

eHealthInsurance Debuts New Medicare Website

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Leading Health Insurance Source Offers New Resource to Help Seniors Understand and Find Quality Medicare Options

MOUNTAIN VIEW, CA, Oct 19, 2009 (MARKETWIRE via COMTEX) -- Today, eHealth, Inc. (NASDAQ: EHTH), parent company of eHealthInsurance, the leading online source of health insurance for individuals, families, and small businesses, announced the launch of a new online service to help consumers learn about, and get access to, quality Medicare health plan options.

Through www.eHealthMedicare.com, Senior Americans and other Medicare-eligible consumers can access easy-to-understand information about the federal government's traditional Medicare program and private Medicare options. The website provides information and resources about Original Medicare (Parts A and B), Medicare Supplement (Medigap), Medicare Advantage (Medicare Part C) and Prescription Drug coverage (Medicare Part D). The service also gives consumers access to leading Medicare insurance companies that can help them find and apply for the Medicare health plans that best meet their needs. Individuals that want personal assistance can also access telephone support (Toll Free: 866-646-7654) from licensed health insurance advisors that specialize in insurance coverage and planning for Seniors.

eHealthMedicare.com features a "Doughnut Hole Calculator" that helps consumers save money on their prescription drug costs. With the Doughnut Hole Calculator, consumers are able to enter the medications they are currently taking. The Calculator tool then estimates the consumers' total out-of-pocket costs and whether they could fall within the coverage gap, known as the "Doughnut Hole," on a Part D plan. In addition the Calculator provides consumers with a listing of lower-cost alternate medications that they can share with their physician to determine their appropriateness. The Doughnut Hole Calculator is a particularly valuable tool for Seniors that have chronic conditions or are taking maintenance medications.

"Addressing the needs of the growing population of Medicare beneficiaries is a natural next step for eHealth," said Gary Lauer, chairman and CEO of eHealth, Inc. "Whether Seniors have been in the program for years, or are joining it for the first time, there is a demand for clear, concise information about benefits, coverage and options. We are applying our expertise to give consumers access to information and tools to make their review and decision-making process easier."

With Medicare's annual election period starting on November 15 and running through December 31, 2009, eHealthMedicare.com is providing a timely resource for Seniors that are now researching their Medicare plan options for the upcoming year. The annual election period for 2010 is expected to be very active with Seniors switching plans because insurers are dropping coverage in some geographies for their Medicare Advantage private-fee-for-service plans and increasing premiums or reducing benefits on many other plans.

"We identified a significant need for a comprehensive online research and shopping experience for Medicare consumers," said Bruce Telkamp, eHealth, Inc.'s Executive Vice President of Business and Corporate Development. "The total Medicare market is currently more than 46 million Americans and it will grow rapidly as the first baby boomers become Medicare-eligible in 2011. Additionally, forty-six percent of people age 65 and older have internet access at home(1) and approximately 70% of those that go online do so to get health information(2). Despite these statistics, there isn't a single website that brings together in an easy to understand format all of the information and products Seniors need to help them understand their Medicare options and make the best purchasing decision. We intend to make eHealthMedicare.com that online destination for Seniors."

"In this first phase of eHealthMedicare.com, we are offering consumers Medicare information in easy-to-navigate Web pages and straightforward language. We also provide Seniors with access to high quality Medicare carriers and phone support with trained professionals. Over time, we plan to expand our offering to include additional rich content, a full online shopping experience for all private Medicare products, and comparative online shopping tools to help Seniors and their caregivers make the best decision for their particular needs."

"We intend to make eHealthMedicare.com a unique and robust resource that will help our growing population of older adults make informed decisions and get the coverage that is right for them," concluded Mr. Telkamp.

Sources (1) U.S. Census Bureau, Current Population Survey, 2007 Internet and Computer Use Supplement (released June 2009). (2) Pew Internet & American Life Project, Generations Online in 2009 Project Data Memo (released January 2009)

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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, http://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, making it a functioning national health insurance exchange. Through its eCommerce On-Demand solution (eOD), www.ehealth.com/eOD, eHealth is also a leading provider of on-demand e-commerce software services. eHealth's eOD platform provides a suite of hosted solutions that enable health plan providers and resellers to market and distribute products online. eHealth's eCommerce On-Demand solution is currently available to health plan providers in all 50 states and the District of Columbia. eHealthInsurance and eHealth are registered trademarks of eHealthInsurance Services, Inc.

Forward-Looking Statements:

This press release contains forward-looking statements as defined within the Private Securities Litigation Reform Act of 1995. These include statements regarding the upcoming annual election period; growth of the Medicare market; future functionality of and content on eHealthMedicare.com; expansion of our Medicare offering; and effectiveness and utility of eHealthMedicare.com. 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 demand in the Medicare market; delays in implementation; user experience on eHealthMedicare.com; system failures, malfunctions,

bugs or capacity constraints; the performance, reliability and availability of eHealthMedicare.com and its underlying network infrastructure; ecommerce security risks; the success of our relationships with partners and insurance carriers; economic conditions; health care reform; compliance with insurance and other laws and regulations and changes in laws and regulations. Other factors that could cause results to differ are described in eHealth's most recent periodic report as 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. eHealth does not undertake any obligation to update any forward-looking statement to conform the statement to actual results or changes in expectations.

Image Available: http://www2.marketwire.com/mw/frame_mw?attachid=1090871

For more information, please contact: Brian Mast Director of Public Relations eHealth, Inc. 650-210-3149 - office 415-609-8494 - mobile brian.mast@ehealthinsurance.com

Sande Drew Senior Media Consultant 916-207-7674 - mobile sande.drew@ehealthinsurance.com

SOURCE: eHealth, Inc.

mailto:brian.mast@ehealthinsurance.com mailto:sande.drew@ehealthinsurance.com