

Mixing medicine and tech, firm pushes for seven figures

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Tim Montague's Parkville medical transcription business is being transformed by the Internet and digital technology.

DTS Medical staffers once had to drive to hospitals and doctors' offices, picking up audio tapes and shuttling them to people who could translate recordings of diagnoses and prescriptions into medical documents.

Now the 25-year-old company depends on servers and a Web site to upload audio files from digital recorders, convert the information on the files into virtual documents and securely store them on the Internet so doctors and office managers can easily manage, edit and route the information.

Montague, a former critical care technician and firefighter who bought the company in 1994, spent \$50,000 on an information management system he could deploy for his clients, which include many of Greater Baltimore's major hospitals and many physician practices — Johns Hopkins Hospital, Sinai Hospital and the University of Maryland Department of Neurosurgery among them.

The system was designed by Baltimore's Ajilon Consulting, and Montague's betting the high-tech investment will push his company's revenues from \$800,000 into the seven figures. He is scrambling with the help of Ajilon developers to get more powerful servers up and running to handle DTS Medical's growing data needs as the company routes files to transcriptionists spread around the country, an outsourcing firm in India he works closely with and quality assurance managers who oversee the work.

"We were looking for another way to do



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Tim Montague, a former firefighter, bought DTS Medical in 1994.

it," Montague said. "In order to move forward you have to make changes."

A large DTS Medical account with multiple locations spends \$60,000 or more a year on transcription services, Montague said; a small physician practice could spend \$5,000 to \$10,000. Costs for doctors have stayed steady, Montague said, but they are also getting more information and easier access to it.

Technology research firm IDC said in January that U.S. spending on medical transcription services reached \$2.3 billion last year and should almost double by 2008. Not

even mounting privacy concerns and anxiety over offshoring seems capable of dampening growth, analysts say.

The industry is a key but often-overlooked component of the health care industry's information supply chain, and startups in India and other foreign countries with emerging technology economies are hungry for work.

Transcriptions used to take up to five days to turn around; today Montague says DTS is turning documents around in 24 hours.