



Demand for Short-Term Health Insurance Has Steadily Grown Since Implementation of the ACA

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eHealth report: Short-term health insurance is gaining in popularity among older consumers; half of policyholders say they would be uninsured without it

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)--Mar. 7, 2018-- Today eHealth, Inc. (Nasdaq: EHTH) (eHealth.com), a leading private online health insurance exchange, released a [report](#) shedding light on trends in the short-term health insurance market and how consumers utilize plan benefits for medical care.

"Short-term plans serve an important function for consumers transitioning between jobs or with other temporary coverage needs, which is how most people continue to use them," said eHealth CEO Scott Flanders. "But we've also seen that, as premiums rise, many people turn to short-term health insurance because they simply can't afford ACA-compliant coverage."

eHealth's report, [Short-Term Health Insurance: Value, Benefits and Cost](#), includes an analysis of the costs and benefits covered under short-term plans, an examination of the impact of the 2017 rule limiting coverage to no more than 90 days, and results from a survey of nearly 1,000 short-term policyholders. Key findings include:

- **Demand for short-term plans has steadily increased since the ACA's implementation:** Short-term applications accounted for 57 percent of all combined short-term and major medical plan applications received by eHealth in 2017, up from 47 percent in 2016.
- **Need for temporary coverage and affordability drive interest in short-term policies:** Sixty-one percent of survey respondents said they chose short-term policies primarily because they needed coverage for a limited period, while 27 percent did so because it was more affordable than other options.
- **One quarter chose short-term policies because they missed open enrollment:** Twenty-six percent of respondents said they bought short-term coverage, in part, because they had missed open enrollment under the Affordable Care Act.
- **Short-term plans are becoming more popular among older consumers:** Since 2015, the share of people between the ages of 45 and 64 buying short-term plans has increased from 21 percent to 25 percent.
- **Most short-term policyholders consider ACA coverage first:** More than half of respondents (52 percent) said they considered buying an ACA-compliant health plan before turning to short-term coverage. About half (49 percent) believed they would not have qualified for government subsidies under the ACA.
- **Half of policyholders say they would be uninsured without access to short-term coverage:** Fifty-one percent of policyholders said they would not have health insurance without short-term coverage; only 12 percent said they would enroll in ACA-compliant major medical plans if short-term policies were not available.
- **Nearly three-in-ten short-term policyholders use their coverage:** Twenty-eight percent of eHealth survey respondents said they received medical care while covered under a short-term policy, most commonly for a sick visit to the doctor's office.

The full report may be found [here](#) or at eHealth's [media center](#).

About eHealth

eHealth, Inc. (NASDAQ: EHTH) owns eHealth.com, a leading private online health insurance exchange where individuals, families and small businesses can compare health insurance products from brand-name insurers side by side and purchase and enroll in coverage online and over the phone. eHealth offers thousands of individual, family and small business health plans underwritten by many of the nation's leading health insurance companies. eHealth (through its subsidiaries) is licensed to sell health insurance in all 50 states and the District of Columbia. eHealth also offers educational resources, exceptional telephonic support, and powerful online and pharmacy-based tools to help Medicare beneficiaries navigate Medicare health insurance options, choose the right plan and enroll in select plans online or over the phone through Medicare.com (www.Medicare.com), eHealthMedicare.com (www.eHealthMedicare.com) and PlanPrescriber.com (www.PlanPrescriber.com).

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