eHealth

New eHealth Index Report Highlights Off-Exchange Consumer Trends and Costs for First Obamacare Open Enrollment Period

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Health Insurance Price Index Report Cites Shifts in Premiums, Age of Enrollees, and Coverage by Metal Level for Plans Selected Through eHealth During the Six Months of Open Enrollment

MOUNTAIN VIEW, CA -- (Marketwired) -- 05/01/14 -- According to a report released today by eHealth, Inc. (NASDAQ: EHTH) (www.ehealth.com), which operates eHealthInsurance.com, the nation's first and largest private online health insurance exchange, consumers shopping through eHealth's non-governmental marketplace during the recent open enrollment period chose plans with monthly premiums averaging $271 for individual coverage and $667 for family coverage. The age of shoppers trended younger than government exchanges, with young adults between the ages of 18 and 34 accounting for 42% of all persons submitting health insurance applications through eHealth during the six-month period.

The national average monthly premium for individual plans selected during open enrollment was 38% higher compared to the average monthly premium for individual plans in February 2013. The national average monthly premium for family plans selected during open enrollment was 57% higher than for family plans in February 2013. The average annual deductible for individual plans selected during open enrollment was $4,164, a 25% increase over the average annual deductible in February 2013[1]. Plans with coverage in effect prior to January 1, 2014 were not compliant with the Affordable Care Act (ACA) and may not have provided the same benefits or levels of coverage.

eHealth's latest Health Insurance Price Index report, a companion to the company's online daily Price Index, presents an analysis of consumer trends and costs for the off-exchange individual and family health insurance market based on more than 213,000 individual and family health insurance applications submitted by eHealth customers between October 1, 2013 and March 31, 2014. The report also provides snapshots of cost and plan selection data for the first quarter of 2014 (January - March 2014). The data focuses on 2014 Affordable Care Act plans without a subsidy applied.

The full report may be found at eHealth's Media Center. Highlights of eHealth's new Health Insurance Price Index report for the ACA's full open enrollment period (October 2013 - March 2014) include the following:

- Premiums for individual coverage averaged $271 per month and premiums for family plans averaged $667 per month.
- The average annual deductible for individual plans was $4,164 and the average annual deductible for family plans was $7,771.
- Average premiums for plans selected by consumers in the second half of the open enrollment period (January - March 2014) were 17% lower for individual coverage and 13% lower for family coverage compared to ACA-compliant plans selected by eHealth customers in the first half of open enrollment (October - December 2013).
- Bronze was the most common plan metal level selected by both individual and family health insurance shoppers. Average monthly premiums for individual plans by metal level were:
    - Catastrophic: $134
    - Bronze: $259
    - Silver: $328
    - Gold: $353
    - Platinum: $411
- Alaska was the state with the highest average monthly premium for individual plans ($452); New Jersey had the highest average premium for family plans ($987).
- Minnesota was the state with the lowest average monthly premium for individual plans ($191); Oklahoma had the lowest average monthly premium for family plans ($476).
- Plans eligible for use with a Health Savings Account (HSA) accounted for 32% of all plans selected. The average monthly premium for HSA-eligible plans was $271 for individual coverage and $603 for family coverage.
- Young adults between the ages of 18 and 34 accounted for 42% of all persons submitting health insurance applications through eHealth during open enrollment.
- Slightly more than half (52%) of eHealth shoppers were women; 48% were men; the average age was 38.
- PPO plans were the most popular among eHealth shoppers (45%) while HMO plans were also popular (39%).

eHealth is one of the few organizations with national source health insurance data that broadly reflects consumer buying patterns and purchase prices in the self-purchased individual and family health insurance market. eHealth's report provides insights into the large segment of the individual and family health insurance market which may not qualify for or elect to use government subsidies, and which may shop for coverage through sources other than government exchanges.

Data presented in eHealth's report is based solely on rates quoted for health insurance applications submitted by consumers through the company's website, eHealthInsurance.com, in the specified time period. It does not offer a comprehensive view of costs for all plans available through eHealth, through the market as a whole, or through government exchanges. State-specific cost data is only presented in states and for periods where a minimum sample of 100 submitted applications was available. Unlike eHealth's previous Health Insurance Price Index report, published in February 2014, the present report does not include in its analysis pre-2014 plans not compliant with the Affordable Care Act, though these plans were still available in the October - December 2013 period. Certain applications missing key data fields relevant for the analysis may have been removed from

the total sample. For more information on the methods employed for the collection and analysis of data, please refer to the methodology section at the end of the report.

Reaching the Previously Uninsured
In addition to launching its latest Health Insurance Price Index report, eHealth also announced results from an ongoing shopper survey. During the six-month open enrollment period established by the Affordable Care Act, eHealth asked shoppers about their insurance status prior to visiting eHealth. Based on the responses, the company reports[2] that:

- Between October 1, 2013 and March 31, 2014, more than four-in-ten (44%) eHealth shoppers participating in the poll identified themselves as uninsured.

Notes:

[1] *Limited to plans purchased through eHealthInsurance.com as reported by eHealth's Cost and Benefits report published in December 2013. 2013 cost figures are based on plans with coverage in effect as of February 2013; figures in the new report are based on health insurance applications submitted by eHealth customers between October 2013 and March 2014. For additional information and methodology details for the 2013 Cost and Benefits report, see: http://news.ehealthinsurance.com/_ir/68/201311/eHealth%202013%20Cost%20and%20Benefits%20Report.pdf*

[2] *Based on a voluntary survey of eHealth customers with a total of 3,356 responses collected in the noted time period.*

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.

PDF Attachment Available: http://news.ehealthinsurance.com/_ir/68/20144/eHealth%20Health%20Insurance%20Price%20Index%20Report%20for%20Open%20Enrollment%20and%20Q1%202014.pdf

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