

Zix Corporation Supports Introduction of Kerry, Ensign e-Prescribing Bill

Medicare Electronic Medication and Safety Protection Act of 2007 (“E-MEDS”) establishes incentives for early adoption of e-prescribing, followed by a requirement to use e-prescribing for Medicare prescriptions by 2011

DALLAS — December 6, 2007 — Zix Corporation (ZixCorp®), (Nasdaq: ZIXI), the leader in hosted services for email encryption and e-prescribing, today issued a statement supporting yesterday’s introduction of a bi-partisan bill sponsored by Senators John Kerry, John Ensign, Debbie Stabenow, and Mel Martinez in the Senate and Representatives Allyson Schwartz and Jon Porter in the House to expedite the adoption of electronic prescribing technology in every doctor’s office in America.

In conjunction with the introduction of yesterday’s bill, Former Speaker of the House Newt Gingrich, Senator John Kerry (D-MA), Senator Debbie Stabenow (D-MI), Senator John Ensign (R-NV), Senator John Sununu (R-NH) and Andrew S. Warner, M.D. of Lahey Clinic and Board Member, American Medical Group Association, participated in a Capitol Hill briefing, *Saving Lives, Saving Money: Modernizing Healthcare through Electronic Prescribing*. Each participant in the briefing emphasized how e-prescribing is available and being used today to save lives, along with the ability of the technology to save money for both patients and the federal government. Dr. Warner, a current user of ZixCorp’s PocketScript® e-prescribing service, discussed how e-prescribing is easy to use and alerts him to potential harmful drug interactions as well as the availability of generics or drugs with lower co-pays that would be cheaper for his patients. He further made the point that, while as physicians in a large integrated clinic, he and his colleagues see significant value from e-prescribing, it is the doctors in smaller or rural practices that would benefit to an even greater extent from the adoption of e-prescribing.

In addition to providing a higher Medicare reimbursement rate for physicians who use e-prescribing, the E-MEDS bill calls for a one-time bonus for physicians to help address the upfront costs of implementing the technology. ZixCorp’s successful payor-sponsorship go-to-market model has shown that defraying the upfront costs of technology implementation as recommended in the bill further advances adoption rates of e-prescribing by eliminating cost as a barrier to adoption. ZixCorp’s high-touch payor-sponsorship model embodies a high level of support to both payors and doctors for recruiting, installation, training and reporting,

which also addresses the other primary barrier to adoption as identified in a recent poll of physicians, which is the administrative hassle of implementation.

“We are very pleased to see these senators, who have been at the forefront of efforts to improve the effectiveness and efficiency of our healthcare system, identify e-prescribing as the right step to modernizing the delivery of care in this country,” said Rick Spurr, chief executive officer for ZixCorp. “Through our multiple payor-sponsored programs across the country, we consistently see physicians such as Dr. Warner of Lahey Clinic using our PocketScript e-prescribing service to save lives and save money. ZixCorp has long been the leader in bringing e-prescribing into the physician’s office and we continue to experience particular success in introducing the technology to small practices with one or two doctors, where approximately half of the primary care providers in the U.S. practice today. We believe that having leaders from both sides of the aisle and in both chambers of Congress, as well as this Administration, all supporting and willing to take the necessary measures to encourage the widespread adoption of e-prescribing will improve the safety and lower the costs of healthcare in this country.”

The eRx Collaborative, ZixCorp’s longest-running payor-sponsored e-Prescribing program, which was formed by Blue Cross Blue Shield of Massachusetts, Tufts Health Plan and Neighborhood Health Plan in 2003, publicly stated that as of June 30, 2007, approximately 50,000 electronic prescriptions were changed during the first half of 2007 by the physician due to drug safety alerts, 2.1 percent of the electronic prescriptions written. Blue Cross and Blue Shield of Massachusetts has also documented a 3.0 to 3.5 percent savings in drug spending for the health plan and a \$20-\$25 savings per prescription for the patient in cases where physicians use e-prescribing compared with those who were writing prescriptions with pen and paper. More recently, Aetna announced that it had experienced a five to seven percent increase in use of on-formulary and generic drugs, respectively, in its New Jersey e-Prescribing pilot with ZixCorp, which also facilitates drug-drug and drug-allergy safety checks to increase patient safety.

ZixCorp’s PocketScript® e-prescribing service enables physicians to order prescriptions through a secure wireless mobile PDA or secure Web site and deliver them electronically to the patient’s preferred pharmacy. Mobility enables PocketScript to provide clinical decision support at the point-of-care with real-time access to a drug reference guide as well as patient-level eligibility, formulary, and co-pay information to aid the prescriber in selecting the most cost-effective prescription based on the patient’s benefits. The application also provides comprehensive drug-to-drug and drug-to-allergy interaction alerts based on patient-specific dispensed drug history. Through partnerships with RxHub and RelayHealth, and as a SureScripts GoldRx

Certified Solution™, PocketScript delivers end-to-end connectivity within the healthcare system to reduce unnecessary costs, improve patient safety and convenience, and enhance practice efficiency.

About Zix Corporation

ZixCorp is the leading provider of easy-to-use-and-deploy email encryption and e-prescribing services that Connect entities with their customers and partners to Protect and Deliver sensitive information in the healthcare, finance, insurance and government industries. 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 saves lives and saves money by automating the prescription process between payors, doctors and pharmacies. For more information, visit www.zixcorp.com.

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