

**Artificial intelligence**

## Healthcare turns to AI for medical note-taking 'scribes'

Investment in the apps has doubled as Big Tech and start-ups compete to grab share of market

**Madhumita Murgia** in London JANUARY 5 2025

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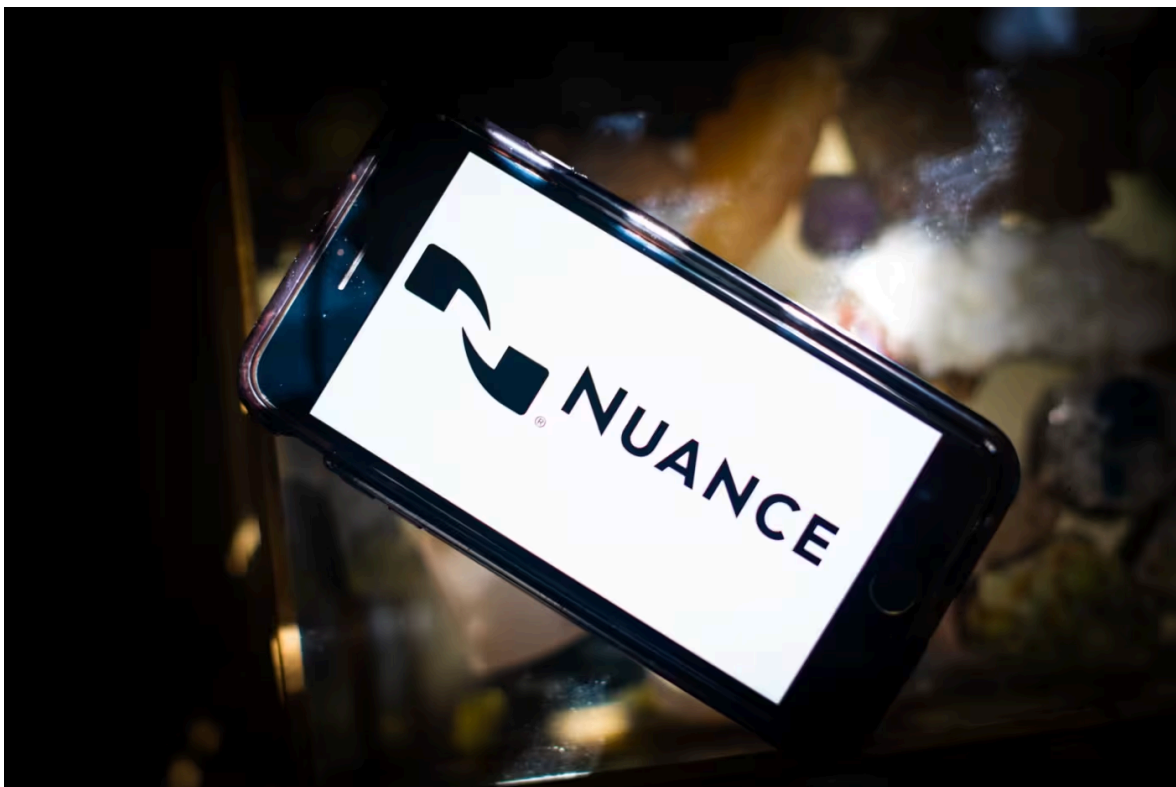
Investment in artificial intelligence medical note-taking apps doubled in 2024, as Big Tech giants including Microsoft and Amazon and start-ups race to grab a share of the \$26bn AI healthcare market.

AI start-ups focused on creating digital "scribes" for health professionals raised \$800mn in 2024, compared to \$390mn in 2023, according to data from PitchBook.

Start-ups such as Nabla, Heidi, Corti and Tortus raised money last year, with [backers](#) including Khosla Ventures, Entrepreneur First and French tech billionaire Xavier Niel.

The rise in funding comes as groups rush to launch [AI-powered products](#) that aim to make it quicker for doctors to take medical notes and improve patient interactions, as health becomes a key growth area in the AI boom.

Microsoft, which owns AI speech recognition company Nuance, as well as Amazon and Oracle have launched so-called AI co-pilots for physicians that use large language models and speech recognition to auto-generate transcripts of patient visits, highlight medically relevant details and create clinical summaries.



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“I don’t think I’ve ever seen anything more transformative in 15 years of healthcare than this,” said Harpreet Sood, a primary care physician in South London, who has been trialling French start-up Nabla’s app for the past 15 months.

Sood, a former adviser on tech and innovation to the chief executive of NHS England, said that in a full-day clinic of about 40 patients, traditional note-taking can take at least two hours of typing time.

“It’s been remarkable, easily saving 3-4 minutes of every [10-minute] consultation and really helping to capture the consultation and what it’s about,” he added.

Nabla's note-taking app uses Whisper, a transcription tool from ChatGPT maker OpenAI, and has been used to transcribe about 7mn medical visits as of October last year.

Hospitals and general physicians across the UK's National Health Service are trialling AI note-taking as a way to save time and improve doctor-patient interactions. According to a Mayo Clinic study, physicians spend on average one-third of their workday on admin, such as paperwork.

Meanwhile, Microsoft said Nuance's DAX Copilot tool, launched just over a year ago, is now documenting more than 1.3mn physician-patient encounters each month at 500-plus US healthcare groups.

Nuance, which Microsoft bought for nearly \$20bn in 2022, has said the AI tool cuts the amount of time physicians spend on clinical documentation by 50 per cent.



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At Stanford Medical School, more than 50 primary care physicians trialled Nuance's AI-powered note-taker in 2024, with two-thirds of the users saying it saved time.

The AI-generated notes were closely scrutinised by the physicians for accuracy, and the vast majority, roughly 90 per cent, had to be edited manually to correct for inaccuracies, said a person familiar with the trial.

Despite this, the results have spurred Stanford to plan a roll out of the DAX Copilot to all its providers.

Sood said that while he checks over every report that Nabla's app generates, the cognitive load of simultaneously writing and listening during a consultation is hugely "minimised, if not totally removed" by the tool.

"You can focus more on the patient, listen, be more present, understand their body language. I've enjoyed my consultations more now," he added.

However, the rise in medical note-taking has spurred criticism from researchers about the dangers of AI-generated fabrications, known as "hallucinations", which could be particularly harmful in a medical context, as well as the question of patient data privacy.

Researchers at Cornell University and the University of Virginia [analysed](#) thousands of Whisper-generated transcript snippets from 2023 and found that roughly 1 per cent of audio transcriptions contained "entire hallucinated phrases or sentences which did not exist in any form in the underlying audio".

About 40 per cent of hallucinations included harmful made-up content, such as perpetuating violence, or making up inaccurate associations, the study said.

"I wouldn't rely solely on the tool, I would read every note to check and go back to the transcript," Sood said. "There is work to be done there but . . . for me personally, it has been a big shift."

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