



Making Sense of Transcription Billing and Pricing

A MEDSCRIBE VALUE PAPER

Understanding medical transcription pricing and billing can be a confusing task. It shouldn't be this way, but without an industry pricing standard — medical transcription service providers (MTSOs) utilize many different billing options. Each method seems to have its own character and count definition — and a different price point. The inconsistencies have led to billing confusion and have made it very challenging for healthcare facilities to clearly define the true cost of outsourced transcription.

MedScribe's goal is to provide our clients with a simple, verifiable pricing and billing standard. To achieve this goal, we encourage the use of the method known as Visible Black Character (VBC).

IN THIS PAPER:

- Description of different billing methods
- Understanding the industry standard: VBC
- Making a fair comparison between vendors
- Validate your transcription bill

BILLABLE UNITS

At the core of transcription billing is the billable unit. This unit is a measurement agreed upon between the client and the provider. Some of the more common units are listed below:

Net (ASCII) Character: Any character — printed or visible — that’s part of the final transcribed document (see sample to left). This includes the space between words or sentences. Hidden formatting instructions (i.e., bolding, spellchecking, etc.) or additional keystrokes are **not** included in the total character count.

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|---|---|---|----|---|---|---|---|---|---|---|---|---|---|---|---|
| ! | " | # | \$ | % | & | ' | (|) | * | + | , | - | . | / | |
| 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | : | ; | < | = | > | ? |
| @ | A | B | C | D | E | F | G | H | I | J | K | L | M | N | O |
| P | Q | R | S | T | U | V | W | X | Y | Z | [| \ |] | ^ | _ |
| ` | a | b | c | d | e | f | g | h | i | j | k | l | m | n | o |
| p | q | r | s | t | u | v | w | x | y | z | { | | } | ~ | |

ASCII Character Chart

to maintain and reproduce a transcribed document. This includes spaces, carriage return strokes, underlining, characters in headers and footers, and characters produced by or contained in macros.

Gross Line: Any number of characters taking up one line of type; regardless of the text font or line length.

Gross Page: A page of text formatted as it would be if printed on a printer.

Recorded Minute: 60 seconds as reported by a dictation system or (when using digital handheld recorders) the job file information.

Visible Black Character: Any character (excluding spaces) — viewable by the naked eye — on the final transcribed document; regardless of whether viewed electronically or on a printed page.

PRICE METHOD COMPARISON

The billable unit being measured and how that measurement is being recorded is required information to properly evaluate the pricing of transcription services. Until recently, the majority of the largest providers have utilized one of two methods:

Character/AAMT Lines: The number of billed lines is typically found by totaling the characters physically see on a printed page and dividing that count by a pre-determined number (i.e. 55, 60, 65) to arrive at a line count.

While this pricing method is favored by many transcription companies (because it allows them to present a lower line price), client billing can end up being higher due to more characters and lines being counted. This pricing method also makes it nearly impossible to reconcile billed characters and lines to actual medical documents.

With an AAMT definition, however, what you see is not necessarily what you get. The AAMT character count usually also includes many “hidden characters” not evident on a final report. Because the AAMT Line definition is so vague, many vendors use it to include every single keystroke generated by the transcriptionist, including keystrokes to run macros, spelling checkers and open word processing programs.

Net Line (ASCII): This method simply counts every ASCII character. The Net Line method is generally verifiable and transcription clients can validate by either manually counting the characters in the transcribed document or by copying and pasting them in Microsoft Word and performing a word count of “characters and spaces.” When doing so, the client must take into account that some spaces are considered characters and that they impact the billed count. Even with the Net Line definition, some vendors will include additional keystrokes such as carriage returns.

HOW DOES VBC COMPARE?

When using the VBC pricing method, clients are only charged for the actual printed characters on the page. There are no additional charges for spaces, text formats or extra keystrokes. VBC pricing creates a bill that is clear and simple. The bill is also easily verifiable, which can be simply done by manually counting the characters (no blanks or extra keystrokes are included) or copying and pasting the document in Microsoft Word and performing a “characters - no spaces” word count.

VBC In-Use: There is a meaningful difference in how AAMT Lines, ASCII and VBC pricing methods calculate the number of characters in final transcribed reports.

“[VBC] is the only counting method that could be easily understood, verified and replicated by all parties in the medical transcription business processes.”

**AHIMA/MTIA Task Force
Unanimous Study Conclusion**
*Source: A Standard Unit of
Measure for Transcribed Reports*

The example to the right shows all three methods being used to price a line of transcription:

As seen, when using VBC pricing, HIM Departments are charged for 33% less characters than AAMT Line and 17% less than ASCII. That difference can be very meaningful when multiplied by the number of reports transcribed for your facility. This example emphasizes that the counting method to be used must be taken into consideration when comparing the prices of different transcription solutions.

TECHNIQUE: The patient was sedated with Demerol 100 mg IV, Versed 5 mg IV.

| | |
|------------|-------------------------|
| AAMT Line: | 90 characters (minimum) |
| ASCII: | 75 characters |
| VBC: | 60 characters |

TRANSPARENT BILLING: THE MEDSCRIBE WAY

The use of Visible Black Character as the standard unit of measure resolves the confusion surrounding billing methodologies. It also promotes billing transparency and empowers the health care facility to more accurately measure and verify billing and cost. This means purchasing decisions can be made objectively and based on verifiable, demonstrated value.

Why VBC?

- Easily Understood
- Easily Verified
- Easily Compared

Are you ready for VBC? Let MedScribe perform a pricing analysis for you. We'll run a sample of your facility's reports through our production system and provide you a list of what MedScribe's VBC-based charges would be — as well as a corresponding AAMT Line and/or ASCII Line count to compare. We'll then assist your staff members with a head-to-head evaluation of the results against those on your current bill.



MedScribe's ChartNet™ document system allows our clients to run on-demand invoice reports, breaking down billing by: time period, physician, location, work-type & individual transcript.

Billing Detail Report (Characters, No names) (D101)

bill05_031908
Printed: 04/28/09

From Date: 04/01/2009
To Date: 04/28/2009
For Site: MedScribe Medical Center TEST
Sort Field:

| Job # | MRN | Account # | Type | Provider | Provider Name | MT | Trans Date | Chars | Amount |
|-------|------------|--------------|-------|----------|---------------|------|------------|-------|---------|
| 70178 | M001479805 | V00000277877 | OP | LOGI JA | LOGING, JAMES | 1140 | 01/15/09 | 3554 | \$7.11 |
| 88566 | M001071517 | V00000280114 | HP | PAYS AL | PAYSINGER, AL | 1151 | 01/01/09 | 2051 | \$4.10 |
| 88573 | M001816230 | V00000280016 | DS | WHIT RE | WHITE, REBECC | 1145 | 01/01/09 | 1605 | \$3.21 |
| 88572 | M001043642 | V00000279904 | INSTR | BRAD TH | BRADBERRY, TH | 1143 | 01/01/09 | 2077 | \$4.15 |
| 88576 | M001269060 | V00000279964 | TRANS | BRAD TH | BRADBERRY, TH | 1139 | 01/01/09 | 2267 | \$4.53 |
| 88574 | M001165151 | V00000280203 | HP | BERN MI | BERNARDO, MIC | 1145 | 01/01/09 | 3785 | \$7.57 |
| | | | | BERN MI | BERNARDO, MIC | 1143 | 01/01/09 | 8134 | \$12.27 |
| | | | | | COYNT, COREY | 1145 | 01/01/09 | 2297 | \$4.59 |
| | | | | | | 1139 | 01/01/09 | 2408 | \$4.82 |
| | | | | | | | | 854 | \$1.77 |

We would be happy to assist you to properly evaluate your current transcription pricing and billing situation. Please contact us to arrange a free assessment.



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