



New Study Shows Half of Individual Health Insurance Policy Holders Paid Less Than \$130 per Month

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eHealth, Inc. Releases Analysis of Cost of Individual Health Insurance Premiums, Comprehensiveness of Major Medical Benefits

MOUNTAIN VIEW, CA, Nov 12, 2008 (MARKET WIRE via COMTEX News Network) -- eHealth, Inc. (NASDAQ: EHTH), parent company of eHealthInsurance, today announced the release of a new study on the individual health insurance market. The findings appear in *The Cost And Benefits Of Individual And Family Health Insurance Plans*, a commissioned evaluation of eHealth Inc.'s data conducted by Forrester Consulting.

The analysis provides facts on actual premiums paid for individual health insurance and the nature of accompanying plan benefits. The research, based on a nationwide sample of over 227,000 individual and family (IFP) major medical policies that were purchased through eHealthInsurance and active in August 2007, revealed the following insights:

- The average monthly premium for individual policies was \$158
- The average premium for family policies was \$366
- The average deductible for individual policies was \$1,972
- The average deductible for family policies was \$2,610
- The majority of family policies had annual premiums between \$3,400 and \$4,650
- Half of all individual policy holders paid less than \$130 per month for monthly premiums
- More than half of all family policy holders paid less than \$300 per month for monthly premiums
- Women paid, on average, 18% more than men did for individual health insurance premiums
- The average plan lifetime limit was \$3.9 million(1)
- A vast majority of individual and family policyholders had lab x-ray, emergency, prescription and chiropractic coverage

"With high unemployment and the nationwide economic crisis, Americans are now, more than ever, seeking cost-effective health insurance," said Gary Lauer, president and CEO of eHealth, Inc. "The good news is that there are options. This is especially critical for those seeking alternatives to costly COBRA coverage. For consumers, health insurance isn't a discretionary item, but rather something they need and can afford through the individual market."

Women paying more than men, on average

The new analysis shows that on average, women are paying 18% more than men for individual health insurance premiums. Among major medical plans sold to individuals, women paid an average of \$171 per month, compared to the average monthly premium of \$145 paid by men.

Premiums vary widely across U.S. states, regions

The range of average monthly premiums in 2007 for individual plans across the United States was between \$83 in North Dakota and \$388 for New York residents, representing a monthly disparity of \$305, or \$3,660 per year. Regionally, the Northeast had the highest average monthly premium for individuals, at \$239, while the Midwest had the lowest at \$130. In the West, eHealthInsurance members paid on average \$150 per month for an individual plan, while those in the South paid an average of \$154 per month.(2)

Children's plans continue to be affordable

The report found that in 2007, sixty percent of children's plans had monthly premiums of \$100 or less, with an average monthly premium of \$92 for individual children. Individual health insurance for children is an important and affordable option for families that may be shouldering a larger -- potentially more expensive -- portion of the dependent premium with employer-based health insurance.

New data on Health Savings Accounts

New to the evaluation this year is data on eHealthInsurance members that have chosen an HSA-eligible plan. Of the 227,000 plans surveyed, 14 percent were HSA-eligible plans. Of these plans, the average premium for an individual plan was \$133 and the average premium for a family plan was \$302. The majority of HSA-eligible plan holders were between the ages of 25 and 44 years old.

The first *Cost and Benefits of Individual Health Insurance Plans* study was issued by eHealthInsurance in 2001, and in the past the company has commissioned Forrester Consulting to conduct an analysis on their behalf. eHealthInsurance is one of the few organizations with national source data that can best reflect consumer buying patterns and purchase prices in the individual health insurance market. More data on premiums, deductibles and major medical benefits can be found in the report at www.eHealthInsurance.com/AboutUs/News/Reports.

Methodology

The 2007 plan data referred to in the *The Cost And Benefits Of Individual And Family Health Insurance Plans* report is derived from over 227,000 individual and family (IFP) major medical policies purchased through eHealthInsurance that were active in August 2007. The report analyzes monthly premiums paid on individual and family major medical health insurance policies in 2005, 2006, and 2007, along with the benefits associated with those

plans. For more information on methodology, please refer to the report at www.eHealthInsurance.com/AboutUs/News/Reports.

About eHealth

eHealth, Inc. (NASDAQ: EHTH) is the parent company of eHealthInsurance, the nation's leading online source of health insurance for individuals, families and small businesses. Through the company's website, www.ehealthinsurance.com, consumers can get quotes from leading health insurance carriers, compare plans side by side, and apply for and purchase health insurance. eHealthInsurance offers thousands of health plans underwritten by more than 180 of the nation's leading health insurance companies. eHealthInsurance is licensed to sell health insurance in all 50 states and the District of Columbia. eHealthInsurance and eHealth are registered trademarks of eHealthInsurance Services, Inc.

Footnotes:

(1) This average applies only to policies with specified limits. Sample size was over 125,000 individual and family plans. Plan data that did not indicate a lifetime limit were excluded from this sample.

(2) Maine, Massachusetts, and Vermont were excluded from the regional breakout for the Northeast because eHealthInsurance did not sell individual and family major medical plans in these states at the time the data for this report was collected. Rhode Island was also not included in the regional breakout for the Northeast because the sample size was too small to extrapolate insights to the larger population.

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