



Zix Corporation Selected by Blue Cross Blue Shield of Arizona to Provide Secure e-Messaging to Meet HIPAA Requirements

ZixCorp Provides Leading Health Insurer with Secure e-Messaging across Arizona

DALLAS – August 15, 2002 – Zix Corporation (ZixCorp[™]), (Nasdaq: ZIXI), formerly ZixIt Corp., announced today that it has been selected by Blue Cross Blue Shield of Arizona (BCBSAZ), the state's largest health insurer, to enable secure e-messaging and meet stringent email security guidelines set by industry and federal mandates, including The Health Insurance Portability and Accountability Act of 1996 (HIPAA).

Using ZixVPM[™], ZixCorp's network-based secure e-messaging system, BCBSAZ will be able to quickly and cost-effectively communicate securely with subscribers, providers, and vendors. The ZixVPM system also helps BCBSAZ meet HIPAA privacy regulations and CMS (formerly known as the Health Care Financing Administration) security guidelines enforcing email security, privacy and message integrity that require yearly audits and self-assessments.

With ZixVPM, BCBSAZ continues to send and receive messages through their existing email client, but messages are now seamlessly encrypted by ZixVPM before being sent to recipients. ZixCorp's send-to-anyone solution allows all recipients to easily receive messages and respond to messages from BCBSAZ via encrypted email, without having to adopt any new technology or install any additional client software. To fully enable subscribers, providers, and other vendors who routinely communicate confidential data to BCBSAZ, the insurer has also secured licenses of ZixMail[™], ZixCorp's secure desktop email encryption solution, as part of BCBSAZ's deployment.

"It is very important that our e-messaging solution provide us the ability to safeguard Protected Healthcare Information (PHI) on both inbound and outbound communications throughout our business network. Deploying ZixCorp's fully integrated ZixVPM solution affords us this

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protection and enables us to provide our subscribers, providers, and other vendors with the benefit of being instantly interoperable with us, without over burdening them with a complicated security system or one that is proprietary to Blue Cross Blue Shield of Arizona,” said Gerry Farmer, chief technologist, Blue Cross Blue Shield of Arizona. “ZixVPM enables us to meet our industry’s HIPAA and CMS security standards as well as communicate efficiently and cost effectively with our subscribers, providers, and other vendors. ZixCorp’s solution is key to conducting responsible business – it covers all the bases.”

Using ZixCorp’s fully integrated service solution, combining the benefits of ZixVPM, ZixMail, and ZixCorp’s send-to-anyone solution, allows the BCBSAZ claims department to email this sensitive information for faster processing. In the enrollment, claims and medical review departments at BCBSAZ, employees will now be able to conduct business via secure email instead of faxes and phone calls, which are less secure, more expensive and time-consuming methods of communication.

“Blue Cross Blue Shield is leading the way for Arizona. It recognizes the importance of not only securing its own email communications through ZixVPM but also extending the solution to subscribers, providers, and vendors to provide them with full secure e-messaging capabilities through ZixMail,” said Daniel S. Nutkis, vice president, strategy and products at ZixCorp. “Leading organizations like BCBSAZ recognize that they have a responsibility to their customers and partners beyond regulatory requirements to keep communication private and secure – it’s become a matter of conducting prudent business.”

BCBSAZ selected ZixCorp because of its ease-of-use, ease-of-deployment and the send-to-anyone capability, as well as the branding options that provide a uniform interface for emails from the company. The organization found that no other company could provide the integrated capabilities afforded by ZixCorp’s service.

About Blue Cross Blue Shield of Arizona

As the state's largest local health insurer, Blue Cross Blue Shield of Arizona (BCBSAZ) has been dedicated to offering health insurance products and services to Arizonans for 63 years.

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BCBSAZ is one of 43 independent licensees of the Blue Cross Blue Shield Association. Collectively, more than 80 million Americans - or one in four people - carry a Blue Cross and Blue Shield ID card. The Blue Cross and Blue Shield Association licenses BCBSAZ to offer certain products and services under the Blue Cross and Blue Shield names.

About Zix Corporation

Zix Corporation (ZixCorp™) is a global provider in the secure e-messaging arena. ZixCorp provides a comprehensive suite of security solutions and professional services that address organizations' entire e-messaging needs - from assessment and verification tools, to security solutions on the desktop, across the enterprise, and beyond. These innovative, cost-effective, and easy-to-deploy solutions ensure the highest levels of security for corporate email and other electronic messages. ZixCorp's security suite enables organizations to leverage email as a mission-critical application that can be used efficiently and securely for even the most sensitive electronic messages and content. Additional information about ZixCorp can be found at www.zixcorp.com.

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NOTE TO EDITORS:

Additional product details are available by contacting the appropriate representatives at the phone numbers and e-mail addresses given below:

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