



## Health Insurance Rate Increases: eHealthInsurance Answers Consumer Questions

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MOUNTAIN VIEW, CA, Jan 11, 2012 (MARKETWIRE via COMTEX) --Today eHealthInsurance (NASDAQ: EHTH), the leading online source of health insurance for individuals, families and small businesses, released answers to questions commonly asked by consumers facing increases in their monthly health insurance premiums.

Individuals and families who buy health insurance on their own may be facing increases in their monthly rates in the new year. Health insurance companies typically raise their rates once per year and consumers may face additional premium increases when they move from one age-band to another (for example, when they turn 30, 40, 45, 55 or 60 years old). However, substantial increases in monthly premiums can make health insurance unaffordable for some policyholders.

In an effort to help consumers facing rate increases navigate their choices in 2012, eHealthInsurance has published the following answers to questions commonly received in our Customer Care center.

### Health Insurance Rate Hikes: Frequently Asked Questions

Question: "Doesn't health reform prevent rate increases from happening?"

Answer: Unfortunately, no. While the 2010 health care reform law includes provisions designed to help reduce the costs of medical care and health insurance, it does not ban rate increases. It does, however, allow for public review of some rate hikes. Regulations released by the Department of Health and Human Services(1) require that rate hikes of 10 percent or more be reviewed to determine if the increase is reasonable. Contact your Department of Insurance to learn more about the rules that may apply in your state.

Question: "It's frustrating to get rate increases when you're trying to live on a budget. Is there anything I can do to lock in a premium for a period of time?"

Answer: In some cases, yes. Some insurance carriers may offer to lock-in your rate for a set period of time after you purchase an individual or family health insurance policy. Not all do, however. Work with a licensed agent that represents a variety of health insurance carriers to find out which companies offer rate guarantees. Some carriers may automatically lock in your rates for the first year of your policy. Other carriers may offer to lock in your rate in return for an additional fee each month. Do the math to make sure you're saving money compared to a rate increase that might make your coverage unaffordable.

Question: "I'm shopping for coverage now. If I buy a new policy today how do I know my rates won't just go up again in another few months?"

Answer: In most states it's possible for insurance companies to raise your rates at any time, though most of insurers limit increases to once or twice a year. Unless the plan you purchase offers a rate guarantee period (and relatively few do), you're going to run the risk of getting a rate hike. But it's better to run that risk and have health insurance than to go uninsured and leave yourself open to even greater financial risk if you get seriously ill or need hospitalization.

Question: "Should I search for similar plans from other carriers in my state?"

Answer: As with any product or service, it's a good idea to look around every few years to see if you're still getting a good deal. People who buy health insurance on their own sometimes assume they've got to stay with the same insurance company in order to have access to their same personal physician or local area hospital, but that's not always the case.

One thing to keep in mind: If you bought your current plan before March 23, 2010 (when health care reform was signed into law) it may have "grandfathered" status. That means it's not required to meet certain coverage guidelines. If you like your current plan, that's great, but keep in mind that a new plan may allow you to receive certain kinds of preventive medical care without any out-of-pocket cost to you. Compare your options to see what makes the most sense.

eHealthInsurance.com allows you to check and see if your doctor accepts insurance from multiple carriers. Licensed online agencies like eHealthInsurance also make it easy to search for comparable plans in your state to see if you can find a plan with a lower premium and similar benefits.

If you do find a cheaper plan, be sure to wait for an approval before you cancel your existing plan. If you have developed a medical condition while on your current individual plan, you may not qualify for a new policy with another carrier.

Question: "In order to find affordable coverage, I'm looking at plans with higher deductibles and more restricted benefits. Are there dangers in cutting too much out of my plan?"

Answer: Maybe. Do your homework and make sure you know what you're getting. Be sure you understand how costs are shared between yourself and the insurer under any new plan. Look at the deductible and make sure it's something you could afford in an emergency. Look at the annual maximum out-of-pocket amount, too. That's the most you'll have to pay in a single year (including your deductible and other charges like coinsurance, but not counting your monthly premium) before the insurance company takes over all other covered expenses.

There may be certain benefits you can do without. For instance, if you don't use brand-name prescription drugs, you may be able to save money with a plan that limits coverage to generics. Some people may be happy to go without chiropractic care. And single men may not need a plan offering generous maternity benefits.

Question: "If a pre-existing medical condition is preventing me from changing insurers, what should I do?"

Answer: Look at other options from your current insurance company. Often, when informing you of a rate increase, your insurance company will also offer you alternative coverage options. These options typically don't require a new application or a review of your recent medical history. Less expensive options may require greater cost-sharing (higher deductibles), but they'll allow you to maintain your coverage and access to discounted rates for medical care.

If your insurer did not offer you an alternative plan when notifying you of a rate increase, you still have the option to contact them and attempt to get yourself moved onto a policy with a lower monthly premium. Work through your licensed agent for help. Note that such a move will frequently require you to increase your deductible.

Question: "Do I have to keep everyone in my family on the same health insurance policy?"

Answer: Not necessarily. If your family is on a shared policy that has increased its rates, it may be less expensive to place different family members on different plans, or even with different insurance companies, based on their needs.

For example, if one member of a three person family has a pre-existing condition, you may be able to keep that person on the original plan and shop around for a different, less expensive option for the others.

Two things to be aware of: First, insurers don't always allow you to change the number of family members on a policy, so make sure you don't cancel coverage until you've cleared the medical underwriting requirements for your new policy. Second, depending on the products available and the rules in your state, you may have to wait for a state-sanctioned open enrollment period in order to enroll a child in a new individual plan of his or her own.

Question: "What if I can no longer afford my premiums and I'm unable to qualify for a cheaper policy?"

Answer: Don't go without some form of health insurance coverage.

Most people are unaware of all of the free or low-cost public programs available to them. If private insurance is no longer an option for you, contact the non-profit Foundation for Health Coverage Education (FHCE) at [coverageforall.org](http://coverageforall.org) and find out what free or low-cost health care options are available to you in your area. The federal government has also created a resource site for people with pre-existing medical conditions: [www.pcip.gov](http://www.pcip.gov).

Question: "Health insurance can be complicated. Where can I turn for some free advice?"

Answer: If you have questions that you can't answer on your own, take the time to talk to a licensed agent. To know that you're getting seasoned advice, make sure you work with a licensed agent like eHealthInsurance that represents a large number of major health insurance carriers and offers a wide variety of products.

It doesn't cost anything extra to work through an agent. You will pay the same monthly premium for the same plan whether you buy it from a licensed agent or direct from the insurer. So, for no additional cost, shopping through a site like [eHealthInsurance.com](http://eHealthInsurance.com) can give you objective, unbiased help to find the right plan. You can speak with licensed agents at eHealthInsurance toll-free at 1-800-977-8860.

#### Additional Consumer Resources:

- 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
- Follow eHealthInsurance on Facebook and Twitter

#### Notes:

(1) Source: Department of Health and Human Services, September 1, 2011 press release: <http://www.hhs.gov/news/press/2011pres/09/20110901a.html>

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 individual, family and small business 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 the company's eHealthTechnology solution ([www.eHealthTechnology.com](http://www.eHealthTechnology.com)), eHealth is also a leading provider of health insurance exchange technology. eHealthTechnology's exchange platform provides a suite of hosted e-commerce solutions that enable health plan providers, resellers and government entities to market and distribute products online. eHealth, Inc. also provides powerful online and pharmacy-based tools to help seniors navigate Medicare health insurance options, choose the right plan and enroll in select plans online through its wholly-owned subsidiary, PlanPrescriber.com ([www.planprescriber.com](http://www.planprescriber.com)) and through its Medicare website [www.eHealthMedicare.com](http://www.eHealthMedicare.com).

For more health insurance news and information, visit the eHealthInsurance consumer blog: *Get Smart - Get Covered*.

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