



FOR IMMEDIATE RELEASE

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(BW) (TRANSCEND SERVICES, INC.) (TRCR)

Transcend Introduces its Next Generation Platform - ENCORE

Atlanta, Georgia. TRANSCEND SERVICES, INC. (NASDAQ: TRCR) today introduced Encore, its new clinical documentation and transcription platform. Encore, powered by Speech Understanding technology by M*Modal, is a flexible, enterprise application developed to streamline clinical documentation and to provide substantial increases in productivity and efficiency. The product will be offered under a “software as a service model” (SaaS), and will allow Transcend to meet a variety of clinical documentation needs from in-house transcription to physician self-edit to full outsourcing.

“We wanted to provide healthcare organizations with a choice.” said Susan McGrogan, Transcend President and Chief Operating Officer. “With Encore, providers can choose a traditional outsourced relationship whereby Transcend manages the platform and the resources, or they can choose to keep their in-house transcription department and still experience productivity and efficiency increases by moving to a speech recognition-enabled platform. Either way, they will receive the same level of excellent customer service that Transcend is known for, and benefit from Transcend’s extensive industry expertise.”

Hospitals that use Encore will realize substantial costs savings because they can eliminate up-front capital equipment expenditures and maintenance fees. The product’s built in reporting, e-Signature and easy-to-use administrative tools improve efficiencies, and its advanced editing tools enable significant productivity increases. Utilizing M*Modal’s industry leading Conversational Documentation Services (CDS), the narrative data is structured and tagged and can be tracked as part of the patient’s electronic medical record. Transcend will also offer professional services to assist hospitals that choose to keep transcription in-house.

“The partnership between Transcend and M*Modal continues to result in the development of sophisticated technology that maintains a leading role in the future of healthcare and a focus on increasing the quality of clinical documentation,” said Michael Finke, CEO and Founder of M*Modal. “The new Encore platform provides end-users the luxuries of flexibility and convenience offered through a trusted industry leader that aims to significantly increase efficiencies and productivity in transcription.”



Jeff Felshaw, Transcend Vice President of Operations said, “Transcend has years of experience developing and implementing transcription best practices and improving the efficiency of clinical documentation and transcription environments. Now we can share that experience with healthcare organizations that want to keep the practice in-house. Our goal is to add real value by showing providers how to optimize their processes, resources and technology.”

About Transcend Services, Inc.

Transcend Services is a leading provider of clinical documentation solutions for healthcare organizations. The company’s high-quality transcription services – along with leading data extraction and reporting tools – provide critical data needed to document patient encounters and help drive clinical decision making. Transcend provides clients with exceptional quality, turnaround time and service so that they can focus on what matters most – their patients. For more information, visit www.transcendservices.com.

About M*Modal

M*Modal, the market leader in advanced Speech Understanding technology, combines industry leading technology and clinical documentation services to produce highly accurate, structured, encoded and shareable medical documents to facilitate the use and adoptability of electronic health records. More than 800 healthcare organizations nationwide utilize M*Modal’s solutions to increase patient safety and promote continuity of patient care. For more information, please visit www.mmodal.com.

Safe Harbor Statement

This press release contains certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, that represent our expectations, anticipations or beliefs about future events, including our operating results, financial condition, liquidity, expenditures, and compliance with legal and regulatory requirements. For this purpose, any statements that are not statements of historical fact may be deemed to be forward-looking statements. These statements involve risks and uncertainties that could cause actual results to differ materially depending on a variety of important factors. Factors that might cause or contribute to such differences include, but are not limited to, competitive pressures, extraordinary expenses, loss of significant customers, the mix of revenue, changes in pricing policies, delays in revenue recognition, challenges encountered in integrating acquired businesses, increased regulatory burdens, lower-than-expected demand for the Company's products and services, failure to expand customer relationships or realize revenues from sales closed in the current quarter, the Company's position for growth, delays in the development of the Company's transcription platform, business conditions in the integrated health care delivery network market, adverse general economic conditions, and the risk factors detailed in our periodic, quarterly and annual reports on Forms 8-K, 10-Q and 10-K that we file with the Securities Exchange Commission ("SEC") from time to time. With respect to such forward-looking statements, we claim protection under the Private Securities Litigation Reform Act of 1995. Our SEC filings are available from us, and also may be examined at public reference facilities maintained by the SEC or, to the extent filed via EDGAR, accessed through the website of the SEC (<http://www.sec.gov>). In addition, factors that we are not currently aware of could harm our future operating results. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date of this press release. We undertake no obligation to make any revisions to the forward-looking statements or to reflect events or circumstances after the date of this press release.