



Health Insurance Resources for 2010 College Grads: eHealthInsurance Provides Tips and Updated Buyer's Guide

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MOUNTAIN VIEW, CA, May 17, 2010 (MARKETWIRE via COMTEX) --eHealthInsurance (NASDAQ: EHTH), the leading online source of health insurance for individuals and families, today released a series of consumer tips to help 2010 college grads navigate their health insurance opportunities and make an informed decision. The company also released an updated version of its "Health Insurance 101" buyer's guide for college students and recent graduates.

This year's grads will face special challenges -- and special opportunities -- when it comes to obtaining employer-sponsored health insurance. Hiring of new college graduates is expected to increase this year compared to last, but the National Association of Colleges and Employers reports that employers still plan to hire over 16% fewer college graduates in 2009-2010 than they did two years ago in 2007-2008(1). At the same time, provisions of health reform legislation scheduled to become effective in 2010 will provide new protections for college students, graduates and other young adults:

- Those who buy their own health insurance in the non-group health insurance market will enjoy added consumer protections
- Those under the age of 26 will also have the option to maintain health insurance coverage through their parents' policies
- Those with pre-existing medical conditions but without the option to move onto a group or family plan may be able to join new high-risk health insurance pools

The following health insurance shopping tips and the updated "Health Insurance 101" buyer's guide are designed to help this year's grads and college students better understand their choices and how to get the coverage they need at a price they can afford.

Health Insurance Tips for Grads:

1) Know your options before graduation -- Too many students wait until after graduation to research their health insurance options, when it can be too late. A Kelton Research survey showed 37% of graduating seniors were uninsured the day after graduation(2). Most 2010 grads have five basic health insurance options:

- Get employer-based health insurance
- Purchase health insurance on your own
- Get back onto your parents' plan
- Buy short-term health insurance -- Short-term insurance is a good option if you are sure you'll have group coverage available by the time your short-term coverage ends.
- Go uninsured -- Without insurance you're still responsible for any medical costs you incur; health reform does not eliminate your responsibility to pay those bills. Avoid being uninsured.

2) Take advantage of new protections resulting from health reform -- Health reform's most dramatic provisions won't come into effect until 2014, but there are several changes scheduled for 2010 that may help new college graduates:

- If you buy your health insurance in the non-group market, you'll enjoy better protections against policy cancellations and dollar limits placed on your benefits
- If you're under age 26 you can re-enroll with a parent's health insurance plan
- New health insurance plans will be required to provide more robust coverage for preventive care
- High risk pools will be established for people with pre-existing medical conditions who have been uninsured for six-months or more

3) Don't expect a free ride -- Despite new protections for those buying coverage on their own, you won't be able to sign up for any "public option" health care plan run by the government in 2010. That didn't make it into the final health reform bill. And if you're uninsured and incur serious medical expenses due to injury or illness, you'll still be responsible for those bills.

4) Simple math can save you big bucks -- Find out how much your parents' health insurance premiums will increase if you're added back onto their policy. Compare that with quotes from leading health insurance companies in your area to see if it makes more sense to buy coverage on your own. In many states college-age grads may be able to find individual health plans for less than \$70 a month. That may be substantially less than some

employer-based health insurance plans charge when an adult dependent joins or rejoins a parent's policy. Your parents may even be willing to help you fund your own coverage if it saves them money.

5) Understand how network access affects overall cost -- Adding a child back onto a parent's health insurance plan may not make sense if the child lives out of state. That's because most health insurance companies operate in a single state and don't have in-network providers outside of their coverage area. If you're seeing an in-network provider, the insurer may pay anywhere from 100% of the cost to 85-90%, depending on the coverage you have. If you go to a provider that is out of your network, your insurer may pay just 50%-70% of your costs.

6) Check into early enrollment options -- If it makes more sense for you to go back on Mom and Dad's health insurance plan, ask their insurance company or Human Resources department if you can sign on early. Technically, health reform doesn't require that they take you back until after September 23, 2010. But some insurance companies are allowing grads to enroll early to avoid going uninsured this summer.

7) Consider starting a Health Savings Account (HSA) -- Beginning in 2010, an individually purchased HSA-eligible health insurance plan will cover the cost of preventive care screenings, immunizations and women's health screenings. For a young person, an HSA may be the cheapest way to get coverage:

- Get the lowest monthly premium available (you're young, healthy and low-risk)
- Never pay anything out of pocket for most preventive care (thank you, health reform)
- Save tax-free for retirement or an illness with an HSA account
- In 2014, federal tax subsidies will be available to help you pay your monthly premiums if you earn less than approximately \$45,000 per year
- If you do switch to group coverage later in life, you keep the money in your HSA and may still spend it on qualified medical bills, or save it for retirement

8) Negotiate your medical bills -- Another way to save money on health care -- especially if you don't qualify for or can't afford a health insurance plan -- is to negotiate your medical bills when you do need to visit the doctor or hospital. Visit Healthcare Blue Book (<http://www.healthcarebluebook.com/>) to learn about average costs for various medical procedures in your area and get resources to help you negotiate those costs.

Updated 'Health Insurance 101' Buyer's Guide

Originally published in September 2009, eHealthInsurance's "Health Insurance 101" student buyer's guide has now been updated to reflect changes resulting from the passage of health reform legislation in 2010. The guide includes a helpful matrix of all major health insurance options for college students, comparing the pros and cons of school-sponsored plans, individual health insurance plans, student health insurance and coverage provided by parents. It also addresses some of the health insurance issues facing recent grads.

The guide leads students and grads through the following critical steps to help them make informed health insurance decisions:

- Step one, "Know Why You Need It," addresses the value and necessity of health insurance.
- Step two, "Bone Up on the Lingo," provides basic definitions about terms and acronyms necessary to start researching and comparing plans.
- Step three, "Assess Your Needs," helps consumers identify the amount of coverage they need, and the types of benefits they should look for in a policy.
- Step four, "Compare Your Options," outlines five key criteria for choosing a plan, common pitfalls to avoid, and other helpful buying tips.
- Step five, "Apply for Coverage," walks consumers through the application process and next steps after they get approved or denied for coverage.

The updated "Health Insurance 101" guide can be accessed in the following ways:

- By PDF here: www.ehealthinsurance.com/101guide
- Through our resource page for students and grads:
<http://www.ehealthinsurance.com/student-health-insurance/resources/>

Notes:

(1) NACE, Job Outlook 2010 Spring Update: http://www.naceweb.org/Research/Job_Outlook/Job_Outlook.aspx

(2) From a survey conducted in March 2010 by global insights firm Kelton Research and sponsored by eHealthInsurance. To learn more about the survey results, refer to eHealthInsurance's April 20, 2010 press release found here: <http://news.ehealthinsurance.com/pr/ehi/real-life-101-for-2010-college-157146.aspx>.

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