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L.A. Care Expands e-Prescribing Contract with Zix Corporation

Successful PocketScript[®] trial leads to 100 additional physicians in next phase of expanding program with nation's largest public health plan

DALLAS — **November 2, 2006** — Zix Corporation (ZixCorp[®]), (Nasdaq: ZIXI), the leader in hosted services for email encryption and e-prescribing, today announced that L.A. Care Health Plan, the nation's largest public health plan, has expanded its e-prescribing contract with ZixCorp for an additional 100 physicians after a successful initial pilot.

"E-prescribing can help eliminate illegible hand-written prescriptions and reduce the number of adverse drug events from prescription errors," said Dr. Elaine Batchlor, Chief Medical Officer at L.A. Care. "We want to improve patient care by making e-prescribing accessible to health care safety-net providers, who often have limited resources to invest in state-of-the-art patient care technology."

The exclusive PocketScript initiative will enable participating L.A. Care physicians, through a wireless handheld PDA, to write prescriptions and then send them immediately and electronically to pharmacies via the SureScripts network, thus improving patient safety and convenience. The service allows bi-directional communications between a pharmacist and PocketScript users to greatly enhance the prescription renewal process while also providing patient co-pay information at the point-of-care. Additionally, prescriptions can be written and managed through a ZixCorp secure Web site using a standard browser. During the prescribing process, the application provides real-time access to formulary information, a drug reference guide, drug-to-drug and drug-to-allergy checking, and patient-specific dispensed drug lists.

"L.A. Care fully understands the rising costs of healthcare, the complexity of the pharmaceutical industry, and the high level of preventable medical errors. That's why the plan is committed to PocketScript and the long-term success of this e-prescribing program," said Rick Spurr, chief executive officer for ZixCorp. "As our leadership in the industry solidifies with expansions such as Aetna and L.A. Care, we are seeing strengthening in our pricing within the marketplace. This progress, along with our recent announcement of a transaction fee model, continues the evolution of the financial success in our e-prescribing business."

About L.A. Care Health Plan

L.A. Care Health Plan is a local public agency and health plan serving residents of Los Angeles County through a variety of programs including Medi-Cal, Health Families, and Healthy Kids. With nearly 800,000 enrolled members, L.A. Care is the nation's largest public health plan. L.A. Care is a leader in developing new programs through innovative coalitions and partnerships designed to support public health, the safety net, and health insurance coverage for vulnerable populations. For more information, visit www.lacare.org.

About Zix Corporation

Zix Corporation (ZixCorp®) provides easy-to-use-and-deploy email encryption and e-prescribing services that protect, manage, and deliver sensitive information to the healthcare, finance, insurance, and government industries. ZixCorp's email encryption services enable policy-driven email security, content filtering, and send-to-anyone capability. Its e-prescribing service provides point-of-care access and transmission of patient and payor data that improves patient care, reduces costs, and improves efficiency. For more information, visit www.zixcorp.com.

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