eHealth

eHealth Partners with The IHC Group and SASid Insurance Development to Offer Innovative, Affordable Alternatives to Customers During the Affordable Care Act's 2018 Open Enrollment Period

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MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)--Oct. 18, 2017-- eHealth, Inc. (NASDAQ:EHTH) (eHealth.com) announced today that the company has partnered with The IHC Group and SASid Insurance Development to offer new medical insurance packages in 39 states and the District of Columbia for customers who cannot afford major medical plans meeting the benefit standards of the Affordable Care Act (the ACA or Obamacare).

In most markets eHealth will offer medical insurance packages with monthly premiums starting below $200 for persons age 35 and under $300 for 50-year-olds. These packages will be available during the ACA's open enrollment period for 2018, which is scheduled to begin November 1, 2017.

In addition to these new packages, eHealth will also offer major medical health insurance plans in 44 states during open enrollment.

Obamacare's Affordability Gap

According to a recent analysis[1], 43 percent of people who buy health insurance in the individual market (7.5 million) don't receive government assistance (advance premium tax credits, commonly referred to as Obamacare subsidies) because they earn more than 400 percent of the federal poverty level.

With premiums expected to rise by more than 20 percent in some markets, eHealth recently published a report examining health insurance costs for families that make too much to receive ACA premium subsidies in 50 U.S. cities and found that a projected 10 percent increase in 2018 would make health insurance unaffordable in 47 of those cities. The ACA defines health insurance as "unaffordable" when the lowest-priced plan available costs more than 8.16 percent of an individual's or family's yearly income (MAGI).

eHealth also analyzed ACA health insurance premiums for individuals that earn too much to receive ACA premium subsidies in 25 U.S. cities and found that by age 45 health insurance would be unaffordable in the majority of those cities if premiums rise 10 percent in 2018.

eHealth's Medical Insurance Packages Provide Affordable Alternatives

eHealth's medical insurance packages were developed in partnership with The IHC Group and SASid Insurance Development to offer a more affordable alternative to major medical health insurance to people who cannot afford Obamacare.

"We created these packages in response to pleas from our customers," said eHealth CEO Scott Flanders. "Every day, people call our customer care center and ask for help putting together a package of benefits they can actually afford."

"We have a great selection of products they can put together on their own, but that's a cumbersome process – and when they need to use their coverage, coordinating the benefits can be a hassle," Flanders added. "Our new packages are designed to make medical coverage both affordable and easy to use."

These packages will be available in 39 states and the District of Columbia and provide a single point of service when policy holders need to use their benefits. In another 5 states, eHealth will offer medical insurance packages that combine benefits from multiple insurance companies.

Medical insurance packages include varying combinations of insurance and non-insurance products such as short-term medical, supplemental (GAP) medical, and fixed indemnity medical as well as other benefits like telemedicine, prescription drug discounts and medical advocacy services. Specific benefit combinations vary by state.

eHealth will continue to refine the design of these packages to meet varying customer needs and reasonable price points.

These packages are not designed to cover pre-existing medical conditions and some are medically underwritten. Others are "guaranteed issue," meaning that a customer's application cannot be declined because of a pre-existing condition, although that pre-existing condition may not be covered by the package.

Notes:

[1]As reported on NPR from insurance industry consultant Robert Laszewski.

Forward-Looking Statements

This press release contains statements that are forward-looking statements as defined within the Private Securities Litigation Reform Act of 1995. These include statements regarding eHealth's partnerships with The IHC Group and SASid Insurance Development to offer medical insurance packages; the availability of medical insurance packages by November 1, 2017 in 44 states and the District of Columbia, including in 39 states with packages having a single point of service and in 5 states with packages combining benefits from multiple insurance companies; the pricing of medical insurance packages in most markets starting below $200 for persons age 35 and under $300 for a 50-year-old; the features and products contained in medical insurance packages; eHealth's partnerships with The IHC Group and SASid Insurance Development allowing eHealth to creating affordable products for customers who cannot afford major medical Obamacare coverage; eHealth continuing to refine the design of packages; and analysis that a 10 percent projected price increase in 2018 would make coverage unaffordable in 47 out of 50 states for families that earn too much for ACA government subsidies and in 25 U.S. cities for individuals age 45 who earn too much for ACA government subsidies for premiums. These forward-looking statements are inherently subject to various risks and uncertainties that could cause actual results to differ materially from the statements made, including risks associated with: eHealth's ability to maintain and perform under the partnerships with The IHC Group or SASid Insurance

Development necessary to offer medical insurance packages; changes in governmental policy or regulation or other governmental or regulatory actions affecting the health insurance market; changes in health insurance premiums; the accuracy of eHealth's analysis and projections; changes to the availability, benefits, pricing, and coverages of medical insurance packages; and other factors that could cause operating, financial, and other results to differ, which are described in eHealth's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission and available on the investor relations page of eHealth's website at http://www.ehealthinsurance.com and on the Securities and Exchange Commission's website at www.sec.gov. eHealth undertakes no obligation to update any forward-looking statement to conform to actual results or changes in intentions or expectations.

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).

For more health insurance news and information, visit eHealth's Consumer Resource Center.

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