HEALTH GORILLA

Will You Fax That Over?

The End of Healthcare's Most Expensive Habit

Shh. Listen.

Can you hear that? Somewhere in a hospital right now, a fax machine is whirring. A referral is being sent. A discharge summary is waiting. A staff member is standing by, hoping the transmission goes through.

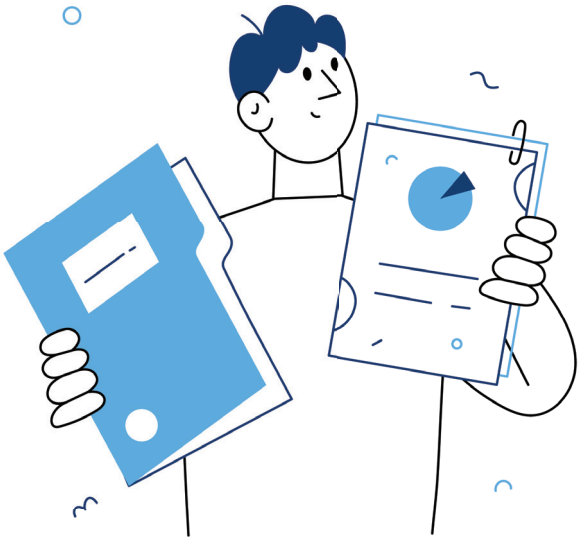
It feels almost nostalgic, until you realize what's at stake. The fax machine is considered of the most expensive "cheap" tools in healthcare.

70% of all healthcare communications still travel through fax. That's 9 billion fax pages exchanged annually. To help visualize that number, laid end to end, the pages could circle the Earth 23 times. What's that mean in dollars and cents?

$18-22B

Paper based processes cost between $18 to 22 billion across the healthcare system annually.

How Did We Get Here?



Once upon a time, faxing made sense. It revolutionized the way we moved data in the same way the combustible engine changed the way we moved people.

Faxes were:
- Universal
- Secure (for their time)
- Simple

Faxing handedly solved a real problem: how to send patient data confidentially between disconnected systems.

But healthcare has changed and is as far away from faxes as algebra is from chocolate chip cookies.

Modern data exchange has:
- APIs
- Real-time data exchange
- Nationwide interoperability frameworks

So why are fax machines still humming in hospitals and provider's offices across the nation? The gap between faxes and interoperability makes a bit more sense when you consider that just ten years ago, fax machines were used by 75% of medical organizations.

Today? That number has only dropped by 10%.

Modern data exchange has:

APIs

Real-time data exchange

Nationwide interoperability frameworks

Three Main Reasons Why Faxes Outpace Interoperability in healthcare systems

1. Phones lines are still falsely believed to be more secure than the internet
    - HIPAA regulations require Protected Health Information (PHI)

2. Integrating interoperability remains challenging for some medical organizations
    - Building a stronger, standards-based API is essential

3. Faxes are a legacy convenience
    - Staff is trained on them which builds trust

The Hidden Cost of "Just Fax It"

Interoperability doesn't help its cause when it introduces terms like APIs, encryption, HIEs, MPIs, and EHRs into a healthcare staff consciousness that feels confident in the old school of pressing "send" and considering the job done and dusted. But the costs of feeling cozy with the fax will soon outweigh the fear of learning a modernized method of secure, exchanged data.

Three main ways "Just fax it" costs the entire system

Time | **Errors** | **Security risks**

A Cycle that Consumes Time

Faxing is not a single task, it is a cycle. Sending, receiving, following up, and re-sending failed transmissions create ongoing operational overhead that pulls focus from higher-value work. Documo's 2025 Stuck in the Fax Lane survey shows that outdated, manual workflows, where over half of faxes still require human intervention and 88% of administrators report care delays, are creating significant operational strain and patient care risks.

Clinical Impact:

30% of medical tests are reordered because the originals were lost or missing via fax. In the ER, where accurate speed may mean the difference between life and death, this translates to repeat CT scans, costing money, time and increased radiation exposure. Or redundant blood draws on patients already in distress, and delayed treatment while waiting on results that already exist in the system.

30%

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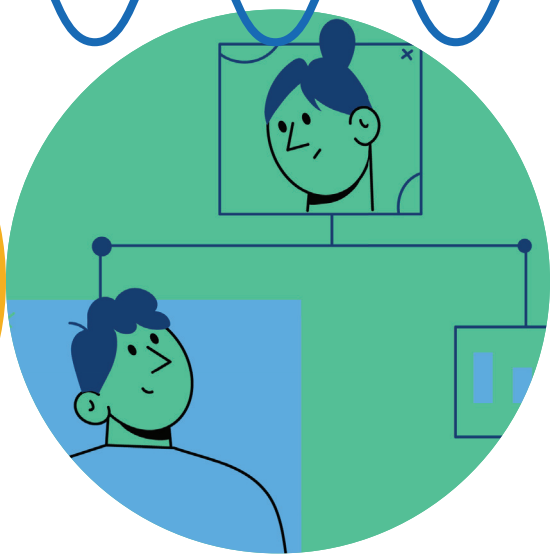


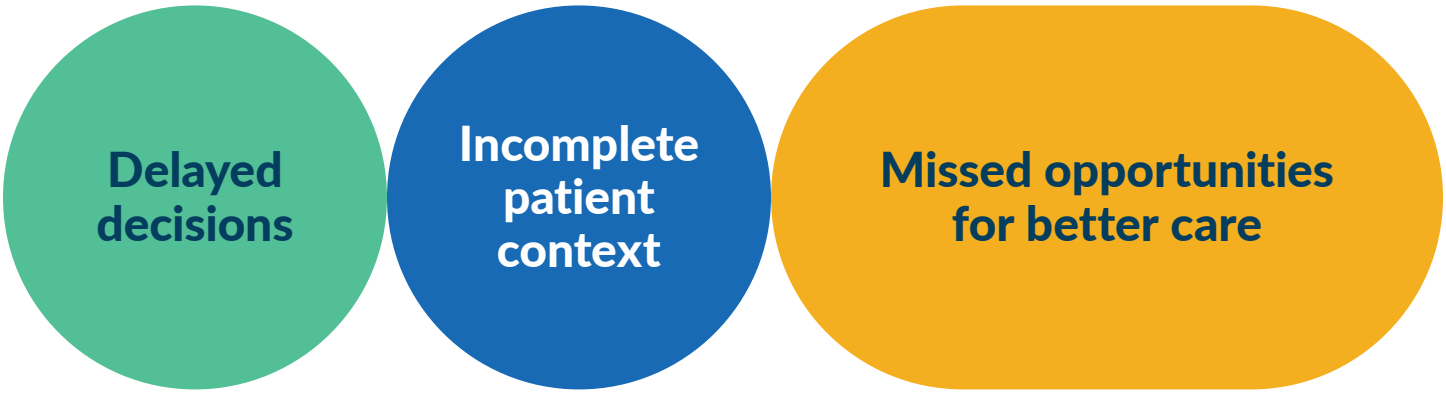
Failures Follow the Fax

Consider the missing pages, poor document quality, and incomplete transmissions, which often require follow-up and reprocessing.
Errors and delays in clinical and administrative workflows due to unreadable documents and inconsistent formatting also contribute to data quality issues.
In the age of AI, one prefers to champion the human, but faxes require manual data entry and this introduces a high risk of error and requires additional time for validation and correction, adding operational overhead for healthcare staff.

Clinical Impact:

Consider the ER patient presenting with chest pain whose cardiology records are sitting in a fax queue wherever the community fax machine sits on the floor. The nurse must triage based only on what the patient can remember. This means that medicine lists are incomplete and allergy histories cannot be verified. Crucial, sometimes life and death clinical decisions are being made on partial information

Point of Care Consequences



Clinical Impact:

Hospitals often press nurses to wait for, sort and patient-match faxes. These time consuming tasks conflict with their duty-of-care obligation they bring to the hospital floor. Requiring a licensed professional to serve as a fax machine attendant keeps the nurse away from the patient who needs care.

The Nightmare of Security Risks and Non-Compliance

The healthcare system must safeguard the Protected Health Information (PHI) as sacred. While faxes present a level of perceived security, historically, they present significant vulnerabilities that can lead to costly data breaches and non-compliance with regulations such as HIPAA.

Clinical Impact:

An errored fax may accidentally expose a patient's private records but there are other ways to violate continuity of care. If a patient discharges from the ER with a referral or transfers to a Skilled Nurse Facility, the faxed discharge summary is the handoff document. If that fax fails to transmit, arrives incomplete, or comes through unreadable, the receiving provider must restart the diagnosis and treatment from the very beginning.

But there are other problems with fax use found in the very physicality of a successful fax transmission. Fax machines are located in public spaces, for example. If vulnerable data comes through with no authorized receiving hand, the data can be compromised. But even the machine itself lends itself to problems. The sender has no way to verify that the receiver has not received the transmission simply because the paper was low or the ink was out.

And what about all that paper? Let's say a fax successfully transmitted from one authorized user to another. Once the data is entered into a patient's file, the disposal of the revealing fax requires further scrutiny as nothing short of a burn pile or a shredder can ensure the information will not be seen or misused by those outside the transmission circle.

Finally, there is no third party verification in fax use. If the sender presses one number in error, the information may be sent to a local car dealership rather than a secured medical facility. This type of breach constitutes a HIPAA breach that may go undetected.

HIPAA Violations are Expensive

Faxed data is vulnerable to multiple HIPAA breaches and these can be costly. Typical fines start at $137 but can go as high as $2,000,000 per violation. But HIPAA violations do more than weaken the financial stability of the organization. Violations are available to the public which can weaken the organization's reputation and diminish patient trust.

Why Faxes Still Exist (And Why That's Changing)

If fax is so inefficient, why hasn't it gone away?

The usual excuses:
- "It works"
- "Everyone uses it"
- "Our workflows depend on it"
- "Change is risky"

And for a long time, these reasons held up. It's easier to keep pushing the same boulder up a hill than to reshape the terrain. To be clear, the boulder is the comfort of fax-based data exchange, and the terrain is the evolving landscape of healthcare interoperability.

But interoperability has leveled the ecosystem and brings and with the RCE and QHINS comes necessary modernization and change.

A fax simply cannot deliver this type of inevitable future.

The grip of those clinging to the old ways will soon be loosening with the CMS Administrative Simplification final rule from March 2026. This policy mandates that the phase-out of fax and paper-based claims documentation, with full compliance required by May 2028, estimating $782 million in annual savings.

Regulation will require access and interoperability

Patients expect faster, digital experiences

Organizations need efficiency at scale

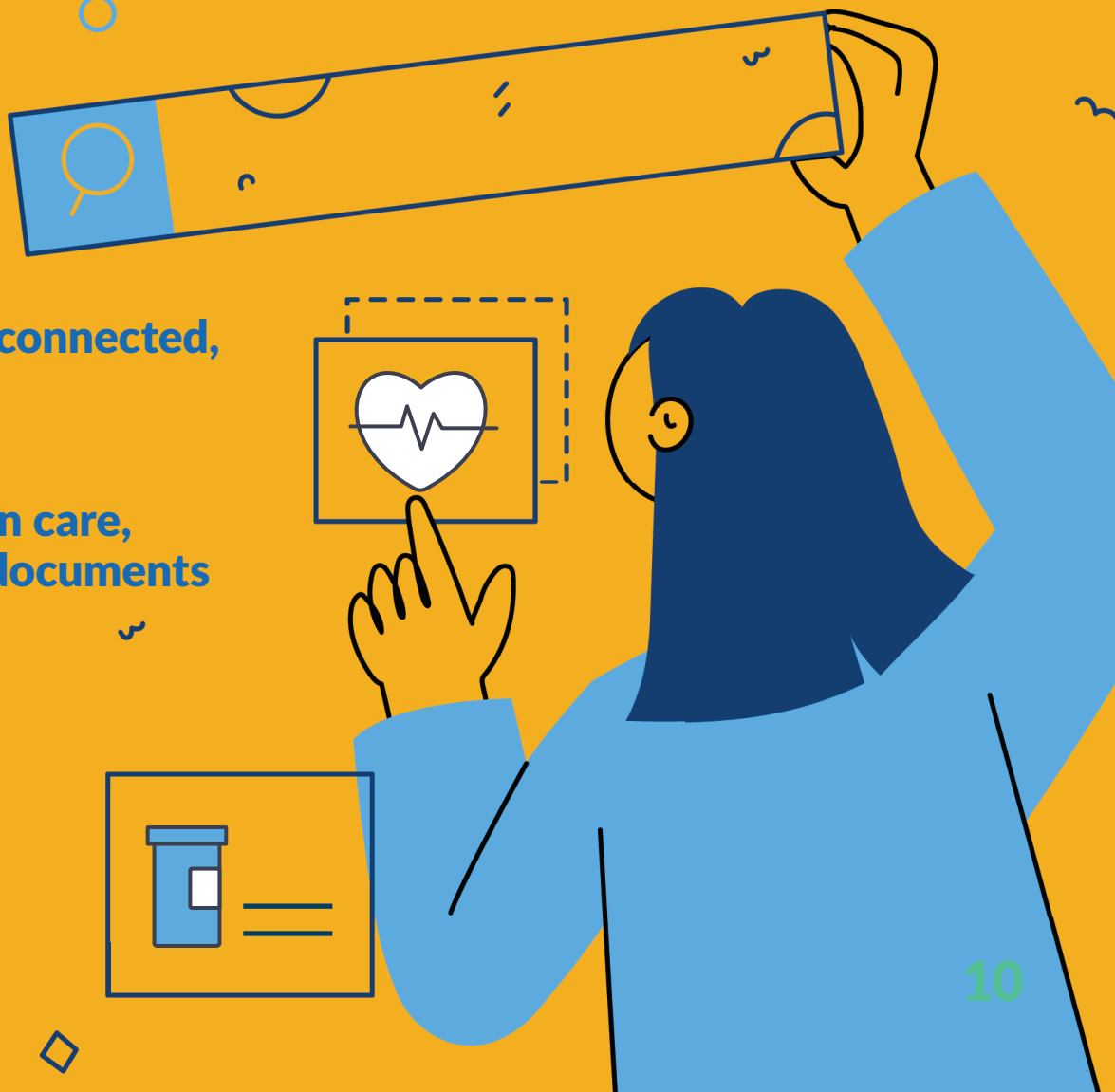
AI and analytics require usable, real-time data

What “Flow-State” Healthcare Looks Like

Imagine this new reality. A provider opens a patient record, at the point of care and sees complete, up-to-date data. The patient and provider can speak intelligently on the current status and then measure to be taken to improve that status. Sitting there, with the patient, the doctor can send a referral and receive a confirmation within seconds.

There is no need for staff to make follow-up calls, search for missing data or worse, fill in the blanks with guesswork. In other words. Things are flowing.

- **Data moves securely and automatically**
- **Systems are connected, not siloed**
- **Staff focus on care, not chasing documents**



How to Move Beyond the Fax without Breaking Everything

Here's the good news, the transition from faxes to interoperability doesn't require the drama of taking an axe to your fax machine. The transition can be incremental, strategic and weave into the current workflow.

What we've learned from those who opened their organizations to the future of interoperability and avoided operational shock:

1. **Start with the high-impact workflows: things like referrals, transitions of care and even results delivery.**

2. **Introduce digital exchange alongside fax. Consider the switch away from the fax more as a long off ramp than a mic drop.**

3. **Don't disrupt, augment first; Gradually shift volume from fax to APIs, networks, or direct exchange. This will build trust in staff to lean into the adoption.**

The advent of interoperability with data flowing through APIs, etc. has shifted the focus from data exchange to data value. Data is now rightfully expected to be structured, searchable and actionable. Data now moves swiftly through organizations who demand reliable, auditable records that arrive to them under clear governance. This is something a fax could never provide.

Modern healthcare systems require:

Connection across networks

Clean, usable data

Real-time access

Trusted, compliant data

Farewell to the Worthy Fax

The fax revolutionized healthcare record retrieval and data sharing. Its place in the evolution of healthcare data exchange is a laudable one. Before the fax, the burden of collecting and distributing medical records rested on medical staff using typewriters and carbon paper which were given to the patient to discern which lab result or diagnosis belonged with which specialist. It was an inelegant necessity. The fax machine smoothed some of those rough edges of tangible paperwork and took the exchange burden off the patient.

Modern interoperability provides faster, cheaper and more reliable systems to securely transfer a patient's complete medical history to those working at the point of care. So while we bow to the service of the fax, we raise our sights and expectations on this next generation of healthcare technical efficiency.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