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Standard Guide for Requests for Proposals Regarding Medical Transcription Services for Healthcare Institutions[1]

This standard is issued under the fixed designation E1959; the number immediately following the designation indicates the year of original adoption or, in the case of revision, the year of last revision. A number in parentheses indicates the year of last reapproval. A superscript epsilon (ε) indicates an editorial change since the last revision or reapproval.

1. Scope

1.1 This guide covers recommended guidelines to healthcare institutions for the development and issuance of requests for proposals (RFPs), as well as guidelines for medical transcription service organizations (MTSOs) responding to requests for proposals. It does not purport to address all of the legal aspects of the RFP, if any, associated with its use. It is the responsibility of the user of this guide to establish appropriate legal guidelines prior to use.

1.2 It is appropriate for healthcare institutions to issue RFPs from time to time or at regular contractual intervals for the purpose of facilitating the process of contracting for medical transcription services.

1.3 It is anticipated that both a commercial contract for services and a HIPAA Business Associate Agreement will be based upon the responding proposals submitted to the RFP.

1.4 *This international standard was developed in accordance with internationally recognized principles on standardization established in the Decision on Principles for the Development of International Standards, Guides and Recommendations issued by the World Trade Organization Technical Barriers to Trade (TBT) Committee.*

2. Referenced Documents

2.1 *ASTM Standards:*[2]

E1384 Practice for Content and Structure of the Electronic Health Record (Withdrawn 2017)[3]

E1762 Guide for Electronic Authentication of Health Care Information (Withdrawn 2017)[3]

E1869 Guide for Confidentiality, Privacy, Access, and Data Security Principles for Health Information Including Electronic Health Records (Withdrawn 2017)[3]

E1902 Specification for Management of the Confidentiality and Security of Dictation, Transcription, and Transcribed Health Records (Withdrawn 2011)[3]

E2117 Guide for Identification and Establishment of a Quality Assurance Program for Medical Transcription

E2184 Specification for Healthcare Document Formats (Withdrawn 2011)[3]

E2344 Guide for Data Capture through the Dictation Process

2.2 *Other Documents*

American Association for Medical Transcription (AAMT), Metrics for Measuring Quality in Medical Transcription, 2005[4]

AAMT Book of Style, Second Edition, 2002[4]

Medical Transcription Industry Association (MTIA), Billing Method Principles [5]

Public Law 1004-191 Health Insurance Portability and Accountability Act of 1996 (HIPAA)[6]

3. Terminology

3.1 *Definitions:*

3.1.1 *audit trail*—a record of users that is documentary evidence of monitoring each operation performed. Audit trails may be comprehensive or specific to the individual and event (that is, document routing, version control, access, etc.).

3.1.2 *authentication*—process of (*1*) verifying authorship, for example, by written signature, identifiable initials, or computer key, or (*2*) verifying that a document is what it is purported to be, such as comparison with other records, or both.

3.1.3 *Certified Medical Transcriptionist*—medical transcriptionist who has met the qualifications for voluntary certification set by the American Association for Medical Transcription (AAMT), by demonstrating proficiency in the field, meeting accepted standards, and maintaining the designation through

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[2] For referenced ASTM standards, visit the ASTM website, www.astm.org, or contact ASTM Customer Service at service@astm.org. For *Annual Book of ASTM Standards* volume information, refer to the standard's Document Summary page on the ASTM website.

[3] The last approved version of this historical standard is referenced on www.astm.org.

[4] Available from American Association for Medical Transcription, www.aamt.org.

[5] Available from Medical Transcription Industry Association, www.mtia.com.

[6] Available from U.S. Government Printing Office, Superintendent of Documents, 732 N. Capitol St., N.W., Mail Stop: SDE, Washington, DC 20401. See also http://aspe.hhs.gov/admnsimp.

continuing education activities as required by the certification process established by AAMT.

3.1.4 *compliance clause*—item in a contract that defines remedies for default of contract specifications.

3.1.5 *data destruction*—eradication of data to a useless and irretrievable state.

3.1.6 *data elements*—units of fundamental information from a healthcare record, organized in an analytical manner.

3.1.7 *data extraction*—specification of a subset of data from a master data source for a new data format.

3.1.8 *data mining*—extraction of selected elements of stored data to be used for a purpose other than the one for which the information was originally intended.

3.1.9 *dictation*—information that is stated or read aloud to be transcribed by another.

3.1.10 *dictator*—one who dictates information to be transcribed by another; also known as originator.

3.1.11 *digital dictation*—information that is stated or read aloud and recorded by a digital recording system.

3.1.12 *document*—report in any form (print, electronic, or voice file).

3.1.13 *document access*—ability to enter, exit, and, in some circumstances, edit or make use of a document.

3.1.14 *document destruction*—eradication of all elements of a document to a useless state.

3.1.15 *document distribution*—delivery of a document or documents (original or copies) to appropriate recipients, in any form (print, electronic, or voice file), authenticated or not authenticated.

3.1.16 *document storage*—repository for reports in any form (print, electronic, or voice files), authenticated or not authenticated, for later use or retrieval.

3.1.17 *electronic authentication*—verification of authorship of a document or verification that a document is what it is purported to be, or both, accomplished by electronic means or in an electronic format.

3.1.18 *electronic protected health information*—individually identifiable health information in any electronic medium, protected by HIPAA Privacy and Security Regulations.

3.1.19 *full-time equivalent*—work force equivalent of one individual working full-time for a specific period, which may be made up of several part-time individuals or one full-time individual.

3.1.20 *healthcare institution*—any facility whose primary purpose is delivery of health care, for example, hospital, clinic, physician practice, multi-campus healthcare system.

3.1.21 *medical transcription*—process of interpreting and transcribing dictation by physicians and other healthcare professionals regarding patient assessment, workup, therapeutic procedures, clinical course, diagnosis, prognosis, etc., into readable text, whether on paper or on computer, in order to document patient care and facilitate delivery of healthcare services.

3.1.22 *medical transcription service organization (MTSO)*—provider of transcribed healthcare documentation; also referred to as vendor or contractor.

3.1.23 *on-site users*—individuals who use a facility's computer system via a terminal and other hardware elements that are physically connected to that system.

3.1.24 *protected health information*—individually identifiable health information, protected by HIPAA Privacy and Security Regulations.

3.1.25 *remote users*—individuals who use a facility's computer system via modem or wide area network connection.

3.1.26 *taped dictation*—information that is stated or read aloud and recorded by an analog tape system, such as a cassette recorder, as opposed to a digital system.

3.1.27 *turnaround time (TAT)*—elapsed time beginning with availability of the voice file to the contractor (also known as MTSO or vendor) for transcription and ending when the transcribed document is delivered to the healthcare institution.

3.1.28 *unit of measure*—defined unit of production for transcription, including but not limited to a character, word, line, minute; measure used to quantify transcription produced.

3.1.28.1 *Discussion*—Because production statistics may vary based on counting methods used, electronic or otherwise, even though units of measure are the same, the contractor should clearly define the unit of measure being used, and the healthcare institution should require full disclosure of the methods used to quantify production.

3.1.29 *vendor site*—any MTSO where patient health information is stored, processed, or produced.

3.2 *Acronyms:*

AAMT	=	American Association for Medical Transcription
CMS	=	Centers for Medicare & Medicaid Services
CMT	=	Certified Medical Transcriptionist (as designated by the Certification at AAMT)
EHR	=	Electronic Health Record
ePHI	=	Electronic Protected Health Information
HIPAA	=	The Health Insurance Portability and Accountability Act of 1996
JCAHO	=	Joint Commission on Accreditation of Healthcare Organizations
MT	=	Medical Transcriptionist; Medical Transcription
MTIA	=	Medical Transcription Industry Association
MTSO	=	Medical Transcription Service Organization
PHI	=	Protected Health Information
RFP	=	Request for Proposal
TAT	=	Turnaround Time

4. Significance and Use

4.1 This guide is intended to assist healthcare institutions in creating appropriate requests for proposals to be issued for medical transcription services.

4.2 This guide provides recommended guidelines for the essential elements to be included in requests for proposals issued to medical transcription services. The purpose of these requests is contracting for the production and delivery of transcribed patient care documentation for a healthcare institution.

4.3 This guide recognizes the necessity of a HIPAA Business Associate Agreement.

4.4 This guide recognizes the necessity of researching local, state, and federal requirements that may apply.

5. The Current RFP Process

5.1 Healthcare institutions often outsource the production of patient care documentation to an external vendor known as a medical transcription service organization (MTSO). Therefore requests for proposals (RFPs) for those services are more important than ever for management consideration. Establishing sensible standards for the RFP process is a necessary beginning for successful partnerships between healthcare institutions and MTSOs. RFP standards will help to ensure that the healthcare institution's goals and expectations become an integral part of the working relationship with the MTSO.

5.2 In reviewing RFPs presently in use, it is clear that no particular standards are being followed in their composition.

5.2.1 The information necessary to select an appropriate MTSO should be realistic in order to achieve the desired results. Otherwise, inadequate service may result or other difficulties may arise after the contract is awarded. If an RFP does not ask for sufficient information about the MTSO for the healthcare institution to be able to judge the company fairly or to make an informed decision, or does not give enough information to enable the MTSO to provide an informed response or set up the account adequately, the outcome may be unsatisfactory to all parties. This may leave the healthcare institution with poor service, no service, or rebidding. Furthermore, the cost to the healthcare institution of repeatedly re-establishing relationships with MTSOs can be excessive, and the quality of service during the transition may be less than optimal, adversely impacting patient care and patient safety.

5.2.2 The healthcare documentation process and quality of the data are enhanced by well-defined requirements as set forth in the RFP. High-quality data supports quality patient care, improves efficiency, and results in cost-effective services.

6. Systematic Approach to Writing RFPs

6.1 A systematic approach to the RFP includes items that make the situation of the healthcare institution clear to the MTSO, including the healthcare institution's existing state of transcription, goals for the future, and the requirements for success: response criteria, confidentiality fundamentals, security, disaster recovery, document or data destruction guidelines, or both, as well as MTSO disclosure and reference requests.

6.1.1 The RFP structure should include:

6.1.1.1 Current status of the healthcare institution,

6.1.1.2 Expectations of the healthcare institution to include scope of work,

6.1.1.3 Response requirements,

6.1.1.4 Terms and conditions of contract,

6.1.1.5 Confidentiality issues,

6.1.1.6 Information security issues,

6.1.1.7 Disaster recovery issues,

6.1.1.8 Document and data destruction,

6.1.1.9 MTSO disclosure,

6.1.1.10 Reference requests,

6.1.1.11 Scope of services (to include quality improvement program, staffing capabilities, and transition plan),

6.1.1.12 Product pricing to include change orders, schedules, etc.,

6.1.1.13 Compliance clauses to include HIPAA, and

6.1.1.14 Selection process to include the weighting criteria and timeline scheduled for selection.

6.2 The RFP should be set up in such a way that it will allow the MTSO an adequate opportunity to present the full scope of services to the healthcare institution as a partner in achieving the healthcare institution's goals. It should not be so rigid that the MTSO cannot demonstrate creative solutions and approaches to service and pricing. This sort of openness, while making clear the requirements of the institution, promotes a response of cooperation toward a common goal.

6.3 In each of the sections of the RFP, the document should set out the requirements in such a way that the compliance or noncompliance of the MTSO can be verified. This should be followed by a field for comment by the MTSO. In areas where the healthcare institution has a preference, but not necessarily a demand, the same format can be followed. Some sections may be an invitation for information from the MTSO and should be so arranged. Such an invitation acknowledges respect for the MTSO's expertise in its field, while wisely protecting the interests of the healthcare institutions.

7. Structure of the RFP Document

7.1 *Current Status of the Healthcare Institution:*

7.1.1 A complete description of the healthcare institution's existing technology and transcription practices and current status enables the MTSO to formulate comprehensive answers to the requirements listed in the RFP.

7.1.2 *Organizational Picture*—A general description of the healthcare institution's corporate structure (that is, number and type of locations for healthcare facilities) should be specified. The healthcare institution's relevant policies and procedures (that is, Notice of Privacy Practices, etc.) should be provided to the MTSO.

7.1.3 *Healthcare Documents*—A description of healthcare documents presently generated for each site should be specified and described:

7.1.3.1 Healthcare document type (See Specification E2184).

7.1.3.2 The actual or anticipated, or both, volume to be contracted by document type and by unit of measurement as defined in 7.12.1.

7.1.3.3 The percentage of each document type relative to the total volume.

7.1.3.4 The percentage of total healthcare documentation currently being dictated and transcribed.

7.1.3.5 The number of authors by specialty and percentage of English-second language dictators.

7.1.4 *Document Format and Distribution*—Specifications as to the actual documents presently produced should include the following areas:

7.1.4.1 Document Format,

7.1.4.2 Document distribution forms (print, electronic, and voice file),

7.1.4.3 Document distribution copy requirements,

7.1.4.4 Document distribution parameters (where, when, and how), and

7.1.4.5 Management report formats.

7.1.5 *Document and Data Storage, Retrieval, and Destruction*—Specifications of the document and data storage, retrieval, and destruction parameters as they may affect the MTSO are also required, since interfacing to a health information system or to an optical disk storage system could affect the scope of the customized programming required. Multiple layers of storage, retrieval, and destruction requirements also add to the complexity of the services necessary.

7.2 *Expectations of the Healthcare Institution:*

7.2.1 Having given the current status of the organization, a well-written RFP will state the reasonable expectations of the healthcare institution. If these expectations differ significantly from the current status, the difference should be highlighted. For example, if the achievement level for turnaround time in operative reports is presently 24 h and the expectation is 6 h, this should be clearly stated. As another example, imminent implementation of an EHR could significantly affect interface requirements, as well as electronic document distribution and electronic signature concerns. Such changes would significantly impact the price of the service.

7.2.2 Planned technology that may significantly affect the cost of doing business for the MTSO should be declared.

7.2.3 A protocol will be established to address all changes with healthcare document types, format specifications, document access specifications, document distribution specifications, management reports, data element extraction, document storage specifications, and document or data destruction, or both. The healthcare institution will allow the MTSO to respond to the implications of such change.

7.2.4 *Service Level Agreement*—Periodic communication to discuss performance issues, changes, current status of service, etc.

7.3 *Proposal Response Requirements* —Having given a clear picture of its own position, the healthcare institution should now make clear the response and award requirements of this particular proposal. Defining the terms used throughout the RFP is essential to mutual understanding of the details, so definition of terms should be included. The format to be followed in the response, to include both required and alternative responses, should be clearly delineated, easy to follow, and should encourage a succinct response. Particulars as to the delivery site for the RFP, the permissible methods of delivery, number of copies, and the closing date and time for accepting the RFP are crucial.

7.4 *Terms and Conditions of Contract:*

7.4.1 *General*—Terms and conditions of the contract should be clear from the outset, although the healthcare institution need not feel obligated to have a particular requirement in every area. Sometimes considering the options presented by the MTSOs, rather than stating requirements, may reveal very palatable choices. The length of time the contract will be awarded and renewal options, as well as possible adaptability to evolving new industry standards, are some of the terms to consider. The MTSO may be adamant about an exclusive versus a nonexclusive contract. The healthcare institution may insist that no subcontractors be utilized.

7.4.2 *Compliance:*

7.4.2.1 *Contract compliance:* Compliance clauses deal with failure to meet standards in the contract, such as turnaround time and quality. The key issues will be how these elements are defined, how they are measured, who audits them, and the remedy for noncompliance. A cure period will be established. The definitions of these elements may be elsewhere in the RFP, but the penalties involved may be defined here.

7.4.2.2 *Regulatory compliance:*

(1) HIPAA and state privacy and security regulations

(2) Employment regulations

(3) OSHA

(4) State and local licensing

7.4.3 *Protected Information*—Both the healthcare institution and the MTSO may have concerns about protected information and its definitions and nondisclosure requirements. An MTSO, for instance, may want to protect patented work processes, proprietary systems, or financial information from being made available to competitors in open bidding. The healthcare institution may want to protect information such as patient volumes or numbers of covered lives if that were a necessary request for a bid based on managed care data. The conditions of this type of confidentiality need to be clearly defined. Both parties may have indemnification issues to address as well.

7.4.4 *Delivery and Payment Terms*—Other terms of the contract include payment terms and invoice terms, such as frequency of invoice schedule, late payments, interest, and suspension of services for nonpayment. Invoicing should be itemized for services provided.

7.4.5 *Termination of contract:*

7.4.5.1 *Remedy for Default*—Terms for remedy in case of default of either party should be defined. Termination for cause needs to be defined as well as the cure period for remedy.

7.4.5.2 *At end of contract*—The responsibilities of the healthcare institution and the MTSO should be fully discussed and negotiated at the time of the original contract.

7.4.5.3 Termination without cause to include notice.

7.4.6 *Work Sample*—A work sample of the healthcare institution's choice should be sought in order to further evaluate the quality and unit of cost from the MTSO. This sample should be appropriate to the institution, and the requirements of its transcription quality must be communicated clearly. The quality and production claims of various MTSOs can then be compared based on the healthcare institution's defined units of measure.

7.5 *Confidentiality:*

7.5.1 Confidentiality concerns continue to grow in importance. Expectations for the assurance of confidentiality should be spelled out in order to determine the MTSO's commitment to it. The MTSO should conduct employee training on HIPAA confidentiality requirements as well as obtain signed confidentiality agreements from each employee, subcontractor, and outside equipment vendor or maintenance personnel exposed