



## **eHealth Answers Questions for Consumers Who Missed the Affordable Care Act's Open Enrollment Deadline**

April 1, 2014

MOUNTAIN VIEW, CA -- (Marketwired) -- 04/01/14 -- Today eHealth, Inc. (NASDAQ: EHTH) ([www.ehealth.com](http://www.ehealth.com)), which operates eHealthInsurance.com, the nation's first and largest private online health insurance exchange, released answers to commonly-asked questions for consumers who missed the March 31, 2014 deadline to enroll in individual and family health insurance.

The Affordable Care Act (ACA) created a first-ever nationwide open enrollment period for individuals and families purchasing coverage on their own which began on October 1, 2013 and continued through March 31, 2014. During this period, many consumers not enrolled in employer-based group health insurance, Medicaid, Medicare, or another form of minimum essential coverage, were required to purchase coverage on their own or face a possibility of a tax penalty.

"Unfortunately, there are still Americans without health insurance today," said Gary Matalucci, eHealth Vice President of Customer Care. "Based on data collected from our call center and certain media reports, some of these people didn't realize the law applied to them. Others were unaware of the opportunities for coverage that were available, or misunderstood the deadline. But in fact, some of these consumers may still have coverage options other than major medical insurance. In order to help them navigate the post-open enrollment insurance landscape, we've prepared the following answers to commonly asked questions."

### **Frequently Asked Questions for Consumers Who Missed Open Enrollment**

**QUESTION: I just heard about this deadline. What was it? What did I miss?**

ANSWER: The Affordable Care Act (the health care reform law also known as "Obamacare") created a nationwide open enrollment period for people to purchase individual and family health insurance on their own. For fully-reformed, 2014 health insurance plans, open enrollment began on October 1, 2013 and continued through March 31, 2014.

**Q: Is the government going to extend the open enrollment period or add a new open enrollment period mid-year in 2014?**

A: The federal government has said that the Affordable Care Act's open enrollment period will not be extended. They have not indicated that any additional open enrollment opportunities will be established for 2014, though some consumers who started applications prior to the end of open enrollment will be granted more time to complete them if they were unable to finish due to certain system errors on the federal marketplace. Health insurance companies may create additional open enrollment periods for their customers, or even additional special enrollment periods for additional qualifying life events. Contact your state's Department of Insurance or a licensed agent to learn more about state-specific open and special enrollment opportunities.

**Q: Missing the March 31 deadline means that I have to pay a tax penalty, right?**

A: You may be subject to a tax penalty on your 2014 federal taxes if you did not obtain and keep minimum essential coverage without a gap of three consecutive months or more during the year (some exemptions may apply). So, if you have been uninsured since January 1 and you missed the March 31, 2014 open enrollment deadline, you may be subject to a tax penalty on your 2014 federal tax return. However, if, for example, you were insured during the months of January and February and will be enrolled in an employer-sponsored health insurance plan on May 1, 2014, you're probably not going to be subject to a tax penalty (assuming you keep your employer-based plan for the rest of 2014).

**Q: How much is the tax penalty for going uninsured in 2014? I heard it's only \$95, is that right?**

A: Depending on your household size and your income, you could end up paying much more than \$95. The annual tax penalty for being uninsured for three consecutive months or more in 2014 is \$95 per adult and \$47.50 per child in your household (up to a maximum of \$285) OR 1% of your annual income, whichever is greater. Under the 1% rule, a single individual's income above \$10,150 (the tax filing threshold) is used to calculate the penalty (up to a maximum of the national average yearly premium for a bronze-level health insurance plan). As such, the maximum potential penalty could be thousands of dollars, depending on your income. In future years, the tax penalty will increase.

**Q: Missing the deadline just means that I may now be declined for pre-existing conditions when I apply for coverage, right?**

A: No. Insurance companies can no longer decline coverage under a major medical health insurance plan to anyone for pre-existing medical conditions, at any time of year. However, outside of an open enrollment period they are not obliged to sell health insurance to consumers who have not experienced a qualifying life event or some other exceptional circumstance (such as a system error) defined by the law.

**Q: Can I still buy health insurance through a government exchange?**

A: Outside of the open enrollment period, you cannot purchase individual or family health insurance through a government exchange unless you experience a qualifying life event or some other exceptional circumstance (such as a system error) defined by the law.

**Q: Can I still buy health insurance outside of a government exchange, like through a licensed agent?**

A: Outside of an open enrollment period, you typically cannot purchase health reform-compliant major medical individual or family health insurance plans through any source, unless you experience a qualifying life event or unless an insurance company voluntarily elects to create additional enrollment periods. However, there may be other insurance products available to you which can offer some level of protection, although they will not meet your coverage requirements under the Affordable Care Act and you may still be subject to a tax penalty. You should also know that it may be possible to be declined coverage for alternate forms of coverage based on your personal medical history. Some alternate forms of coverage may

include, but are not limited to, the following:

- **Short-term health insurance plans.** Short-term plans typically provide coverage for periods of 30 days up to twelve months at a time. They typically will not cover pre-existing conditions or preventive medical care but they can provide you with a limit to your financial liability for medical bills in case of hospitalization.
- **Accident insurance.** Accident insurance plans provide you with a cash payout if you suffer from specific injuries. The payout is made to you rather than to your medical provider and you can use the money for whatever you choose.
- **Critical illness insurance.** These plans work like accident insurance but are designed to provide you with a cash payout in case you are diagnosed with a serious illness.
- **Dental or vision insurance.** Dental insurance or vision insurance plans typically provide you with coverage for a specific set of services within a specific period of time.

To learn more about these kinds of insurance options, get quotes and compare your options through a licensed agent like eHealth.

***Q: I've heard about "qualifying events" that allow me to purchase coverage on my own outside of open enrollment. Can you give me some examples?***

A: Qualifying life events that may allow you to purchase health care reform-compliant health insurance plans outside of the open enrollment period include, but are not limited to, the following:

- Permanently moving to a new city or state.
- The birth or adoption of a child.
- Getting married.
- The loss of other minimum essential coverage due to divorce, the loss of a job or loss of eligibility for Medicaid or other government-sponsored coverage.
- Loss of coverage under a parent's health insurance plans when an adult child turns 26.
- Certain changes to your income which may alter your eligibility for government assistance when purchasing coverage.

If you experience any of these, you may trigger a "special enrollment period" allowing you to purchase coverage on your own outside of open enrollment.

***Q: If I experience a qualifying event, how long will I have to purchase a health insurance plan on my own?***

A: In most cases, you will have 60 days after the date that triggered a qualifying event to purchase major medical individual or family health insurance coverage.

***Q: Where can I purchase health insurance if I experience a qualifying event?***

A: If you experience a qualifying life event, you can compare options and enroll in coverage through a licensed online health insurance agent like eHealth or through your state's government-run health insurance exchange.

***Q: Will government health insurance subsidies be available for people who have qualifying events outside of open enrollment?***

A: Yes, if you meet the criteria for subsidy eligibility and also experience a qualifying event, you may be able to obtain government subsidies when purchasing coverage during your special enrollment period. In order to qualify for a subsidy, your annual household income must fall between 100% to 400% of the federal poverty level (other criteria may apply as well). 400% of the federal poverty level is about \$46,000 for a single person or \$94,000 for a family of four. The value of any subsidy you may receive will depend in part on the cost of the benchmark health insurance plan in your area. A licensed health insurance agent like eHealth may be able to help you apply for a subsidy, in certain circumstances. Otherwise you can apply for a subsidy through your state's government-run health insurance exchange.

***Q: Will I need to provide proof that I've experienced a qualifying event?***

A: You will probably need to provide proof. However, the answer may vary depending on the rules in your state or the policies of the individual health insurance company whose plan you select. A licensed health insurance agent like eHealth can help you understand what may be required of you by different insurers.

***Q: If I have a baby, is that a qualifying event just for my baby or for the whole family?***

A: Having a baby is a qualifying event for the family as a whole. This is so because adding a child to the family may change your tax situation and your eligibility for government subsidies and other forms of assistance.

***Q: When is the next nationwide open enrollment period under the Affordable Care Act?***

A: The next nationwide open enrollment period begins on November 15, 2014 and is scheduled to continue through February 15, 2015. However, if you wait until November 15 to apply for coverage, please be aware that your coverage under a new plan will not begin any earlier than January 1, 2015.

#### ***About eHealth***

eHealth, Inc. (NASDAQ: EHTH) operates [eHealthInsurance.com](http://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](http://www.planprescriber.com)) and eHealthMedicare.com ([www.eHealthMedicare.com](http://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](http://www.eHealth.com/affordable-care-act).

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Source: eHealth, Inc.