin this process. To receive more information about **how to create a template** or to request the development of a template, call Carrie Graat at ext. 32322 or via e-mail at: [carrie.graat@sjhc.london.on.ca](mailto:carrie.graat@sjhc.london.on.ca).
- 8) Health Records will continue to pursue opportunities to increase transcription productivity and explore the possibility of conducting a front end voice pilot project.

## Appendix – Alternative Strategies

Alternative Solution	Description	Advantages	Disadvantages
<p><b>1. Development and Use of Templates</b></p>	<p>A template will replace the need for you to dictate an entire note. A template contains the standardized portion of a note, requiring you to only provide the information that is needed to complete the note eg. <u>right</u> eye, <u>4</u> sutures etc. when you dictate subsequent notes. Templates may be requested for all sites by contacting <a href="mailto:carrie.graat@sjhc.london.on.ca">carrie.graat@sjhc.london.on.ca</a></p> <p>A one page written document about templates and the process to develop and use templates is available.</p>	<ul style="list-style-type: none"> <li>• Allows the continued use of the dictation system to complete notes</li> <li>• Shortens the time required to dictate notes</li> <li>• Reduces the workload on transcription and shortens the transcription time required to complete the note</li> <li>• Notes are still posted to the electronic patient record (EPR).</li> <li>• Notes are distributed using the hospital distribution system</li> <li>• Transcribed notes are distributed to the physician for editing and signing in message centre</li> </ul>	<ul style="list-style-type: none"> <li>• Requires the physician to initially set up the template by working with Transcription.</li> </ul>
<p><b>2. Utilization of MTM (Cerner's Transcription Software)</b></p>	<p>Physicians whose secretaries transcribe clinical reports for the physician may request use of this transcription software by calling and requesting it from the HelpDesk (ext. 44357). Physicians whose secretaries are not currently transcribing may also be brought onto the MTM system, thereby reducing the load on the central pool.</p>	<ul style="list-style-type: none"> <li>• No additional cost to physician to obtain access to software</li> <li>• Allows the physician dictation process to remain unchanged as the physician</li> <li>• Continues to use the central dictation service, just that his/her own secretary</li> <li>• Transcribes the note using MTM</li> <li>• Dictated/transcribed clinical notes are available on the EPR</li> <li>• Distribution of clinical notes is completed using the hospital distribution system</li> <li>• Transcribed notes are distributed to the physician for editing and signing in message centre</li> </ul>	<ul style="list-style-type: none"> <li>• Assumes physician office staff are available to transcribe clinical reports.</li> </ul>

Alternative Solution	Description	Advantages	Disadvantages
<b>3. Shortened Dictation with Editing in Message Centre</b>	<p>This strategy takes advantage of using the standard normal templates for clinical reports already in the central system and allows the physician to dictate an abbreviated report which is transcribed by the central transcription staff and then completed by the physician through editing the note in message centre prior to signing and finalizing the report for distribution</p>	<ul style="list-style-type: none"> <li>• allows the physician to continue to use the central dictation system</li> <li>• reduces the # of dictation minutes on the central system</li> <li>• sets up a report template for the physician in the correct patient record and in the correct encounter/visit, with the "copy to" recipients already identified and sends the incomplete note to the author's message centre for completion.</li> <li>• Transcribed clinical notes are available on the EPR</li> <li>• Distribution of clinical notes is completed using the hospital distribution system</li> </ul>	<ul style="list-style-type: none"> <li>• requires the physician to complete the note him/herself in message centre prior to signing and finalizing the note</li> <li>• Leaves an incomplete note in the EPR until completed by the author</li> </ul>
<b>4. Purchased transcription services</b>	<p>Central dictation transcription services remain available beyond the allocated maximum for each department at a rate of 2.20 per dictated minute (\$28.76/hr. transcription service).</p>	<ul style="list-style-type: none"> <li>• Maintains processes for physicians using the central dictation service</li> <li>• Dictated/transcribed clinical notes are available on the EPR</li> <li>• Distribution of clinical notes is completed using the hospital distribution system</li> <li>• Transcribed notes are sent to the physician for editing and signing in message centre</li> <li>• Using the hospital system and resources results in lower fee schedule through high volume purchase</li> </ul>	<ul style="list-style-type: none"> <li>• cost for service to physician/department</li> </ul>

Alternative Solution	Description	Advantages	Disadvantages
5. Advanced Clinical Notes	This is a method of electronic documentation that involves the clinician directly typing into the Patient's electronic record through PowerChart	<ul style="list-style-type: none"> <li>• Allows clinicians with good keyboarding skills to complete a clinical report, including signing and finalizing the report, ready for distribution immediately</li> <li>• removes the dictation minutes associated with the report from the central system</li> <li>• can take advantage of enhanced clinical note templates established by the user to assist in reducing the amount of actual typing required (individualized templates can be set up in PowerChart for the user by contacting the Helpdesk at ext. 44357</li> <li>• Finalized clinical notes are immediately available on the EPR.</li> <li>• Distribution of clinical notes is completed using the hospital distribution system.</li> <li>• use of this electronic documentation tool by members of the Department can significantly reduce the overall (central) dictation volumes</li> <li>• The pilot project for Advanced Clinical Notes commenced in July</li> </ul>	<ul style="list-style-type: none"> <li>• requires the user to type his/her own report</li> <li>• requires the user to ensure the correct patient record is selected and the correct</li> <li>• encounter/visit is chosen to enter the clinical report</li> <li>• requires the user to accurately search for and select the "copy to" recipients from the provider table</li> <li>• Requires medical students to remember to include the second signature line.</li> </ul>