

## BILLING ABUSES IN THE MEDICAL TRANSCRIPTIONS INDUSTRY

by Donald L. Conover

I'm fed up! It seems everywhere I turn lately I hear of another abusive billing practice used by one of my competitors. Someone has got to stand up and say enough is enough, and I guess that person is me. What do I mean by an abusive billing practice? I mean blatant overcharging for services, and not high prices. I mean situations where a company tells you they are charging one thing, and then increases it by as much as double. In this article I will discuss the various methods of overcharging, and explain how you can be certain that it's not happening to you.

### TYPICAL BILLING ABUSES

■ A company charges you four lines for every three it actually types.

■ A company has all of the dictation equipment at its own site, so you cannot see the volumes. It charges by the minute, but multiplies the minutes by up to 1.75 before it submits the bill.

■ Smaller companies tend to use line count programs resident in off-the-shelf word processing software, which count blank lines and partial lines.

■ Word processing packages automatically add control characters having nothing to do with the work accomplished by your transcription service. Byte counts should be based on stripped word processing files. To offer an example, type the word "the" and save it as a file in your normal word processing package. Next, save it as a DOS text file. In WordPerfect it is 327 bytes as a WordPerfect file and 4 bytes as a text file. If you were paying \$0.15 per line, for example, it would be \$0.82 as a WordPerfect file and a \$0.01 as a text file. Since word processing software adds additional control codes on every page, the longer the file, the more extra bytes to pay for unless you demand DOS text files.

■ One director of Medical Records from a VA hospital called me in agony because she had specified 80 character lines, but the company she

chose quoted on 40 character lines to keep their price below everyone else. She had signed the contract before she realized the discrepancy.

■ Finally, there are persistent rumors that some in the industry pay kickbacks to win contracts. Of course if they are paying kickbacks, they are adding that amount to their billings to the client. If someone offers something more than normal business entertainment, such as dinner, beware! What they are really offering is the chance to end your career. At the very least, receiving kickbacks is a breach of professional ethics, and probably grounds for civil liability. At the worst, criminal fraud and conspiracy can be involved, and then the penalties can be more severe than losing a career. My recommendation, if someone approaches you offering a kickback, is to call Bill Yates, and investigative reporter who is doing research on this problem. Bill can be reached at 301-816-8950 x346.

### HOW TO COMBAT BILLING ABUSES

■ **Demand detailed bills.** Statements should include the exact number of bytes typed and price charged for each report typed. Compare these with your understandings with your vendor to insure that you are not being overcharged. If you are only receiving a gross invoice from your vendor you are at risk.

■ **Request electronic copies of files.** Receiving electronic copies will allow you to actually run the billing procedure yourself. Additionally, you will want these files when you switch over to electronic medical records. They can be efficiently saved on a WORM drive, where one disk holds the equivalent of 940 high density floppy disks.

■ **Demand complete logs.** If your users dictate on a system that is not at your site, insist on complete logs

of dictation activity, including minutes dictated. Make sure that your vendor is not adding a multiplying "factor" to the total minutes, so that it can camouflage its billing at a higher rate. We find that about ten lines are dictated per minute, on average.

■ **Do not allow the use of line count programs in off-the-shelf word processing software.** Such programs typically count blank lines and partial lines as complete lines.

■ **Demand billing related to byte count.** The byte count should be calculated from a DOS text file, stripped of control codes not entered by your vendors transcriptionists.

■ **Demand responsive bids and examine bids carefully.** Make certain that proposals or quotations from vendors are responsive, and do not make their price look attractive by charging the terms of the specifications in your request for quotation.

■ **Report attempted bribery.** If a vendor offers a kickback, make detailed notes of the incident, including who, what, when, where, why, and how. Provide that information to responsible officials in the industry, including offers of AHIMA, your state HIMA, editors of professional journals, and police agencies, including the FBI if the activity crosses state lines.

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