



NEWS RELEASE

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Tufts Health Plan and Blue Cross Blue Shield of Massachusetts Commit \$3 Million to Provide Wireless Prescribing to Massachusetts Physicians

Collaboration with Zix Corporation seen as best way to increase adoption among physicians

October 31, 2003--Waltham, Mass. and Dallas, Tx – Two of Massachusetts’ major insurers – Blue Cross Blue Shield of Massachusetts (BCBSMA) and Tufts Health Plan (THP) – today announced that they will have secured \$3 million to fund an initiative to offer physicians a comprehensive e-prescribing program that will dramatically improve patient safety and reduce medical costs. The innovative initiative will offer approximately 3,400 Massachusetts physicians (in both the THP and BCBSMA networks) e-prescribing software developed by Zix Corporation (ZixCorp) (Nasdaq: ZIXI) on either BlackBerry Color PDA SmartPhones or wireless Pocket PC devices.

The initiative relies on ZixCorp’s PocketScript Electronic Prescription program, which enables physicians to create both new and refill medication prescriptions electronically instead of through the traditional pen and paper method and allows physicians real-time access to patients’ prescription history and real-time formulary information. ZixCorp will also coordinate outreach and conduct educational seminars across Massachusetts promoting e-prescribing.

“We are engaging in this unprecedented collaboration because we see a great benefit to expanding our long-term commitment to e-prescribing and broadening the distribution of this technology to physicians across the Commonwealth, thus offering more physicians the opportunity to improve patient care and reduce prescribing errors,” says Deborah Whitehead, assistant vice president for pharmacy at Tufts Health Plan. “We are pleased to have the opportunity to work with both ZixCorp and BCBSMA on this effort.”

“This technology has the potential to revolutionize one of the most basic parts of the medical process,” said Dr. Robert Mandel, BCBSMA vice president of provider enrollment and services. “By enrolling 3,400 physicians who write the highest volume of prescriptions for our members, we expect to improve prescription drug safety, convenience and costs for the maximum number of our members.”

Moving the process from paper to an electronic platform can greatly increase the safety and efficiency of the process. A 1999 Institute of Medicine report cited medical errors – including those related to improperly prescribed medications – as the 8th leading cause of death for Americans, more than motor vehicle accidents, breast cancer or AIDS.

Tufts Health Plan began evaluating e-prescribing solutions with PocketScript with its network of physicians in 2001. In a pilot study of the first physicians to use the technology, the plan found that:

- Rejected scripts due to illegibility and interaction with other prescribed drugs decreased, as evidenced by a 30 percent reduction in calls between physicians and pharmacists;
- 35 percent of prescribers reported patient care benefits due to the ability to check drug interactions and prescription accuracy;
- 50 percent of study respondents reported changing patient drug therapies to Tufts Health Plan preferred drugs which, if the technology were widely deployed, could mitigate rising pharmaceutical costs by 2 percent or more;
- An improvement in the efficiency of prescribing, with participating medical group practices reporting a decrease in total time spent on prescriptions of up to 2 hours per prescriber and affiliated staff; and
- A savings of nearly 1 hour per pharmacist in a typical day.

BCBSMA launched its e-prescribing program in November of 2002, and has received enthusiastic responses from many of the 200 physicians who use the technology.

“We applaud BCBSMA and Tufts Health Plan for recognizing the value of e-prescribing and for their commitment to ensure Massachusetts reaps the many benefits,” said Daniel S. Nutkis, vice president, Care Delivery Solutions at Zix Corporation.

“The decision by these health plans to invest in deploying technology that will both improve patient care and ultimately result in a more efficient use of resources is exactly what we need to see,” said Elliot Stone, CEO of the Massachusetts Health Data Consortium. “Tufts and BCBSMA should be commended for understanding that competition for members does not preclude collaboration on patient safety initiatives.”

About Tufts Health Plan

Tufts Health Plan is one of the country’s largest health plans and has been cited for its outstanding quality from a variety of third parties. The plan’s HMO has been named the “Highest in Overall Member Satisfaction Among Health Plans in Boston” by J.D. Power and Associates since 1996*. Tufts Associated Health Maintenance Organization, Inc., Total Health Plan, Inc. and Secure Horizons, Tufts Health Plan for Seniors, have been given Excellent NCQA status. Most recently, the plan was named one of the top 15 accredited health plans in the nation in the HEDIS® Effectiveness of Care Measure in the 2002 State of Health Care Quality Report **. (www.tuftshealthplan.com)

About Blue Cross Blue Shield

Blue Cross Blue Shield of Massachusetts was founded 65 years ago by a group of community-minded business leaders. Today, headquartered in Boston, BCBSMA provides coverage to 2.4 million members. Consistently recognized for standards of service that are among the highest in the nation, Blue Cross Blue Shield of Massachusetts is the choice for health care consumers seeking reliable and high quality health care coverage. Blue Cross Blue Shield of Massachusetts is an independent licensee of the Blue Cross Blue Shield Association. (www.bcbsma.com)

About ZixCorp

Zix Corporation (ZixCorp™), through its Care Delivery Solutions Group, is a trusted provider of solutions for e-prescribing and electronic prescription management. By offering care delivery services, ZixCorp enables physicians and payors to streamline the prescription process, maximize patient safety, and optimize operational efficiency. ZixCorp e-communications services enrich the doctor/patient relationship through easy-to-use technologies with convenient send-from-anywhere capability. For more information, visit (www.zixcorp.com/caredel)

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** J.D. Power and Associates 2002 Managed Care Satisfaction StudySM. Study based on responses from 27,332 commercial health plan members in 16 of the top U.S. markets. Tufts Health Plan HMO was the highest ranked health plan in the Boston market, which covers Essex, Middlesex, Norfolk, Plymouth and Suffolk counties in the state of Massachusetts. www.jdpower.com*

*** HEDIS is a registered trademark of the National Committee for Quality Assurance (NCQA)*