



COBRA Subsidy Eligibility Expires: eHealthInsurance Answers Questions

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MOUNTAIN VIEW, CA, Apr 05, 2010 (MARKETWIRE via COMTEX) --Eligibility for the federal COBRA health insurance subsidy ended on April 1, 2010, for the second time in as many months. In response, eHealthInsurance (NASDAQ: EHTH) today released an updated list of frequently asked questions (FAQs) for consumers who are unsure how the subsidy's expiration impacts their health insurance coverage.

The American Recovery and Reinvestment Act of 2009 (ARRA) included a 65% subsidy designed to make COBRA health insurance coverage more affordable for qualifying individuals and families for up to 9 months. Since December 21, 2009, the subsidy has been extended several times and in several ways:

- The duration of the subsidy was extended from nine (9) months to fifteen (15) months
- The eligibility period was extended to include those who became eligible for COBRA due to a lay off on or before February 28, 2010
- The eligibility period was again extended to include those who became eligible for COBRA due to a lay off on or before March 31, 2010

Unless Congress extends the eligibility period again, no one who becomes eligible for COBRA health insurance after March 31, 2010 will qualify to receive the COBRA subsidy, though they may opt to pay for COBRA coverage on their own.

Those qualifying for the COBRA subsidy can calculate their remaining time on the subsidy using eHealthInsurance's COBRA Subsidy Calendar Widget located in either of the following locations:

- eHealthInsurance's Media Center:
(<http://news.ehealthinsurance.com/pr/ehi/cobra-subsidy-widget.aspx>)
- Or Widgebox.com
(<http://www.widgebox.com/widget/cobra-subsidy-calendar-ehi>)

FAQs Regarding the COBRA Subsidy:

Question: Now that the COBRA subsidy eligibility has expired, does that mean I'll stop receiving subsidies for COBRA?

Answer: No, the term "expiration" only refers to people who would become eligible for COBRA for the first time on or after April 1, 2010. If you're already receiving the COBRA subsidy, you'll continue to get your premium assistance for up to 15 months from your initial enrollment date, provided you continue to meet the eligibility requirements for the subsidy.

Question: Will the subsidy be extended for people who become eligible for COBRA after April 1, 2010?

Answer: Possibly. Efforts are under way to extend the subsidy's eligibility period. Senate legislation that would extend it through the end of 2010 has not yet been agreed to by the House of Representatives or signed into law.

If you are laid off after March 31, 2010 and the COBRA subsidy eligibility period is subsequently extended, you may be able to receive subsidy assistance retroactive to April 1, 2010, depending on the provisions of the legislation in its final form. In the meantime, you may continue your health insurance coverage through COBRA at your own expense.

Question: My subsidy is set to run out after May 31, 2010. What should I do if I don't have access to group coverage by then?

Answer: If you were among the first recipients to receive the COBRA subsidy, you should start to research your options and alternatives for health coverage right now.

Anyone who is relatively healthy and worried that they won't be able to afford non-subsidized COBRA premiums should be aware that it can take up to 2-4 weeks (longer in some cases) to get approved for private, non-group health insurance.

If you have a pre-existing medical condition, your best option is to continue COBRA coverage at your own expense. If you can't afford the unsubsidized COBRA premiums, you'll need to look into other government-sponsored options available in your state. The Foundation for Health Coverage Education (FHCE) has an excellent web site and their U.S. Uninsured Help Line can connect you with publicly-funded programs in your state. Their web site is www.coverageforall.org and their toll-free number is 800-234-1317.

Question: Isn't the passage of health reform going to make it easier for me to continue COBRA coverage or receive the subsidy?

Answer: Not necessarily. While the health reform legislation signed into law by President Obama may make it easier for you to qualify for and purchase individual and family health insurance coverage, many of its provisions don't become effective until 2014. Health reform legislation doesn't extend COBRA coverage for those who qualify for it today, nor does it specifically address the current federal subsidy for COBRA.

The COBRA subsidy is not a long term solution. If you're nearing the end of your subsidy eligibility, take advantage of these additional resources:

- Be proactive about seeking a long-term alternative to COBRA by researching your health insurance options at a place like eHealthInsurance.com
- If you've never purchased your own health insurance before, get help by contacting an agent or broker or by using free online resources like eHealthInsurance's "Health Insurance Buyer's Guide"
- Calculate the amount of time you have remaining on the COBRA subsidy using eHealthInsurance's updated COBRA Subsidy Calendar widget
- Test your understanding of key health insurance terms and benefits with eHealthInsurance's health insurance quiz
- If you have a pre-existing medical condition, talk to a licensed agent or contact the Foundation for Health Coverage Education at <http://www.CoverageForAll.org> to determine what free and low-cost health care options are available to you in your area
- If you have medical debt or need help understanding your rights, eHealthInsurance encourages you to review Families USA's consumer guide: Your Medical Bills: A Consumer's Guide to Coping with Medical Debt
- If you need help paying for prescription drugs contact the Together Rx Access(R) program, sponsored by some of the nation's leading pharmaceutical companies at <http://www.togetherrxaccess.com>

For more information about the COBRA subsidy and additional general COBRA FAQs, please see:

- eHealthInsurance's March 25, 2009 Press Release:
<http://news.ehealthinsurance.com/pr/ehi/rel484940.aspx>

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