



## Health Insurance Rates: eHealth, Inc. Provides Update on Average Premiums for Individual and Family Policies

September 20, 2010

**Average Individual Health Insurance Premiums: \$167 per Month in February 2010; Average Family Health Insurance Premiums: \$392 per Month in February 2010**

MOUNTAIN VIEW, CA, Sep 20, 2010 (MARKETWIRE via COMTEX) -- eHealth, Inc. (NASDAQ: EHTH), parent company of eHealthInsurance (<http://www.ehealthinsurance.com>), today released updated data on the cost of individually-purchased health insurance policies for individuals and families. The data is based on policies that were active in February 2010.

The findings appear in 2010 Fall Cost Report for Individual and Family Policyholders, an internal evaluation of 2010 health insurance plan data from a sample of active policies, which includes 288,238 individual major medical policies and 96,460 family major medical policies purchased through eHealthInsurance that were active in February 2010; 232,682 individual major medical policies and 83,898 family major medical policies purchased through eHealthInsurance that were active in February 2009.

The analysis provides factual data on average and median premiums paid for individual and family(1) health insurance policies and average deductibles for those policies, sold through the eHealthInsurance website. Individual and family health insurance plans purchased were those available through the eHealthInsurance.com website. Accordingly, the data does not include any plans that may have been available through sources other than the eHealthInsurance website and only reflects a portion of the individual and family plans available throughout the country. Individual plan data from Rhode Island and Vermont were excluded from this report.

Click [here](#) to download the full report on eHealth's media center.

The research, revealed the following insights: Individual Policy Data

- In February of 2009, the average monthly premium for individual policies was \$161
- In February of 2010, the average monthly premium for individual policies was \$167
- Average premiums for individual policies increased 3.7 percent over that time.
  
- In February of 2009, the median monthly premium for individual policies was \$132
- In February 2010, the median monthly premium for individual policies was \$136
- Median premiums for individual policies increased 3.0 percent over that time.
  
- In February of 2009, the average deductibles for individual policies was \$2,326
- In February of 2010, the average deductibles for individual policies was \$2,632
- Average deductibles for individual policies increased 13.2 percent over that time.

### Family Policy Data

- In February of 2009, the average monthly premium for family policies was \$383
- In February of 2010, the average monthly premium for family policies was \$392
- Average premiums for family policies increased 2.3 percent over that time.
  
- In February of 2009, the median monthly premium for family policies was \$329
- In February 2010, the median monthly premium for family policies was \$336

- Median premiums for family policies increased 2.1 percent over that time.
- In February of 2009, the average deductibles for family policies was \$3,128
- In February of 2010, the average deductibles for family policies was \$3,531
- Average deductibles for family policies increased 12.8 percent over that time.

#### HSA Eligible Policy Data

- In February of 2009, 16.0 percent of individual policies were HSA eligible
- In February of 2010, 16.3 percent of individual policies were HSA eligible
- In February of 2009, the average monthly premium for HSA eligible individual policies was \$143
- In February of 2010, the average monthly premium for HSA eligible individual policies was \$155
- Average premiums for HSA eligible individual plans increased 8.3 percent over that time.
- In February of 2009, the average monthly premium for HSA eligible family policies was \$331
- In February of 2010, the average monthly premium for HSA eligible family policies was \$352
- Average premiums for HSA eligible family plans increased 6.3 percent over that time.

State-level Individual and Family Premium Data The chart below describes average individual and family monthly health insurance premiums in each of the states included in the Cost of Individual and Family Health Insurance Plans 2010 Update:

Average Premiums					
STATE	Family	Individual	STATE	Family	Individual
AK	484.65	192.30	MT	368.84	168.01
AL	291.57	126.38	NC	327.99	142.70
AR	287.08	123.07	ND	317.41	139.54
AZ	309.97	142.44	NE	338.69	140.22
CA	385.56	156.20	NH	526.52	188.46
CO	353.23	145.96	NJ	769.68	268.14
CT	505.58	197.36	NM	342.39	152.93
DC	415.10	145.48	NV	372.77	160.02
DE	374.04	158.58	NY	897.82	339.60
FL	350.92	165.76	OH	307.23	127.47
GA	391.52	163.10	OK	309.27	143.93
HI	488.96	159.29	OR	363.81	165.63

IA	238.92	110.05	PA	419.09	156.54
ID	327.26	141.19	RI	NA	NA
IL	397.66	161.15	SC	348.74	154.82
IN	344.19	144.65	SD	312.43	135.93
KS	312.29	120.07	TN	352.25	151.42
KY	289.56	117.61	TX	397.75	175.31
LA	335.15	145.94	UT	304.67	128.53
MA	835.05	303.21	VA	403.46	161.61
MD	364.09	146.30	VT	NA	NA
MI	301.14	127.41	WA	455.59	194.87
MN	356.09	136.27	WI	328.59	135.17
MO	290.59	125.92	WV	392.15	183.49
MS	319.64	163.51	WY	368.40	160.75

Individual health insurance vs. Employer-sponsored coverage: How do they differ? This latest eHealth Cost of Individual and Family Health Insurance Plans 2010 Update provides a subset of the data eHealth publishes in its annual Cost & Benefits Report. eHealth has been publishing studies like this since 2001 with the goal of providing a nationwide perspective on cost and benefit trends in the individual health insurance market, based on an analysis of a large, geographically distributed sample of insurance policies purchased through eHealthInsurance. It is estimated that 17.8 million Americans are covered through individual plans(2).

The cost of individual health insurance policies reported in our study differs significantly from the cost of employer-sponsored health insurance coverage due to several differences between the individual market and the employer-sponsored market, which may impact the premiums that consumers experience. Many of these factors could be impacted by health care reform.

Some of those differences include: Guaranteed Issue: Every employee who applies for health insurance through their employer is accepted but in the individual market, with the exception of a few states, plans are medically underwritten and applicants can be denied coverage.

Tax Exemption: Health insurance premiums are not tax-deductible for individuals or families purchasing coverage on their own, but they are tax-deductible for companies that pay for health insurance coverage for employees and premiums paid by employees are paid on a pre-tax basis. Thus, individuals and families purchasing their own insurance are more likely to be cost-conscious in their buying decision.

Benefits: Individual market plans offer comparable benefits to employer plans: hospitalization, emergency room coverage, lab x-ray, maternity care, OB/GYN coverage, physician visits, pharmaceutical coverage, and preventative care. The majority of plans surveyed in our 2009 report entitled, "Cost And Benefits Of Individual And Family Health Insurance Plans," include most of these benefits.\*\* However, in the individual market the level of benefits is typically selected by the consumer based on their individual needs.

Cost-sharing: Individuals and families purchasing coverage on their own tend to select plans with lower monthly premiums, but with higher deductibles and coinsurance costs.

Methodology The 2009 and 2010 plan data referred to in The Cost of Individual and Family Health Insurance Plans 2010 Update is derived from over 316,000 active individual and family (IFP) major medical policies purchased through eHealthInsurance that were active in February 2009 and 384,000 policies that were active in February 2010. Individual and family health insurance plans purchased were those available through the eHealthInsurance website. Accordingly, the data does not include any plans that may have been available through sources other than the eHealthInsurance website and only reflects a portion of the individual and family plans available throughout the country. The update analyzes annual deductibles and monthly premiums paid on individual and family major medical health insurance policies purchased through eHealthInsurance and active in February 2009 and February 2010. Data for Rhode Island and Vermont were not included for this report.

Footnotes: (1)A family plan includes at least two members on it, and could constitute a couple, a parent and child, or two or more children. (2)Source: U.S. Census Bureau estimates, "Income, Poverty, and Health Insurance Coverage in the United States: 2008," Issued September 2009 <http://www.census.gov/prod/2009pubs/p60-236.pdf> -- On page 23 of the report, it says, "The number of people covered by private insurance also decreased to 201.0 million in 2008." It also says that "Direct-purchase" insurance is 8.9 percent of that 201.0 million person market. 8.9 percent of 201 million is 17.8 million people, or nearly 18 million. \*\*This current report does not update data regarding benefits available.

## 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](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 the ideal model of a successful, high-functioning health insurance exchange. Through its eCommerce On-Demand solution ([www.eHealth.com/eOD](http://www.eHealth.com/eOD)), eHealth is also a leading provider of on-demand e-commerce software. eHealth's eOD platform provides a suite of hosted solutions that enable health plan providers and resellers to market and distribute products online. eHealth, Inc. also provides powerful online and pharmacy-based tools to help seniors navigate Medicare health insurance options and choose the right plan through its wholly-owned subsidiary, PlanPrescriber.com (<http://www.planprescriber.com>).

Image Available: [http://www2.marketwire.com/mw/frame\\_mw?attachid=1364797](http://www2.marketwire.com/mw/frame_mw?attachid=1364797)

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