# Zix Corporation Announces First e-Prescribing Premium Payor Services Contract with Blue Cross Blue Shield of Massachusetts

**The country's most extensive e-prescribing program also expands contract for up to 200 additional PocketScript deployments and renews subscription for current active prescribers**

**DALLAS — December 20, 2006 —** Zix Corporation (ZixCorp®), (Nasdaq: ZIXI), the leader in hosted services for email encryption and e-prescribing, today announced it has reached an agreement with Blue Cross Blue Shield of Massachusetts (BCBSMA) for the industry's first Premium Payor Services agreement. ZixCorp's Premium Payor Services provide access to future value-added services and deliver enhanced reporting for both payors and providers, aiding in analysis for incentive program initiatives.

The Premium Payor Services funding model, which is in addition to the annual subscription fee per prescriber, is typically one dollar per qualified script processed or, as in this case, a flat fee license based on historical usage patterns calibrated to yield a similar amount.

BCBSMA, Tufts Health Plan and Neighborhood Health Plan are members of the eRx Collaborative. The plans formed the Collaborative in 2003 to jumpstart the use of comprehensive e-prescribing technology in Massachusetts. The Collaborative agreed to sponsor up to 200 additional providers, based on the fulfillment of certain performance criteria by ZixCorp. In addition to BCBSMA's Premium Payor Services contract, BCBSMA is renewing PocketScript licenses for its active BCBSMA providers.

"With the use of PocketScript, our providers have had the opportunity to receive messages advising them of drug-drug and drug-allergy interactions for their patients, enabling them to make more appropriate choices. This improves healthcare quality and reduces the potential for medication errors. These are important goals that further our collaboration with providers to improve quality while managing healthcare costs." said Steve Fox, Senior Director Provider Relations, Communications & eHealth Innovation for BCBSMA. "In addition, ZixCorp has been a trusted partner during our integration of electronic prescribing into our provider incentive programs. These programs reward physicians for integrating quality improvement technologies and services into their business practices."

As announced in September, the Collaborative continues to lead the industry with 5.6 million total electronic prescriptions sent by the program's prescribers. The total number of

electronic prescriptions for Q1 and Q2 is more than 2.2 million – on track to double the volume of prescriptions sent in 2005.

"Once again BCBSMA is leading the way for other programs in the country by utilizing ZixCorp's Premium Payor Services to further enhance the value of e-prescribing," said Rick Spurr, chief executive officer for ZixCorp.  "This Payor Services contract, when combined with the annual subscription fee and other transaction fees we currently collect, will enable us to achieve for all of the covered physicians in Massachusetts the targeted revenue per doctor in our strategic plan for profitability in this business."

ZixCorp's PocketScript® e-prescribing technology platform enables 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.

## About Zix Corporation

Zix Corporation is the leading provider of hosted email encryption and e-prescribing services. ZixCorp's hosted Email Encryption Service provides an easy and cost-effective way to ensure customer privacy and regulatory compliance for corporate email. Its PocketScript® e-prescribing service reduces costs and improves patient care by automating the prescription process between payors, doctors, and pharmacies. For more information, visit www.zixcorp.com.

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