



PlanPrescriber Study: 93 Percent of Medicare Part D Beneficiaries Not in Lowest-Cost Prescription Drug Plan

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Largest Percentage of Customers (14%) Hit the Medicare Prescription Drug, Part D Coverage Gap (the "Donut Hole") in August; 64% Hit Donut Hole in Second Half of the Year

MAYNARD, MA, Aug 10, 2011 (MARKETWIRE via COMTEX) -- Less than seven percent (7%) of customers were in the Medicare prescription drug plan with the lowest total out of pocket costs available to them, according to an analysis of more than 25,000 user sessions that occurred on PlanPrescriber.com during the 2011 Medicare Annual Enrollment period. The same analysis, the 2011 Choice and Impact Study released today by PlanPrescriber (www.planprescriber.com), a wholly-owned subsidiary of eHealth, Inc. (NASDAQ: EHTH), found that less than ten percent (10%) of customers were in the Medicare Advantage prescription drug plan with the lowest total out of pocket costs available to them.

In this analysis user sessions constituted unique visits to PlanPrescriber.com where customers entered their zip code, the name of their existing Medicare prescription drug plan or Medicare Advantage prescription drug plan and the names, dosages and frequency of any prescription drugs they were taking, if any. The PlanPrescriber.com tool compared the user's existing plan to other plans available in their area. The tool calculated all of the user's known prescription drug costs including monthly premiums, co-pays, coinsurance and deductibles to provide users with an estimate of their total out of pocket costs for prescription drugs in the 2011 plan year.

Between November 15 and December 31, 2010 there were 21,984 user sessions used to compare Medicare prescription drug plans (PDP) and 3,719 user sessions used to compare Medicare Advantage prescription drug (MAPD) plans. Over 92 percent of users in both plan types were not in the plan with the lowest total out of pocket prescription drug costs.

The PlanPrescriber analysis illustrates the importance of comparing Medicare prescription drug plan options during the Medicare Annual Enrollment period, which this year takes place between October 15 and December 7th in 2011. However, only about 10 percent of Medicare Part D plan participants change their coverage annually(1), according to a 2010 study by the Robert Wood Johnson Foundation.

National and State-Level Stand-Alone Prescription Drug Plan (PDP) Optimization Data

State	Sample Size	% of Users in PDP with lowest total out of pocket cost	State	Sample Size	% of Users in PDP with lowest total out of pocket cost

*States with sample sizes of less than 500 user sessions were excluded from state-level results.					
Nationwide	21,984	1,510 (6.87 %)			
AR	517	21 (4.06 %)	NC	1126	95 (8.44%)
CA	812	51 (6.28 %)	NJ	584	27 (4.62 %)
FL	2224	135 (6.07 %)	OH	709	47 (6.63 %)
GA	918	67 (7.30 %)	PA	752	46 (6.12 %)
IL	1224	83 (6.78 %)	SC	560	29 (5.18 %)
IN	727	74 (10.18 %)	TN	701	46 (6.56 %)
MA	531	35 (6.59 %)	TX	1642	120 (7.31 %)
MI	950	67 (7.05 %)	VA	738	40 (5.42 %)
MO	586	41 (6.99 %)	WI	505	33 (6.53 %)

National Medicare Advantage Prescription Drug Plan (MAPD) Optimization Data

% of Users in MAPD with Lowest Total out of pocket cost		
Nationwide Sample	Sample Size	

3,719 344 (9.25 %)

Cost Savings Analysis After calculating all costs, including monthly premiums, co-pays and deductibles, the session data found that changing to the plan with the overall lowest out of pocket cost could save the average user with a Medicare PDP \$546 in 2011 and \$505 for the average use with an MAPD in 2011. The analysis found that the average customer would spend \$2,110 per year with their existing Medicare PDP and \$2,420 per year with their existing MAPD.

Average Cost In Average Cost In Average Cost In Average Cost In
Existing PDP Optimized PDP Existing MAPD Optimized MAPD

Per Month Per Year Per Month Per Year Per Month Per Year Per Month Per Year

\$176 \$2,110 \$130 \$1,564 \$201 \$2,420 \$160 \$1,915

Changes in medication usage notwithstanding, the prices customers pay for their coverage can change significantly from year to year because many organizations change components of their drug plans each year. These changes may include the drugs covered on a plan, the premiums, deductibles, coinsurance, co-payments charged to enrollees, and different drug tier systems being used by insurers, which assign different coinsurance and co-payments to drugs depending on their tier. Any one of these changes can significantly impact what a beneficiary pays out of their own pocket on a Medicare Part D prescription drug plan from year to year. In many instances the lowest cost plan for an enrollee in one year is not the lowest cost plan the following year.

The actual savings calculated from these user sessions can vary depending on things like geographic location, plan selection and other factors. The benefits and coverage may also vary between plans; the average savings calculated in this report is based on the user sessions that took place exclusively on PlanPrescriber.

Donut Hole Analysis The PlanPrescriber analysis also found that two-thirds (68%) of customers never hit the Medicare prescription drug coverage gap (the donut hole) in 2011 with their existing prescription drug plan or Medicare Advantage prescription drug plan. Among users who hit the donut hole, one-third (36%) would hit the donut hole before August of 2011 in their existing Medicare prescription drug plan.

User Session Data:

Those Who Hit The Donut Hole with Existing PDP and MAPD Plans

Month % of All Users % Among Sessions
Reaching Donut Hole* that Reach Donut
Hole* *Numbers may not
-----total 100% due to
Never 68% NA rounding

January 0% 0%

February 0% 0%

March 0% 1%

April 1% 3%
-----36%: Between January
May 2% 8% and July

June 4% 11%

July 4% 13%

August 4% 14%

September 4% 13%

October 4% 13%
-----64%: Between August
November 4% 13% and December

To download PlanPrescriber's full 2010-2011 Medicare Annual Enrollment Period Beneficiary Choice & Impact Study, click [here](#) or visit the eHealth Media Center.

Survey Methodology This analysis was based on over 25,000 user sessions conducted between November 15 and December 31, 2010 on the PlanPrescriber Medicare insurance plan comparison tool. The analysis examined sessions where the user was currently enrolled in a Medicare prescription drug plan; either a stand-alone Medicare prescription drug plan (PDP) or a Medicare Advantage prescription drug (MAPD) plan. The information users were required to provide in order to be counted as currently enrolled in a PDP or MAPD included their zip code and the name of their existing Medicare prescription drug plan or Medicare Advantage plan. In the majority of user sessions, customers also included the names, dosages and frequency of any prescription drugs they were taking. Their average savings were calculated by subtracting the customer's total estimated out-of-pocket spending on their current plan, including monthly premiums, deductibles, coinsurance and co-payments, from the estimated out-of-pocket spending on the plan recommended by PlanPrescriber's Medicare insurance plan comparison tool. For price comparison, this study assumes no changes in prescription or medical needs, as well as no changes in rates or drug prices during the applicable time period.

NOTE: Each Medicare beneficiary will base their plan selection on a variety of priorities, including price. PlanPrescriber encourages each person to consider their specific needs in deciding which plan to select during the Annual Enrollment Period.

Footnotes: (1) Robert Wood Johnson Foundation, RWJF-Funded Study Finds Medicare Part D Too Complex for Many Doctors, July 29, 2010, <http://www.rwjf.org/humancapital/product.jsp?id=66208>

About PlanPrescriber.com PlanPrescriber (www.planprescriber.com), a wholly-owned subsidiary of eHealth, Inc., is a leading provider of unbiased comparison tools and educational materials for Medicare Advantage, Medicare Part D Prescription Drug Plans, and Medicare Supplement insurance products. Medicare beneficiaries can take advantage of PlanPrescriber's no cost online advisor tools by logging onto <http://www.PlanPrescriber.com>. PlanPrescriber is a tool designed to help Medicare beneficiaries find a Medicare plan that covers their specific medical and prescription drug needs at the lowest possible out-of-pocket cost.

For more news and information about health insurance, health reform and Medicare, visit eHealth's consumer blog: [Get Smart - Get Covered](#).

Medicare has neither reviewed nor endorsed this information.

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