eHealth

eHealth Study: Fewer Than Ten Percent to Hit Medicare's Prescription Drug Coverage Gap (the Donut Hole) in 2013

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Among Those User Sessions Where Customers Hit the Donut Hole, 62 Percent Will Hit the Gap Between September and December; 21 Percent Hit It in December Alone

MOUNTAIN VIEW, CA -- (Marketwired) -- 10/09/13 -- Fewer than one-in-ten (9%) Medicare customers will hit Medicare's coverage gap (the "donut hole") in 2013, according to an analysis by eHealth, Inc. (NASDAQ: EHTH). This marks a significant decrease from 2012, when eHealth's analysis projected that 33 percent of eHealth customers would hit the donut hole during the 2012 plan year.

The analysis reviewed over 17,000 unique user sessions from eHealth websites eHealthMedicare.com and PlanPrescriber.com, which occurred during the 2013 Medicare Annual Election Period (also called Annual Enrollment Period or AEP), which ran from October 15 to December 7, 2012. Of the 17,000 sessions analyzed, over 11,000 were used to compare stand-alone Medicare Prescription Drug Plans (PDPs) and over 6,000 were used to compare Medicare Advantage Prescription Drug (MAPD) plans.

In order to be included in this analysis, customers had to make a unique visit to eHealthMedicare.com or PlanPrescriber.com; enter their zip code; the name of their existing Medicare PDP or MAPD plan; and the names, dosages and frequency of any prescription drugs they were taking.

Donut Hole Analysis
The eHealth analysis also found that more than nine-in-ten customers (91%) will not hit the Medicare prescription drug donut hole at any time in 2013, provided their existing prescription drug regimen does not change significantly during 2013. Among users who will hit the donut hole in 2013, nearly two-thirds (62%) will hit the donut hole between September and December in their existing Medicare prescription drug plan.

Month in which the Medical Rx Donut Hole is Reached:	Snapshot: Medicare Prescription Drug Donut Hole, 2012-2013				
	2012	*2013*	*2012*	*2013*	
	% of All Customers*	% of All Customers*	% Among Sessions that Reach Donut Hole 2012*	% Among Sessions that Reach Donut Hole 2012*	*Among Those Who Reach Donut Hole**
Never	66.62%	91.2%	NA	NA	In 2013, 37% reach donut hole between January and September.
January	0.02%	0.08%	0.07%	0%	
February	0.08%	0.25%	0.25%	2.89%	
March	0.11%	0.21%	0.34%	2.41%	
April	0.68%	0.35%	2.03%	3.99%	
May	2.97%	0.45%	8.88%	5.15%	
June	4.05%	0.56%	12.12%	6.32%	
July	4.72%	0.62%	14.13%	7.01%	
August	5.08%	0.83%	15.22%	9.48%	
September	4.42%	0.97%	13.26%	11.00%	In 2013, 62% reach donut hole between September and December.
October	4.02%	1.23%	12.03%	14.02%	
November	3.54%	1.41%	10.62%	16.08%	
December	3.69%	1.82%	11.05%	20.69%	
Numbers may not total 100% due to rounding					

Survey Methodology
This report analyzes more than 17,000 user sessions that occurred on eHealthMedicare.com and PlanPrescriber.com during the 2013 Medicare Annual Election period (also called Annual Enrollment Period or AEP), which took place between Oct. 15, 2012, and Dec. 7, 2012. The information users were required to provide in order to be counted in the study included their ZIP code, the name of their existing PDP or MAPD, and the names, dosages and frequency of one or more prescriptions drugs they were taking. This study assumes the users made no changes in their prescription drugs in 2013 and that no changes in rates or drug prices occurred during the applicable time period.

NOTE: Medicare beneficiaries base their plan selections on a variety of priorities, including price. eHealth, Inc encourages people to consider their specific needs in deciding which plans to select during the Annual Election Period. Plan data listed in this report might change based on additional data received from the Centers for Medicare & Medicaid Services (CMS) at a date later than the active date of the data or later than the published date of this report.

About eHealth
eHealth, Inc. (NASDAQ: EHTH) operates eHealthInsurance, the Nation's first and largest private health insurance exchange where individuals, families and small businesses can compare health insurance products from leading insurers side by side and purchase and enroll in coverage online. eHealthInsurance offers thousands of individual, family and small business health plans underwritten by more than 200 of the nation's leading health

insurance companies. eHealthInsurance is licensed to sell health insurance in all 50 states and the District of Columbia. eHealth, Inc. also provides powerful online and pharmacy-based tools to help Medicare beneficiaries navigate Medicare health insurance options, choose the right plan and enroll in select plans online through PlanPrescriber.com (www.planprescriber.com) and eHealthMedicare.com (www.eHealthMedicare.com).

For more health insurance news and information, visit eHealth's new Affordable Care Act Resource Center at www.eHealth.com/affordable-care-act or go to the eHealthInsurance consumer blog: Get Smart - Get Covered.

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