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MedQuist launches next generation dictation technology solution

Mount Laurel, NJ, June 29, 2006 — Today's healthcare providers face what appear to be several conflicting challenges in the area of dictation. Pressures to decrease costs and improve productivity must be weighed against the need to demonstrate compliance and increase physician choice and satisfaction. To help its customers meet these challenges, MedQuist Inc. (Pink Sheets: MEDQ) has introduced DocQment™ Ovation, a Web-based, enterprise digital voice capture and transport solution.

Studies by the Healthcare Information and Management Systems Society (www.himss.org) have shown that when considering the purchase of a new dictation system, providers value HIPAA compliance most highly, followed by Web-based, centralized administration and automatic document routing. Because Ovation is Web-based, it offers easy-to-use tools to manage documents, users and workflow from any computer with Internet access, creating numerous opportunities for productivity improvement. Physicians can select from a variety of options for capturing their dictation, including telephones, PDAs, and desktop computer-based dictation devices.

"DocQment Ovation is our newest technology innovation developed in direct response to industry feedback and providers' interest in replacing previous generation dictation systems," says Scott Bennett, MedQuist senior vice president of Sales and Marketing. "An integral component of our growing technology portfolio, Ovation helps to provide an end-to-end solution from dictation to billing, including front-end and back-end speech recognition."

DocQment Ovation was specifically engineered to be compatible with MedQuist's previous generation dictation stations, thus facilitating the retention and recruitment of transcriptionists, and making it easy for providers to upgrade with little or no physician retraining required. Deployed at the customer's location, Ovation provides an enterprise view that allows transcription supervisors to easily manage users, documents and voice files from a single dashboard instead of using multiple systems. Ovation's sophisticated configuration options enable administrators to easily track work and share resources in order to get the right document to the right transcriptionist at the right time.

According to Emmy Weber, MedQuist vice president of Product Management, "Breakthrough capabilities engineered into DocQment Ovation, like the ability to define the date that begins the aging process for documents (including admit date and date of discharge), give users better information at the point of dictation to improve workflow, accuracy and report routing."

More

“With MedQuist’s help, we configured DocQment Ovation around the way we do business,” says Wanda Newton, HIM director at Maury Regional Healthcare System, a three-hospital system located in Tennessee. “With Ovation, we are now managing our hospitals and departments more efficiently. We saw a 34 percent increase in productivity in the first two months of use of Ovation, a positive trend that we expect will continue.”

Ovation is available for immediate installation. For more information, contact a local MedQuist representative or dial 1-877-489-1500 for sales assistance.

MedQuist, a member of the Philips Group of Companies, is a leading provider of clinical documentation workflow solutions in support of the electronic health record. MedQuist provides electronic medical transcription, health information and document management products and services, including digital dictation, speech recognition, Web-based transcription, electronic signature, medical coding, mobile dictation devices, and outsourcing services.

"Safe Harbor" Statement under the U.S. Private Securities Litigation Reform Act of 1995: Statements in this press release regarding MedQuist's business which are not historical facts are "forward-looking statements" that involve risks and uncertainties. Such risks and uncertainties, which could cause actual results to differ from those contained in forward-looking statements include, but are not limited to: (1) our ability to recruit and retain qualified transcriptionists and other employees; (2) the impact of new services or products on the demand for our existing services; (3) our current dependence on medical transcription for substantially all of our business; (4) our ability to expand our customer base; (5) changes in law, including, without limitation, the impact the Health Information Portability and Accountability Act (HIPAA) will have on our business; (6) infringement on the proprietary rights of others; (7) risks inherent in diversifying into other businesses; (8) any continuation of pricing pressures and declining billing rates; (9) difficulties relating to the implementation of management changes throughout the Company; (10) the outcome of pending and future legal and regulatory proceedings and investigations; and (11) any direct or indirect impact of the matters disclosed in the Form 8-K filed by the Company on May 11, 2006. Actual outcomes and results may differ materially from what is expressed or forecasted in forward-looking statements. As a result, forward-looking statements speak only as of the date they were made, and the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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