



eHealth Answers Consumer Questions About Health Insurance Subsidies

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MOUNTAIN VIEW, CA -- (Marketwired) -- 02/12/14 -- Today eHealth, Inc. (NASDAQ: EHTH) (www.ehealth.com), which operates eHealthInsurance.com, the nation's first and largest private online health insurance exchange, published answers to questions that consumers often ask about 2014 health insurance subsidies.

The Affordable Care Act -- also known as Obamacare -- began providing government subsidies to certain eligible consumers in January 2014. The goal of these subsidies is to make individually-purchased health insurance more affordable for households with annual income below thresholds specified by the law.

Through its Customer Care Center eHealth receives questions from numerous consumers who are confused about their eligibility for a subsidy, how to go about obtaining one, and how the use of a subsidy may affect their choices when selecting a health insurance plan for 2014. The answers below address some of these questions.

A final determination of any consumer's eligibility for a subsidy will be made by the government during the application and enrollment process.

Frequently Asked Questions on 2014 Health Insurance Subsidies

QUESTION: How do I know if I qualify for a 2014 health insurance subsidy?

ANSWER: Consumers earning up to 400% of the federal poverty level (about \$46,000 for a single person or \$94,000 for a family of four) may be eligible for a government subsidy to help them buy coverage in 2014. The amount of any subsidy you receive may depend on your total income and on the cost of coverage offered in your area. In order to receive a subsidy, you must also be a legal resident of the United States, not incarcerated, and not eligible for other forms of minimum essential coverage (for example, coverage through an employer-based plan or through Medicare or Medicaid).

QUESTION: Where can I figure out what my subsidy will be?

ANSWER: To receive an estimate of any subsidy amount you may be eligible for, use the [subsidy calculator](#) provided at eHealth's [Affordable Care Act Resource Center](#). A final determination of your subsidy eligibility will be made by the government during the application and enrollment process.

QUESTION: If I qualify for a subsidy, will I pay less for my insurance, or does the government send me a check?

ANSWER: If it's determined that you are eligible for a government subsidy during the application and enrollment process, you will have the option to have your subsidy applied towards your health insurance premiums on a month-to-month basis or to claim it instead on your 2014 federal tax return. If you qualify for an additional subsidy to help lower your copayments and deductibles, those funds will be provided directly from the government to your health insurance company.

QUESTION: When applying for a subsidy, do I need to submit a tax form to prove my income?

ANSWER: Subsidies for 2014 are based on your modified adjusted gross income for 2014. When applying for a subsidy, use your best estimate of what your household's modified adjusted gross income for 2014 will be. Any discrepancy in the amount of subsidy you were due and the amount you actually received will be reconciled in your 2014 federal tax return.

QUESTION: What happens if I get a subsidy but don't really qualify? Or what happens if my income changes after I've already received a subsidy?

ANSWER: If you apply for and receive a government subsidy in 2014, any amount you overpay or underpay will be reconciled when you file your 2014 federal taxes. If your income increases, you may have to pay back all or a portion of the subsidies you received. The government will take what you owe out of your tax return, or you may have to write a check to the Internal Revenue Service. If you opted not to have your subsidy applied towards your monthly premiums but to receive your subsidy when you file your income taxes, the correct subsidy amount will be determined when completing your 2014 taxes.

If your income changes mid-year, you may be able to go back to the government exchange (or the other site where you originally applied for your subsidy) to have your subsidy amount adjusted for the remainder of the year, based on your updated income information.

QUESTION: What if I'm offered coverage through my employer but it's too expensive? Can I still qualify for a subsidy?

ANSWER: Generally, you cannot use a subsidy to pay for the cost of employer-based health insurance. You may be eligible for a government subsidy if your employer's coverage is considered unaffordable (that is, if your share of your individual premium is more than 9.5 percent of your household income for 2014) or if it is considered inadequate (that is, if it covers less than 60 percent of the cost of covered benefits in actuarial terms).

QUESTION: What if I still can't afford subsidized insurance, are there other options?

ANSWER: If you've explored your options with a licensed agent and still cannot afford coverage even with a subsidy, double check to see if you may qualify for Medicaid. The government health insurance exchange for your state can provide you with information on Medicaid coverage. Otherwise, if you go uninsured for more than three consecutive months in 2014, be aware that you may face a tax penalty on your 2014 federal tax return in the amount of \$95 per person or 1% of your income, whichever is greater. If you don't earn enough money to be required to file a federal tax return for 2014, you will not be subject to a tax penalty.

QUESTION: If I get a health insurance subsidy, is that the same as being on Medicaid?

ANSWER: No. Medicaid is a government-sponsored health insurance program. By contrast, government health insurance subsidies are provided to qualifying consumers to help them purchase health insurance for themselves in the open market.

QUESTION: *Do I get to keep my doctor if I get a subsidy?*

ANSWER: The answer depends on whether your doctor is within your health plan's network of accepted or preferred providers. If your doctor isn't in the plan's network, you'll likely pay a higher amount towards your medical bills. In some cases, your plan may pay nothing at all when you visit an out-of-network doctor or hospital.

QUESTION: *Can I choose from the same selection of health insurance plans if I get a subsidy?*

ANSWER: No. Subsidies can only be applied to qualified health plans that are purchased through a government health insurance exchange or through a qualified online insurance marketplace partnering with a government exchange. Insurers are offering additional plans outside of government exchanges which will still meet the coverage requirements of the Affordable Care Act, but these off-exchange plans are not eligible for purchase with a subsidy.

QUESTION: *Are subsidized insurance plans the same as unsubsidized insurance plans?*

ANSWER: Though some plans are eligible for purchase with a subsidy and others are not, all 2014 health insurance plans are required to provide coverage for the same suite of "essential health benefits." The degree of coverage may vary between "bronze," "silver," "gold," and "platinum" plans. Plans offered through your state exchange may also be available off the state exchange for purchase without a subsidy. However, there are many ACA-compliant plans that are only available outside of government exchanges and only without a subsidy. These plans may differ from plans offered through an exchange -- for example, in the scope of the provider network they offer.

Qualifying consumers who want to use their subsidies to help cover the cost of health insurance will be limited to plans eligible for purchase with a subsidy. These plans are available through the government health insurance exchange in your state or through licensed agents and other websites authorized by the exchange to assist subsidy-eligible consumers.

QUESTION: *Where do I go to get a subsidy? Am I limited to my state's government health insurance exchange?*

ANSWER: Since subsidy determinations can only be made by the government, you will need to work with your state's government exchange -- or through a licensed agent or qualified online insurance marketplace partnering with a government exchange -- in order to obtain a subsidy.

QUESTION: *If I'm eligible for a subsidy, am I required to buy an exchange plan? Can I choose an off-exchange plan instead and not use a subsidy at all?*

ANSWER: Being eligible for a subsidy does not mean that you are required to use one. You can choose to forgo your subsidy and purchase an off-exchange plan instead. This is an individual decision and depends on your personal preferences. Things to consider include the amount of the subsidy for which you qualify, and whether your preferred doctor is a participant in the provider network of any plan you may be considering. A licensed agent can help you understand your different options.

About eHealth

eHealth, Inc. (NASDAQ: EHTH) operates eHealthInsurance.com, 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 the eHealth consumer blog: [Get Smart - Get Covered](#) or visit eHealth's Affordable Care Act Resource Center at www.eHealth.com/affordable-care-act.

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