



Small Group Health Insurance Emerges as a More Affordable Alternative to Individual and Family Coverage, According to eHealth Report

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Report shows that small business health insurance prices have remained relatively stable but many employers say a modest premium increase of 15 percent could make it unaffordable

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)--Apr. 25, 2018-- Today eHealth, Inc. (NASDAQ: EHTH) (eHealth.com) released a [new report](#) providing a snapshot of costs and plan selection trends in the small business health insurance market for the 2017 calendar year. It also offers a glimpse into consumer attitudes toward small business coverage and the health insurance market as a whole.

"As costs continued to rise for individuals and families in 2017, we saw an interesting thing happen in the small business market at eHealth," said eHealth CEO Scott Flanders. "More owners of very small businesses -- of two or three employees -- began enrolling in small group health plans. Some never knew they qualified for small business group coverage, but in many cases it offered them more flexibility and lower prices per person than individually purchased health insurance plans."

Findings from the report, titled [Small Business Health Insurance: Costs, Trends and Insights 2017](#), are based on an analysis of applications received by eHealth from employer groups with fewer than 30 employees in 2017 and on the results of a March 2018 survey of small business owners that purchased their group health coverage at eHealth.

Three Key Takeaways from eHealth's Report

- **More very small businesses turn to group coverage:** In 2017, eHealth saw more very small businesses (of three or fewer workers) enroll in small business health insurance plans. High prices and fewer health plan options in the individual and family markets led a growing number of consumers who qualified to consider small business coverage.
- **Small business plan premiums prove more stable than individual coverage:** Considered on a per-person basis, the national average premiums of small business coverage selected at eHealth increased by 8 percent between 2016 and 2017. By contrast, national average premiums for individuals purchasing their own health insurance increased by at least twice that amount in each of the past two years.¹
- **Modest premium increases could be disruptive:** Nearly 80 percent of small business owners said they worry about the cost of coverage; more than 6 in 10 (62 percent) said that a 15 percent increase in premiums would make their current group health insurance unaffordable, potentially leading them to shop for more affordable options or contribute less to employee premiums.

The full report is available for [download here](#) and online at eHealth's [media center](#).

Methodology

All cost and plan selection figures are based on small business health insurance plans selected by eHealth shoppers nationwide during the 2017 calendar year, unless otherwise noted. Only health insurance applications for small businesses with fewer than thirty employees were considered in this analysis. The actual plans and prices available to each shopper depends on various factors, such as demographics and geography. Actual prices and plans available in any specific area or for any specific shopper may vary significantly from the national averages. Survey results are based on a voluntary online survey of small business health insurance shoppers who purchased their coverage through eHealth. The survey was conducted in March of 2018 and a total of 195 responses were collected. Refer to the report for additional information.

Notes:

¹ Comparisons with figures from the individually-purchased health insurance market are based on plans selected by individual eHealth shoppers nationwide not receiving government subsidies. Refer to eHealth's December 20, 2017 press release and to eHealth's Health Insurance Price Index Report for the 2017 Open Enrollment Period.

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), goMedigap (www.goMedigap.com) and PlanPrescriber.com (www.PlanPrescriber.com).

For more health insurance news and information, visit eHealth's [Consumer Resource Center](#).

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Source: eHealth, Inc.

DMA Communications for eHealth, Inc.

Sande Drew, 916-207-7674

sande.drew@gmail.com

or

eHealth, Inc.

Lisa Zamosky, 650-864-6032

lisa.zamosky@ehealth.com