

MEDICAL TRANSCRIPTION

1. INTRODUCTION

Medical Transcription is one of the highly professional IT related services. It involves highly skilled data processing job for medical field. Doctors maintain the medical records for each patient's follow-up action and future reference. The medical records are also useful for better treatment i.e. health care, insurance claim and for medical research purposes. An accurate computerized medical record helps in avoiding chances of omission of some of the important findings in the records. As the manpower (computer operator-cum-typist) is very costly abroad, Medical Transcription (with the internet growing popular), has emerged into a viable commercial operation to utilize the manpower around the globe.

2. PRODUCT & ITS APPLICATION

In this process the doctor at overseas (say USA) dictates case history and recommendations etc. of a patient directly to a computer, where information is stored as voice files. These files are transmitted to the server from doctor's end. The server of medical transcription company at India is connected to overseas company through network. The voice files are downloaded and converted to readable MS-Word files and uploaded back to overseas server so that the overseas doctor can maintain them as record.

3. DESIRED QUALIFICATION FOR THE PROMOTER

Being an IT based operation, it is important that the promoter has certain basic qualifications in computers and information processing. Following qualifications are recommended, though even people without these qualifications, but with very good entrepreneurial qualities may also engage in these activities:-

- a) Any graduate in computer science / engineering;
- b) Diploma in electronics / electrical / computer science;
- c) Any graduate with a certification in hardware technology / software applications.

4. MARKET POTENTIAL

India has emerged as a leading global partner for the growth of Information Technology and IT related services. Already there are many companies engaged in medical transcription services. One of the factors for this growth is availability of highly skilled computer literate, good English speaking professionals at a cheaper cost compared to those in developed countries. The time difference of 8-12 hrs is also an encouraging factor for medical transcription services.

Internet has reached in almost every corner of India. There are training institutes, which can cater to the training of medical transcription services. BSNL and Internet Service Providers can provide good internet connectivity. The speed for data transmission has increased a lot through broad band. The computer hardware and software is available locally.

Many State Governments have already announced separate IT policy to encourage IT and IT enabled services. The new entrepreneur has to explore overseas market before starting medical transcription services.

5. RAW MATERIAL REQUIREMENTS

Being a service there are no raw material requirements. However, consumables like stationery, etc., are listed under cost of project.

6. MEDICAL TRANSCRIPTION SERVICE PROCESS

The doctor at overseas (say USA) dictates case history of a patient to a computer, where information is stored as voice files. Then they are stored in overseas server. The server of medical transcription company in India is connected to overseas company through communication network like leased lines, VSAT, etc. The voice files are down loaded and converted to readable MS-Word files and up loaded back to overseas server so that overseas doctor can maintain them as records. Generally for medical transcription services there will be overseas agents between doctor and the company. The service charges depend on the number of lines transcribed. The transcription will be done in shifts and will be at peak between 9 p.m. to 6 a.m.

The medical transcription service centre has good scope with all the above facilities. The centre will not only help in promotion of IT services but also provides employment to many people of the region. The centre may also take up the computer related DTP jobs and training activities in idle / off-peak time for additional revenue.

7. MANPOWER REQUIREMENTS

Sr. No.	Designation of Employees	Monthly Salary ₹	Nos.	Annual Salary in lakhs
1.	Assistant	5,000	2	1.20
2.	Watchman	8,000	2	1.92
3.	Manager	25,000	1	3.00
4.	Hardware Engineer	12,000	1	1.44
5.	Medical Transcriptionist	12,000	20	28.80
6.	Accountant	15,000	1	1.80
	Total		27	38.16

8. IMPLEMENTATION SCHEDULE

The major activities in the implementation of the project have been listed and the average time for implementation of the project is estimated at 12 months:

Sr. No	Particulars	Period in Months
1.	Preparation of project report	1
2.	Registration and other formalities	1
3.	Sanction of loan by financial institutions	3
4.	Plant and Machinery:	
	(a) Placement of orders	1
	(b) Procurement	2
	(c) Power connection/ Electrification	2
	(d) Installation/Erection of machinery/Equipment	2
5.	Procurement of raw materials	2
6.	Recruitment of Manpower, etc.	2
7.	Trial Production	11
8.	Commercial production	12

Notes

1. Many of the above activities shall be initiated concurrently
2. When imported plant and machinery are required, the implementation period of project may vary from 12 months to 15 months.

9. COST OF PROJECT

Sr. No.	Particulars	₹ in Lacs
1	Land	4.00
2	Building	-
3	Plant & Machinery	14.20
4	Furniture, Electrical Installations	8.84
5	Other Assets including Preliminary / Pre-operative expenses	0.50
6	Margin for Working Capital	2.90
	Total	30.44

10 MEANS OF FINANCE

Sr. No.	Particulars	₹ in Lacs
1	Promoter's contribution	13.91
2	Bank Finance	16.53
	Total	30.44

11 WORKING CAPITAL CALCULATION

Sr. No.	Particulars	Gross Amt	Margin %	Margin Amt	Bank Finance
1	Inventories	0.08	25%	0.02	0.06
2	Receivables	0.56	25%	0.14	0.42
3	Overheads	11.10	25%	2.78	8.33
4	Creditors	-0.15	25%	-0.04	-0.11
	Total	11.59		2.90	8.69

12 LIST OF MACHINERY REQUIRED

Sr. No	Particulars	Rs. In lakhs
1	Computer & N/w systems	14.20

13 PROFITABILITY CALCULATIONS

Sr. No.	Particulars	Year 1	Year 2	Year 3	Year 4	Year 5
1	Sales	63	72	81	81	81
2	Raw Materials & Other direct inputs	9.081333	10.37867	11.676	11.676	11.676
3	Gross Margin	53.91867	61.62133	69.324	69.324	69.324
4	Overheads except interest	41.44	47.36	53.28	53.28	53.28
6	Depreciation	1.642667	1.877333	2.112	2.112	2.112
5	Interest	1.73	1.46	1.1	0.73	0.36
7	Net Profit before tax	9.106	10.924	12.832	13.202	13.572

14 BREAKEVEN ANALYSIS

Sr. No.	Particulars	UOM	Value
1	Sales Realization	₹. In Lacs	67.50
2	Variable costs	₹. In Lacs	9.73
3	Fixed costs incl. interest	₹. In Lacs	47.35
4	$BEP = FC/SR-VC \times 100 =$	% of sales	81.96%