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eHealth's Medicare Index Report for 2021 Coverage Tracks Increasing Popularity of Medicare Advantage Plans

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Medicare Advantage offers a prime example of successful public/private partnership in the health care sector

SANTA CLARA, Calif., Feb. 23, 2021 /PRNewswire/ -- Today eHealth, Inc. (NASDAQ: EHTH) (<u>eHealth.com</u>) released an <u>analysis</u> of costs and trends among Medicare beneficiaries selecting Medicare insurance plans through eHealth during the Annual Enrollment Period (AEP) for 2021 coverage, with a special focus on trends among beneficiaries selecting Medicare Advantage plans.

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"The increasing popularity of Medicare Advantage is one of the best illustrations of successful private/public cooperation in the health care sector today," said eHealth CEO Scott Flanders. "Over the years, competition and innovation among private insurers offering Medicare Advantage plans has brought down average premiums while increasing benefits, and enthusiastic beneficiaries are responding by enrolling in ever greater numbers, as our Medicare Index Report shows."

Highlights from the report:

- For 2021, the percent of beneficiaries selecting Medicare Advantage plans at eHealth increased across all age bands: 77% of eHealth's Medicare customers chose Medicare Advantage plans during the AEP for 2021 coverage, compared to 61% the year before.
- Nearly nine in ten Medicare Advantage enrollees selected \$0 premium plans: 86% of eHealth customers selecting Medicare Advantage plans during the AEP for 2021 coverage chose plans with a \$0 monthly premium, compared to 83% for 2020, 73% for 2019, and 63% for 2018.
- Average premiums for Medicare Advantage plans have decreased 71% since 2018: \$5 was the average monthly premium for Medicare Advantage plans selected at eHealth during the AEP for 2021 coverage, as increased enrollment in \$0 premium plans continued to drive down average costs.

Read the full report.

eHealth's findings are based on more than 298,000 submitted applications for Medicare insurance products received by eHealth during the AEP for 2021 coverage, which occurred from October 15 through December 7, 2020, with data from the prior three AEPs provided for comparison. Only plan selections by eHealth customers are considered in this report.

Medicare Advantage plans are offered by private companies contracting with Medicare to provide beneficiaries' Medicare Part A and Part B coverage; most also provide prescription drug coverage and other benefits.

No information relevant to eHealth's financial performance should be drawn from this report. Similar to other insurance brokers, eHealth is compensated on a fixed per-member basis for Medicare Advantage and Part D plans, as regulated by the Centers for Medicare and Medicaid Services, and on a percentage of premium basis for most Medicare Supplement plans.

About eHealth

eHealth, Inc. (NASDAQ: EHTH) operates a leading health insurance marketplace at <u>eHealth.com</u> and <u>eHealthMedicare.com</u> with technology that provides consumers with health insurance enrollment solutions. Since 1997, we have connected more than 8 million members with quality, affordable health insurance, Medicare options, and ancillary plans. Our proprietary marketplace offers Medicare Advantage, Medicare Supplement, Medicare Part D prescription drug, individual, family, small business and other plans from over 180 health insurance carriers across fifty states and the District of Columbia.

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