eHealth

eHealth Achieves Its Internal Medicare Sales Agent Hiring Goals and Launches Retention-Focused Compensation Model for Upcoming Annual Enrollment Period

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Enhanced agent tools and lead allocation model support the company's sales and retention goals

SANTA CLARA, Calif., Sept. 10, 2020 /PRNewswire/ -- With Medicare's Annual Enrollment Period (AEP) for 2021 coverage fast approaching, eHealth, Inc. (NASDAQ: EHTH) (eHealth.com) announced today that it has met its internal sales agent hiring goals and launched a new agent compensation model to support the company's enrollment growth and customer retention efforts.

"We're looking forward to another record enrollment season in the fourth quarter," said eHealth CEO Scott Flanders. "Achieving our internal agent hiring goals and rolling out our new agent compensation model makes me even more confident in our ability to meet and potentially surpass our sales and retention targets this AEP."

eHealth significantly increases the number of its internal agents
The company has achieved its internal sales agent hiring goals for the upcoming enrollment period, including its remote agent hiring goals, increasing the total number of its full-time internal agents by more than 120% compared to last year. The company continues to hire external vendor agents for its peak volume period but is reducing its reliance on outsourced agents overall. Internal agents are expected to constitute nearly 45% of all agents scheduled to work this AEP, compared to approximately 30% last year.

"Our remote staffing model for internal agents, launched in March, has given us greater flexibility and cost-effectiveness in expanding our full-time agent force and allowed us to hire top talent from around the country," Mr. Flanders said. "We're currently on track with the hiring of our external agents as well."

Agent compensation is now tied to enrollment longevity
In July 2020, the company made significant adjustments to its performance management model, tying agent bonus compensation directly to the longevity of agent-assisted enrollments. Agents are now generally compensated significantly more for policies that remain in effect a specified number of months. Previously, agent bonuses were not closely tied to retention.

"This change effectively aligns our compensation model with our retention goals," said Mr. Flanders. "Sales agents will be encouraged to get to know our customers better and help them identify and enroll in the plan that's best suited to their coverage needs and budget over a longer period of time."

New agent tools and lead allocation model will support agent efficiency
This AEP eHealth will be empowering agents (both internal and external) to reach sales and retention goals with improvements to agent-assisted online enrollment and back-office tools designed to help them recommend plans to callers based on a broader range of criteria and with higher accuracy than in previous years. The company has also launched an enhanced telephonic lead ranking and agent allocation system to better account for call quality and agent skill, matching each caller with the best available sales agent for the customer's situation.

"In our Q2 earnings call we said we expected agent efficiency to increase 10% this year compared to last," said Mr. Flanders. "Our new agent tools and new telephonic lead allocation model will place us in a position to deliver on that commitment."

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 the Company's enrollment and retention of customers, expectations for this annual enrollment period, use and reliance of external vendor agents, percentage of outsourced agents compared to internal agents, agent compensation and goals, agent efficiency, and improvements to online enrollment, back-office, and agent management tools. 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 our ability to enroll and retain new customers, the execution of our plans to improve agent management and tools, our ability to hire, train and retain licensed health insurance agents, and other factors that could cause operating, financial and other results to differ, which are described in eHealth's most recent Quarterly Report on Form 10-Q or Annual Report on Form 10-K filed with the Securities and Exchange Commission and available on the investor relations page of eHealth's website at www.ehealthinsurance.com and on the Securities and Exchange Commission's website at www.sec.gov. The Company 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) operates a leading health insurance marketplace at eHealth.com and eHealthMedicare.com with a technology and service platform that provides consumer engagement, education and health insurance enrollment solutions. Our mission is to connect every person with the highest quality, most affordable health insurance and Medicare plans for their life circumstances. Our platform integrates proprietary and third-party developed educational content regarding health insurance plans with decision support tools to aid consumers in what has traditionally been a confusing and opaque health insurance purchasing process, and to help them obtain the health insurance products that meet their individual health and economic needs. Our omni-channel consumer engagement platform is designed to meet the consumer wherever they prefer to engage with us, and enables consumers to use our services online, through interactive chat, or by telephone with a licensed insurance agent. We have created a marketplace that offers consumers a broad choice of insurance products that include thousands of Medicare Advantage, Medicare Supplement, Medicare Part D prescription drug, individual and family, small business and other ancillary health insurance products from over 180 health insurance carriers across all fifty states and the District of Columbia.

For media inquiries, please contact:

Lara Sasken

Vice President, Corporate Communications
lara.sasken@ehealth.com

For investor inquiries, please contact:

Kate Sidorovich, CFA
Vice President, Investor Relations
650-210-3111
kate.sidorovich@ehealth.com

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