



What Is Your Health Insurance IQ? Most Americans Cannot Define Basic & Important Terms Like 'Premium,' 'HMO,' or 'Coinsurance'

November 9, 2011

Survey Shows That Americans Have Limited Knowledge About Which Provisions of Health Care Reform Are Currently in Effect

MOUNTAIN VIEW, CA, Nov 09, 2011 (MARKETWIRE via COMTEX) --

Many Americans have a poor understanding of basic health insurance terms and when certain health care reform provisions take effect, according to a national survey conducted in September and October of 2011 by global insights firm Kelton Research and sponsored by eHealthInsurance (NASDAQ: EHTH). Fewer than six in ten (55%) consumers can confidently say what a "deductible" is, and even fewer are able to define or explain the terms "premium" (41%), "HMO" (34%), or "coinsurance" (25%).

When asked about specific provisions of the 2010 health care reform law, fewer than half (45%) are aware that the provision of the law allowing adult children to stay on their parents' health insurance plan until age 26 is currently in effect. More than four in ten (42%) believe that people with pre-existing medical conditions can no longer be declined coverage by insurers. However, this provision of the law only comes into effect in 2014.

"This survey shows that, despite a wealth of educational resources available on health insurance, today's consumer still has a considerable learning curve to overcome," said Brian Mast, eHealthInsurance Vice President of Communications. "Before even starting the shopping process, consumers should understand basic terms like 'premium' (the amount you pay each month to maintain your coverage) and 'coinsurance' (the percentage of a charge for a covered medical service that you need to pay yourself). They also need to understand how health care reform is changing the marketplace and affecting their own purchasing decisions."

"Educational resources like those available through eHealthInsurance can help," said Mast. "We recently published a new book, Individual Health Insurance For Dummies, Health Care Reform Special Edition, which is a good place to start. It's available for free in either print or ebook format while supplies last."

A Kelton Research/eHealthInsurance analysis of survey results is available [here](#). Full top-line results from the survey and survey methodology, can be reviewed [here](#).

Unfamiliar with Health Insurance Terms: Less than two in three Americans can confidently explain or define terms like "copayment" (61%) and "deductible" (55%). They're even less familiar with other basic health insurance terms:

- Only four in ten (41%) can confidently explain or define the term "premium"
- Only about a third (34%) can confidently define or explain the term "HMO"
- Only one in four (25%) can confidently define or explain the term "coinsurance"
- 19 percent can't confidently explain or define any of the common terms presented in the survey (including "copayment," "deductible," "premium," "out-of-pocket limit," "open enrollment," "HMO," "PPO," "coinsurance," and "HSA")

Uncertain about Health Care Reform Provisions: Among other findings in the Kelton/eHealthInsurance survey, a majority of Americans (54%) consider themselves uninformed about the health care reform legislation passed in 2010. Their answers to questions about specific health care reform provisions support this:

- Fewer than half (45%) are aware that the provision of the law allowing adult children to stay on their parents' health insurance plan until age 26 is now in effect
- Less than two in ten (19%) know that the provision of the law providing access to more preventive medical services at no out-of-pocket cost is now in effect
- Even fewer (16%) are aware that the provision of the law doing away with lifetime limits for most covered medical services is now in effect
- More than four in ten (42%) believe that people with pre-existing medical conditions can no longer be declined coverage by insurers -- a provision of the law that comes into effect only in 2014
- And more than one in four (28%) think that people without employer-provided health insurance are now required to purchase coverage on their own -- another provision that comes into effect in

Not Sure of Their Own Health Insurance Coverage: More than two thirds (68%) of the nation consider health insurance "essential" for personal financial security -- comparable to retirement savings (66%). However, many of those with health insurance are unsure what their health plans actually cover.

- A majority of those with coverage are able to confidently say whether or not their plans cover doctor's office visits (83%) or prescription drugs (80%)
- However, more than a third of those with health insurance coverage cannot confidently say whether their plans cover diagnostic services such as sonograms, x-rays and MRIs (34%), overnight hospital stays (35%), or immunizations (36%)
- Less than half (41%) can confidently say whether or not their health insurance plans cover maternity care

Educational Resources for Consumers:

- Download or request a FREE printed copy of our book, Individual Health Insurance For Dummies, Health Care Reform Special Edition, produced in cooperation with For Dummies(R), a branded imprint of Wiley, and co-authored by eHealthInsurance
- Follow eHealthInsurance's consumer blog, Get Smart - Get Covered
- Watch educational health insurance videos from eHealthInsurance on YouTube
- Browse our answers to real-life health insurance questions on Yahoo Answers
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For more health insurance news and information, visit the eHealthInsurance consumer blog: Get Smart - Get Covered.

For media inquiries, please contact:

Sande Drew
eHealth, Inc.
(916) 207-7674
sande.drew@ehealth.com

Kris Kraves
Cogenta Communications
(805) 527-7733 - direct
kris@cogentacom.com

SOURCE: eHealthInsurance

<mailto:sande.drew@ehealth.com>
<mailto:kris@cogentacom.com>