



**Secure, Efficient,  
and Cost-Effective:  
The Advantages of Cloud  
Fax in the Healthcare  
Industry**

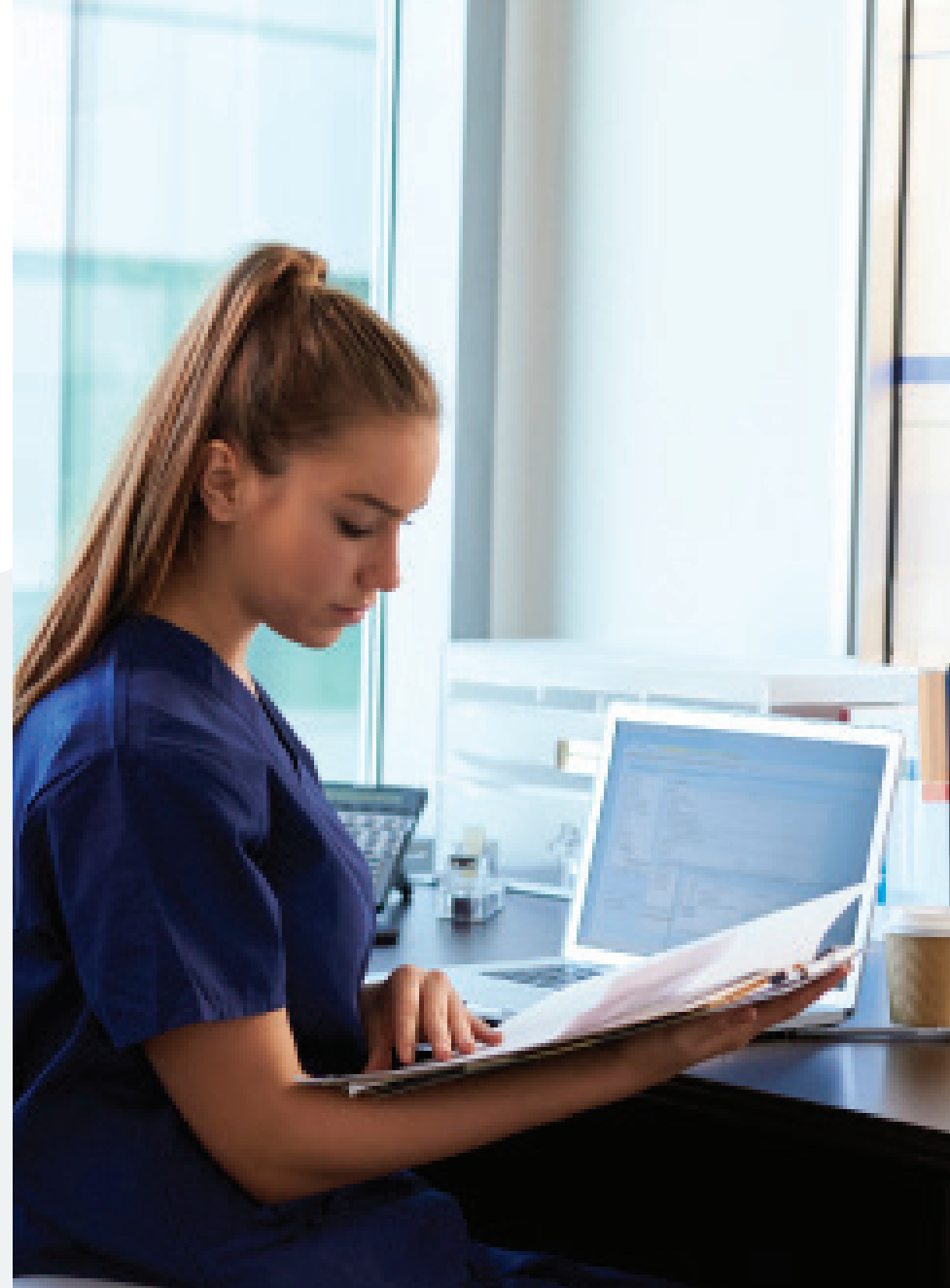


# Introduction

In the healthcare industry, adopting electronic health records (EHRs) and health information technology has significantly improved care coordination and delivery. However, this digital transformation has not eliminated the reliance on a seemingly outdated method of information exchange—the fax machine.

While faxing remains a HIPAA-compliant and user-friendly means of sharing health information, the persistent use of physical fax machines poses serious risks to privacy and security. Data security concerns have fueled a growing trend toward adopting cloud-based services in the healthcare industry. Healthcare organizations are increasingly investing in cloud services to enhance security, regulatory compliance, agility, innovation, efficiency, and cost reduction.

By replacing traditional with cloud fax, the healthcare industry can mitigate risks associated with physical fax infrastructure and participate in more robust and protected health data exchange by leveling the playing field.



# The state of play

The adoption of EHR systems and health IT over the last decade has spurred innovation to improve care coordination, delivery, and outcomes. Yet that wave of digital transformation did not eliminate the healthcare industry's reliance on a dominant form of non-electronic information exchange.

Despite the near ubiquitous use of certified health IT systems, [nearly 75 percent of hospitals](#) rely on fax to send and receive protected health information (PHI) and [roughly 65 percent of office-based physicians](#) do not participate in the bidirectional electronic exchange of patient health data.

The persistent use of physical fax machines presents real risks to the privacy and security of sensitive information that can lead to [unauthorized access to PHI](#) and [hefty financial penalties](#) for non-compliance.

Meanwhile, most healthcare organizations are prioritizing security as the leading factor for health IT purchases in 2023, according to research conducted by [Enterprise Strategy Group](#). Approximately two-thirds of 132 healthcare technology decision-makers identified cybersecurity (64%) as their top priority, followed closely by increased investment in cloud services (63%) to migrate onsite computing, storage, applications, and other services to a more secure and agile environment.

Despite the advancements in EHR systems and health IT, the healthcare industry continues to rely heavily on fax for information exchange. The present, therefore, represents an opportunity for mitigating security and privacy risks while addressing the myriad operational and financial challenges associated with traditional fax.

Fortunately, a solution exists in the cloud. But first, it's essential to understand how the healthcare industry arrived at this point and where the most significant pain points live.





## An uneven playing field

Faxing as a mechanism for information transmission underpins the foundational technology now a staple of the healthcare system—the EHR. Its usefulness as a HIPAA-compliant protocol for sending and receiving information is evident in its pervasiveness and longevity.

“Most people in a healthcare organization don’t actually know that their data is being faxed, except for the smaller doctor’s offices where they are using fax machines themselves,” says Shawn Freligh, SVP and General Manager of Content Lifecycle Automation at Upland Software.

“The market is so disparate when it comes to securing data between these systems,” he continues. “Sure, there’s HL7 for data translation, but no secure platform is standard across all healthcare organizations between the EHR and other technologies. As a result, in healthcare environments, including those with EHR systems, faxing is used to move information digitally from point A to point B.”

When patients visit their local hospital within a large health system, they meet with their doctor, who uses an iPad or computer. The doctor asks the patient which pharmacy they want their prescription sent to. However, in most cases, even the doctor is unaware that the prescription is converted into an electronic document resembling a prescription form and then faxed to the patient’s pharmacy of choice. The same is true for medical records requests, with many end users unaware that that’s how their data is being transmitted.



# Pain Points of Traditional Fax in Healthcare

**Privacy and security risks:** The use of physical fax machines and on-premise servers poses significant risks to the privacy and security of sensitive patient information, potentially leading to unauthorized access and HIPAA violations.

**Limited Interoperability:** The reliance on fax hampers the bidirectional electronic exchange of patient health data, with a significant percentage of healthcare providers not participating in electronic data exchange, hindering seamless care coordination and delivery.

**Operational inefficiencies:** Fax machines and manual processes involving printing, mailing, and scanning documents result in time-consuming and labor-intensive workflows, reducing overall operational efficiency.

**Compliance challenges:** Despite being HIPAA-compliant, traditional faxing methods require careful management and adherence to regulations, imposing administrative burdens and the potential for non-compliance penalties.

**Lack of Integration with modern technologies:** Traditional faxing methods do not leverage the full potential of emerging technologies such as artificial intelligence (AI) and automation, limiting the ability to streamline workflows and reduce errors.

**Cost and maintenance:** Maintaining physical fax machines and dedicated phone lines incurs ongoing costs, including equipment maintenance, phone line fees, and the need for additional space and resources.

**Limited scalability:** Traditional fax infrastructure may not easily scale to accommodate growing healthcare organizations, leading to capacity limitations and potential disruptions in communication.

At issue for the healthcare system are the parts of the care continuum that lack the resources to invest in modern technology platforms and still rely on traditional fax.

“In small provider offices, physical fax machines continue to be in use, creating risks around the security of documents. Documents are still printed and physically placed in patient records, although this practice is becoming less common. There’s the security of the documents as they are transmitted, and it’s not really about the transmission of the fax itself and whether that’s secure. It’s about where it comes out,” Freleigh warns.

Additionally, the continued reliance on traditional fax limits the speed of information while maintaining avoidable costs.

“Another significant challenge for traditional faxing is the speed at which a fax is transmitted,” Freleigh explains. “At the end of the day, documents are converted into a transmittable format and then transmitted at a much slower rate than what would go over the traditional internet. And then there are also the busy signals. When a healthcare provider is on one side waiting for data on the other, anticipating information needed for urgent diagnoses and patient care presents a real problem.”

Finally, on-premises faxing presents other costs that may not initially be considered, such as telephone lines. According to Freleigh, maintaining a typical phone line ranges from \$60 to \$80 or more each month, even when a care setting is not receiving many faxes each day.



# Benefits of cloud fax

While fax maintains its role in clinical workflows for sharing PHI, the technology has evolved into a more secure, modernized form—cloud fax.

Cloud faxing offers numerous advantages over traditional methods. It aligns with the broader cloud adoption trend in multiple industries, driven by regulatory compliance, agility, innovation support, efficient growth, faster product launches, and cost reduction. The evolution of cloud computing has introduced remarkable levels of usability, scalability, elasticity, and resiliency, making it an attractive option for healthcare organizations.

“Cloud fax improves on traditional fax servers by reducing maintenance and reliance on a shrinking pool of experts able to support physical equipment at scale,” Frelich notes. “Additionally, all these faxes can be securely directed into your EMR or health IT system, integrating them into the patient record. Similarly, information from EHR technology can be faxed if needed, allowing for secure data transfer into and out of the system.”

**Streamlined workflow:** Cloud faxing eliminates the need for physical printing, mailing, and scanning medical records, saving time and reducing administrative burdens.

**Enhanced security:** Cloud-based portals provide a secure location for storing and accessing faxes, ensuring the confidentiality and privacy of patient records, especially for smaller or mid-sized healthcare offices.

**Cost savings:** By leveraging cloud faxing, healthcare organizations can eliminate the need for dedicated phone lines and associated maintenance costs, resulting in significant cost savings.

**Improved speed:** Cloud faxing leverages a secure connection and infrastructure, enabling faster transmission of information compared to traditional faxing methods. The more organizations connected to the cloud infrastructure, the faster the exchange of data.

**Integration with emerging technologies:** Digitizing fax workflows allows for integrating artificial intelligence (AI) and other emerging technologies. AI-powered systems can automate post-processing tasks, reducing errors and increasing efficiency.

**Increased time for patient care:** With streamlined document management and reduced time spent on administrative tasks, healthcare providers have more time to focus on patient care, enhancing overall service quality and patient satisfaction.



More importantly, moving fax workflows and workloads to the cloud saves time, just as it opens the door for future innovation via emerging technologies.

Cloud faxing offers a notable improvement in speed compared to traditional faxing methods. Freligh maintains that the speed enhancement is primarily attributed to the underlying cloud infrastructure and the ability to leverage a secure connection for transmitting information.

Additionally, cloud infrastructure enables dynamic resource allocation and optimization. As the demand for fax transmission increases, cloud fax can allocate additional resources to efficiently handle the workload, minimizing potential bottlenecks and ensuring a smooth and expedited transmission process.

Ultimately, cloud fax enables new and emerging technologies to come to bear on manual workflows that are prone to error and limit employing staff for more patient-centered activities and high-priority operations.

“Digitizing fax workflows enables AI and emerging technologies to interact with information,” says Freligh. “That’s a game-changer. Intelligent systems can start to do all that post-processing that humans did in the past in very complex, convoluted systems that take a lot of time and are prone to errors. Taking the work out of human hands generally and for repeatable models reduces the number of mistakes and lost documents.”

All in all, the most significant benefit comes in the form of more meaningful provider-patient interactions.

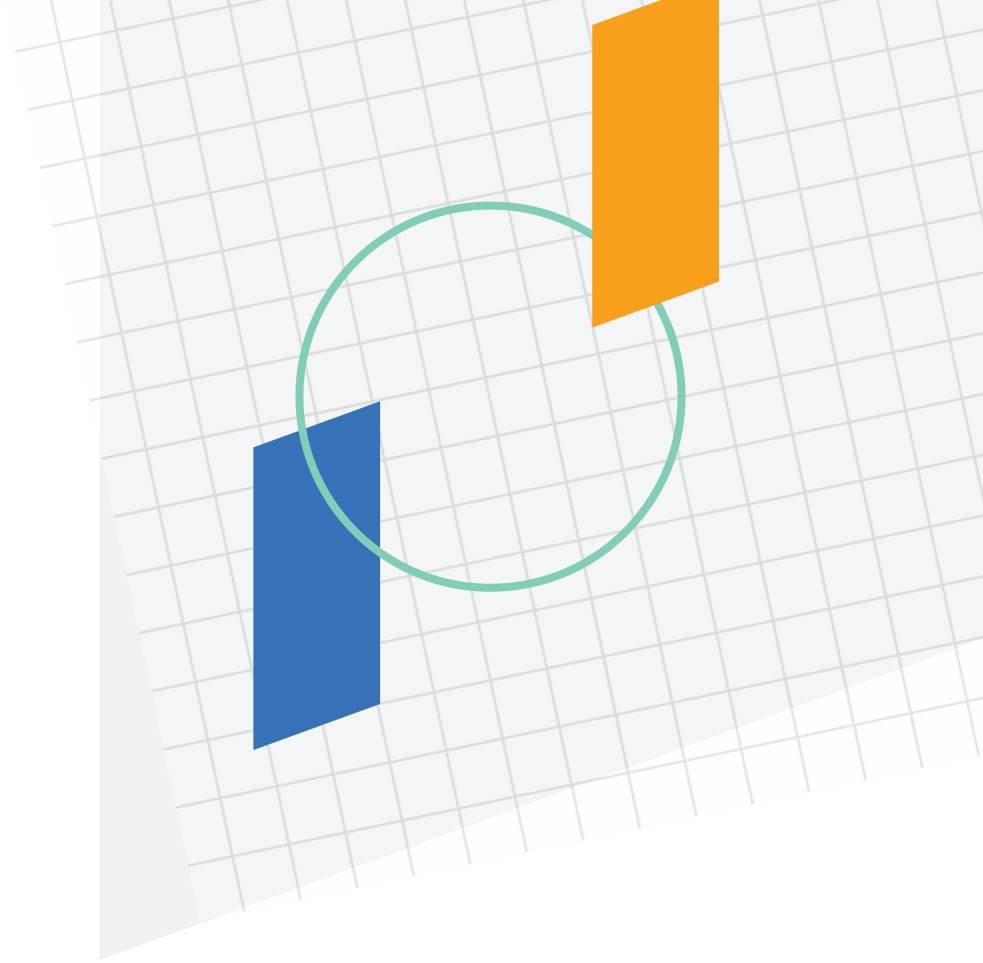
“The less time providers are chasing documents, the more time they can spend with patients,” Freligh emphasizes.



# Conclusion

The healthcare industry's heavy reliance on traditional faxing methods for information exchange has persisted despite technological advancements over the past decade. However, the present landscape offers an opportunity to address the pain points associated with traditional fax and embrace the benefits of cloud faxing.

Cloud faxing provides streamlined workflows, enhanced security, cost savings, improved speed, and integration with emerging technologies. By transitioning to cloud faxing, healthcare organizations can mitigate privacy and security risks, improve operational efficiency, and prioritize patient care. The adoption of cloud faxing not only addresses the challenges of traditional fax but also opens doors for future innovation and optimization in healthcare workflows.



## Produced by



## About Upland



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