MTIAPI Plans announced for growth of RP Medical Transcription industry

The country’s medical transcription (MT) industry is launching a strong bid for a bigger stake in the global transcription market, which is projected to grow to $18B in 2010.

The new board of directors of the Medical Transcription Industry Association of the Philippines, Inc. (MTIAPI) has lined up five action points for the industry this year – Skills Enhancement and Standardization, Technological and Process Innovations, Improvement of Operational Efficiency, and Aligned Business Matching Programs.

MTIAPI is prioritizing skills development to produce a bigger pool of qualified transcriptionists for the high-capacity and fast-turnaround requirements of large foreign clients. The country has lost such lucrative opportunities in the past due to the lack of capacity of local companies, 85 percent of which are small with 15- to 50-seat operations.

“Until a critical capacity of qualified workforce is established, the country will have a hard time attracting interests from big U.S. clients and our role will be mainly third party subcontractors,” says MTIAPI president Myla Rose Mundo-Reyes, who is also the managing director of Total Transcription Solutions, Inc. She projects that the country should have around 32,000 medical transcription workforce by 2010, a big leap from only 10,000 as of end-2007. MTIAPI is now developing related skills training and certification programs with the Technical Education and Skills Development Authority (TESDA), the Business Process Association of the Philippines (BPA/P), and the Coordinating Council of Private Educational Associations (COCOPEA), which will complement with strong career advocacy and retention campaigns.

Meanwhile, MTIAPI will enhance the capacity of local MT companies to address global market opportunities by providing training on diversified BPO functions in healthcare like medical records processing, medical coding, and medical billing. As compliance with the U.S.’s Health Insurance Portability and Accountability Act of 1996 (HIPAA) and data protection plays a critical role in raising the customers’ confidence level in providing more business to RP, MTIAPI will conduct a more aggressive educational campaign especially for its member companies. A survey is also underway to identify areas of focus for the promotion of enhanced operational efficiency, through capability building seminars and sharing of best practices.

“Until a critical capacity of qualified workforce is established, the country will have a hard time attracting interests from big U.S. clients and our role will be mainly third party subcontractors.”

Myla Rose Mundo-Reyes
MTIAPI President

MTIAPI Member-Firms Recognized during the eServices Awards

Three MTIAPI-members firms were recognized in this year’s eServices Awards, a country recognition for ICT/BPO 2008 given by the Department of Trade and Industry thru the Center for International Trade Expositions and Missions:

Total Transcription Solutions, Inc.
Outstanding Consumer Application of the Year
Online On- the Job Simulation
160 hours of simulated and controlled transcription exposure providing MT aspirants the opportunity for near production experience even if done outside an MT production facility.

EMR Global Corporation
Ground breaking Technology
Electronic Medical Record
Digital filing process for healthcare, spa, fitness and wellness, medical and allied medical services.

SPI
Outsourcing and Offshoring (O&O) Regional Excellence Award
This is a recognition to major IT companies, which has shown tremendous support to the country’s Next Wave Cities by investing in locations outside of Greater Metro Manila Area. Thus contributing to the development of the chosen locality through investment generation and increasing employment as well as its reputation as IT investment hubs. SPI is in five locations in the country namely, Parañaque, Laguna, Cebu, Clark, and Negros Oriental. |
I would like to welcome everyone to the maiden issue of The MTIAPI Newsletter, the official bulletin of the Medical Transcription Industry Association of the Philippines, Inc. Through this newsletter, MTIAPI will be able to share the world about our country’s potential and existing capabilities toward achieving our vision of becoming the destination of choice for outsourced medical transcription services.

The newsletter aims to provide informative articles and highlight significant issues and milestones for the MT industry. Here, we hope to find a common venue to share the key trends affecting our industry and how we can capitalize on the opportunities, improve our weaknesses, and sustain our strengths as a country in helping the Philippines to gain its momentum on the road to achieving global competitiveness.

Please feel free to contribute useful articles and momentous events that we can share with the entire community of MT in the Philippines. The MTIAPI Newsletter intends to cater to MT service organizations, Educational Institutions and individual MT professionals.

MYLA ROSE REYES

MTIAPI Recipient of BPAP-TESDA Sign Deal on PGMA Training Scholarship

The Medical Transcription Industry Association of the Philippines (MTIAPI) will benefit from the signed agreement of the Business Processing Association of the Philippines (BPAP) and the Technical Education and Skills Development Agency (TESDA) that would pave the way for near-hires to get training under a scholarship grant promised by President Gloria Macapagal-Arroyo last year.

MTIAPI will be allocated P 30 million worth of training vouchers out of the P350-million scholarship grant exclusively used to train near-hires for the outsourcing industry in the Philippines. The call center, animation, software sectors will also be recipients of the scholarship grant.

The scholarship grant will come from the PGMA Training for Work Scholarship program, which offers vouchers to young graduates who have tried but failed to secure employment for lack of certain skills, thus the term near-hires.

Under the BPAP-TESDA agreement, BPAP will take on the responsibility of distributing, allocating and promoting the vouchers to its member-organizations. BPAP is the country’s umbrella organization for the Philippine outsourcing industry. TESDA, on the other hand, will be in charge of certification (or accreditation) of training institutions and the disbursement of fund.

MTIAPI will release the guidelines for availing and distributing the vouchers to the members in April. In 2007, MTIAPI allocated 1,421 vouchers to its members. Last year, more than 80 percent of near-hires for the medical transcription industry secured a job after training.

MTIAPI 2008-09 Board of Trustees

The MTIAPI Board of Trustees is comprised of 9 member companies elected by MTIAPI general members: 7 General Members (MTSOs) and 2 Associate Members (MTEOs)

American Academy of Medical Transcription
Penny V. Lauchangco, Managing Director

Asian College of Science and Technology
Peach Tinio, Consultant

eData Services Phils, Inc.
Fred Kumetz, President and CEO

IQ West Outsource Technologies Corp.
Albert Santilian

Mx Secure, Inc.
Colin Christie, President and CEO

SPI
Josephine Gonzalez, Senior Corporate Liaison Officer

Text Switch Unlimited, Inc.
Juanloz L. Botor, President

Total Transcription Solutions, Inc.
Myla Rose Reyes, Managing Director

Transkripsyo, Inc.
Michael Chua, President

2008 Officers
Chairman: Fred Kumetz
President: Myla Rose Reyes
Vice President: Penny Lauchangco
Corp. Secretary: Albert Santilian
Treasurer: Michael Chua
The Philippine Offshoring and Outsourcing Industry: A Clear “Growth” Direction

The Philippine offshoring and outsourcing (O&O) industry is indeed headed in a clear direction, one punctuated by growth that industry leaders hope would lead to more prosperity not only for industry players but also for the country in terms of economic development.

The Business Processing Association of the Philippines (BPAP), the umbrella organization of the thriving local O&O industry in the Philippines with over 200 member-companies and 5 associations, in an update, was optimistic in achieving its objectives based on its “Roadmap 2010” initiative, which was launched last year with no less than Philippine President Gloria Macapagal-Arroyo in attendance.

“Roadmap 2010” is a strategic industry initiative aiming to up the ante in making the Philippines a significant and recognizable powerhouse in the global O&O market. It seeks to capture at least 10 percent—around US$13 billion in revenues—of the total projected US$130-billion global O&O pie, representing a 41 percent annual revenue growth rate. The initiative also seeks to generate significant employment for close to a million Filipino O&O workers by the year 2010 working in both the voice and non-voice services, including IT offshoring (ITO) and engineering services offshoring (ESO) sectors of the industry.

With Roadmap 2010 in place and with the assistance of all its major stakeholders, BPAP executives believe that the target is attainable. Presently, the local O&O industry has close to US$5 billion in revenues compared with US$1.5 billion in 2004 for a 49 percent annual growth rate. At the same time, the industry provides direct employment to 300,000 workers, up by 45 percent a year from 100,500 workers back in 2004.

These impressive numbers reflect the collective achievement of highly skilled Filipino talent excelling in various offshoring IT and business process services offered in the country, like voice and non-voice (medical and legal transcription, finance and accounting), ITO (software development, systems integration, animation), and ESO (engineering and architectural design).

Based on BPAP’s own analysis, the local O&O industry is growing in all sectors. Revenue-wise, the contact centers, or the “voice” side, still dominate the industry with US$3.6 billion in revenues, followed by “non-voice” or the back-office operations like finance and accounting (F&A), legal and medical transcription with US$700 million. The ITO and ESO sectors, though still with a small base, continue to experience growth with US$423 million and US$152 million in revenues, respectively.

With respect to providing direct employment, contact centers have around 198,000 workers, non-voice with 62,000, ITO with 29,000 and ESO with 8,000. Again, though still small in terms of worker base, continued growth is expected for the ITO and ESO sectors.

Growing preference of global clients for the Philippine O&O industry also continues, and this is attributed to several factors, foremost is quality-based talent value. According to a survey done by the McKinsey Global Institute among human resource (HR) managers, HR agencies and heads of global resourcing centers from three continents (Eastern Europe, Asia, and Latin America), Filipinos are among the most-preferred workers for hiring by companies in specific areas of expertise like engineering, finance and accounting, and other generalist practices.

With regard to cost-competitiveness, according to a report again from the McKinsey Global Institute and Watson-Wyatt, the Philippines ranked among the lowest (second to India) in terms of cost to employer, which includes wage, bonus and benefits, across 7 occupations.

Government incentives were also a plus factor in giving the Philippine O&O industry a strong business proposition due to its various tax-based incentives. Couple this with a robust, redundant, efficient and yet highly affordable telecommunications infrastructure, the local O&O industry was a clear favorite.

Given these dynamic aspects, the Philippines has become a truly favored site for outsourcing services and this hasn’t gone unnoticed. Last year, the Philippines was voted the 2007 Outsourcing Destination of the Year by the London-based National Outsourcing Association (NOA). This reinforced the findings of Duke University and the Booz Allen Offshoring Research Network’s 2006 survey, which put the Philippines second to India in terms of being a favorable location for O&O services.

The Philippine O&O industry, however, will not rest on its laurels. Citing the country’s leading presence in the voice business, the Business Processing Association of the Philippines (BPAP), sees the Philippines leveraging on its commanding position to elevate itself in the “higher-value” chain of services in the industry and thus achieve more growth. With its strength and inherent excellence in customer-focused services, plus the rising pressure on top O&O provider India in terms of talent and infrastructure, the Philippines is generally considered in a “sweet spot” to capture more market share.

BPAP, in its role as the promotions arm of the Philippine O&O industry, has already identified three key themes that need to be addressed: talent, business environment, and next-wave cities.

The organization has five thematic programs that aim to draw additional talent to the industry. These include assessment and training programs, awareness on O&O career opportunities, tapping of alternative talent pools, improved funding channels, plus changes in school curriculums deemed responsive to the needs of the industry, in order to bring it closer to its 2010 employment goals.

In terms of business environment, BPAP is looking at three key areas like public policy (incentives, data protection), promotion (risk survey, information security), and investor support (BPAP portal, operational excellence program). BPAP is also developing what it calls “next-wave” cities, particularly in the provinces, as effective alternative venues for outsourcing locators to eventually decongest major O&O hubs like Manila and Cebu.

BPAP is dead serious in achieving its 2010 goal since it believes doing so would create a significant impact on the Philippine economy. Based on National Statistics and Coordination Board (NSCB) Economic Accounts, National Economic Development Authority (NEDA) Medium-Term Development Plan and BPAP analysis, the O&O industry is projected to contribute around 8 percent of total Philippine GDP by 2010, higher than the current share of the financial, real estate, and transportation and communications sectors.

With this lineup of initiatives, BPAP believes it is definitely on the right track to making the Philippines the destination of choice for O&O services by the beginning of the next decade.
MTIAPI Reaches Out to Regional ICT Stakeholders

The Medical Transcription Industry Association of the Philippines, Inc. (MTIAPI) in cooperation with Transcription Alliance of Davao, Inc. (TADI) and Department of Trade and Industry (Davao) held a dialogue with the Mindanao-based MT companies and training institutions at MEDCO Office, Davao City last April 11, 2008.

The round table discussion was attended by representatives from various medical transcription companies, training institutions and chamber of commerce based in Butuan, Cagayan de Oro, General Santos, Tacurong and Davao City. MTIAPI, on the other hand was represented by its President, Myla Rose Reyes and its Executive Director, Raymond Eruma during the forum.

The activity provided an avenue of discussion on the issues and challenges confronted by the Mindanao-based stakeholders with the end view of identifying the areas of complementation geared towards the promotion and development of the Medical Transcription Industry and related services in the Philippines.

Ms. Reyes underscored MTIAPI's continued effort to establish stronger branding, front-end awareness, and linkages with relevant international associations to promote the Medical Transcription capabilities in the Philippines. MTIAPI’s plans and programs in the areas of talent development and marketing were also presented during the forum. It has been noted that the cost of doing business becomes more attractive in the provincial hubs, making it more sensible to look into capabilities of “new wave cities” like Davao and other parts of Mindanao.

The Mindanao TADI (Transcription Alliance of Davao, Inc) shares MTIAPI’s standpoint in its advocacy in uplifting the quality and image of Medical Transcription as a profession and looks forward to its affiliation with MTIAPI as a member.

MTIAPI is slated to hold its series of similar dialogues with the Luzon and Visayas-based stakeholders within the year.

MT Seeks Bigger US Market

To further promote the Philippines as a preferred global sourcing destination for health information management services, the country joined the American Health Information Management Association (AHIMA) convention and exhibition in Philadelphia last October 06–11.

The Philippine participation dubbed “e-Services Philippines Goes to AHIMA” was an opportunity for Philippine HIM firms to meet new clients and potential partners. The event also allowed delegates exposure to trends and best practices in the international industry.

The Center for International Trade Expositions and Missions (CITEM) and the Medical Transcription Industry Association of the Philippines (MTIAPI) led a delegation comprised of ELink Transcription Academy Inc., E-Transcribe Global Transcription Services & Training Inc., GlobalQuest BPO Specialists Inc., Rapid Data Services LLC, and Top Outsource Performance Inc.

Medical transcription companies in the Philippines strictly abide by the guidelines of the Health Insurance Portability and Accountability Act (HIPAA) and comply with the standards of the American Association for Medical Transcription (AAMT). Most medical transcription companies in the Philippines operate 24 hours, 7 days a week, professional transcriptionists turning out an average of 1,000 lines per day at 98–99 percent accuracy.

MTIAPI Joining Confab in Long Beach California

Six MTIAPI members are leaving for the US to attract new market and potential business partners in the United States during the annual Medical Transcription Industry Association Conference on April 23-26 at Long Beach, California.

Leading the delegation is MTIAPI’s Chair Fred Kumetz, President & CEO of eData Services and Myla Reyes, MTIAPI president and Managing Director of Total Transcript Solutions. Other companies are MXSecure, IQWest, Global eBiz Outsource, Audio Dicta and Transkripsy.

The MTIA conference brings together medical transcription service providers, vendors and health information management professionals to discuss issues and trends of the industry, showcase new technology and to network.

Myla Reyes will represent MTIAPI during the Panel Discussion on “Building a Viable and Sustainable Relationship with Offshore MTSO.” Other panelists include Suresh Nair of Spheris, and Sean Carroll of Webmedx. MTIAPI board of trustees will have a chance to meet with MTIA directors to discuss areas of cooperation.

While in Long Beach, they will meet with Filipino-American medical community in Southern California being arranged by the Philippine Trade and Investment Office in Los Angeles.