



HOSPITAL EMPLOYEES' UNION

# NEWS RELEASE

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## Costs of outsourcing medical transcription skyrocket by 150 per cent in just four years

*Plan to contract out medical transcription across Lower Mainland will lead to higher costs and unnecessary risks to accuracy and privacy of patient records*

The Hospital Employees' Union is raising the alarm about Lower Mainland health authorities' plan to completely contract out in-house medical transcription even though costs for limited outsourcing of this service ballooned from \$2.4 million to \$6 million in just four years.

The deadline for bids on the medical transcription contract was April 26. Providence Health Care (PHC), acting for Fraser Health, Vancouver Coastal Health and the Provincial Health Services authorities, says it will lay off 130 medical transcriptionists once the contract is awarded.

It's all part of a government-mandated exercise to shave \$100 million from health budgets in the Lower Mainland. They say that contracting out medical transcription will save \$3 million towards this goal, mostly in labour, rent and technology costs.

But an HEU investigation of health authorities' financial documents show that Ontario-based Accentus Inc. – a for-profit medical transcription firm – increased its billings to PHC and the three other health authorities by 151 per cent between the fiscal years 2006/2007 and 2010/2011.

Outsourced medical transcription is usually performed by home-based subcontractors who must put in about double the hours to earn the same wage, and work with few benefits.

HEU's secretary-business manager Bonnie Pearson says that contracting out of medical transcription is too big a risk.

"Based on their track record, I'd say health authorities will have a hard time controlling costs if they contract out 100 per cent of their medical transcription," says Pearson. "In addition, outsourced medical transcriptionists do not have access to secure electronic medical records or other health care team members within the hospital system.

"Our in-house medical transcriptionists already spend a lot of their time editing and correcting outsourced work. What will happen if all the work is contracted out?"

Pearson also says British Columbians should be concerned about the privacy of their records, which would now be produced on personal computers by home-based contractors across Canada.

Medical transcriptionists are responsible for transcribing physicians' dictation of surgical procedures, consultations, patient histories, test results, and various other reports.

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