HealthScribe India Pvt. Ltd. (HSI) is a joint venture between HealthScribe, Inc.—the largest medical transcription company in the United States—and Max India, a technology group based in Bangalore India. HealthScribe/HSI provides Internet based outsourced/outlocated medical transcription and data management services to the healthcare industry.

The global medical transcription industry has revenues of approximately $6 billion. Historically, the industry has been highly fragmented—with several regional players, substantial but generally inefficient in-house provision, and a large number of home-based independents. In the United States, the number of transcriptionists has stalled at around 300,000, while demand for transcription services is growing at 15-20% annually.

HealthScribe has focused on bringing professional management to the medical transcription industry. The firm targets large hospitals and acute care facilities. It differentiates itself with its ability to offer high quality services with turnaround times of 2 to 24 hours. It achieves this performance by providing customers with digital recorders that, when placed in a cradle, connect to and upload files to the firm’s secure communications network. Audio files are routed to either U.S.- or India-based transcriptionists. Transcripts are reviewed by editors and returned to customers within a day.

HealthScribe, Inc., based in Sterling, VA, handles all marketing and interactions with US-transcriptionists. The firm has grown rapidly over the past few years, earning it the 20th position on Inc. magazine’s list of 500 fastest growing companies in 2001 and 34th in 2002. Revenues in 2002 exceeded $45 million.

HSI operates as a subcontractor to HealthScribe, Inc. In contrast to the home-based industry in the U.S., HSI employs more than 1,500 transcriptionists in two “transcription factories” in Bangalore India. Files are received via the private network, transcribed at modern workstations, reviewed by two editors, and then returned to the VA distribution center. The 10 1/2 hour time difference allow HSI to complete overnight processing for its clients.

New transcriptionists undergo six months of training. Once trained, pay averages 20% of U.S. rates, while productivity is approximately 75% of U.S. levels. The fully-loaded cost per line is currently about 60% of U.S. levels, and is forecast to decline as the firm continues to grow.