eHealth

eHealth Releases Its Top Ten Health Insurance Tips for 2014 College Grads

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MOUNTAIN VIEW, CA -- (Marketwired) -- 05/22/14 -- Today eHealth, Inc. (NASDAQ: EHTH) (eHealthInsurance.com), the nation's first and largest private online health insurance exchange, released tips to help college grads better understand their health insurance options in the reformed health insurance market outside of open enrollment.

The Affordable Care Act (ACA) established annual open enrollment periods for consumers to purchase individual or family health insurance plans of their own through licensed agents, private online marketplaces, or government exchanges. Outside of an open enrollment period, consumers may be unable to purchase major medical health insurance unless they experience qualifying life events such as -- but not limited to -- marriage, the birth of a child, or the loss of employer coverage.

The ACA's first-ever nationwide open enrollment period ended March 31, 2014. The next open enrollment period is not scheduled to begin until November 15, 2014, and coverage under new plans purchased then will not start until January 2015. As such, unless they are able to retain coverage under an existing policy or unless they experience a qualifying life event allowing them to purchase coverage on their own, this year's college grads could find themselves uninsured and uncertain of their coverage options.

"Some of this year's college graduates may discover that they have more health insurance options to choose from than they expected," said Gary Matalucci, Vice President of Customer Care for eHealth. "Others could end up uninsured for the remainder of 2014 and be subject to a tax penalty on their next federal return if they don't experience a qualifying life event and purchase coverage on their own. Our health insurance tips for 2014 college grads are designed to help them understand their opportunities and responsibilities under Obamacare, and to help them get the coverage they need."

Top Ten Health Insurance Tips for 2014 College Grads

- ***Know a qualifying life event when you experience one.*** A qualifying life event allows you to purchase an Obamacare-compliant health insurance plan outside of open enrollment and apply for subsidies through a government exchange to help cover your premiums. Qualifying life events include things like marriage and divorce and the birth or adoption of a child. *College graduation is not a qualifying event.* However, losing Obamacare-compliant coverage that you received through school or moving to a new state or city may be qualifying life events, triggering a sixty day special enrollment period. Work with a licensed agent like eHealth to learn if you're eligible to enroll in an Obamacare-compliant plan when you graduate this year.

- ***Review ALL your coverage options.*** College graduation is a good time to take stock of your life. Are you ready to launch your career? Are you living in the city you want to live in? Is your current health insurance plan really the best choice for you? It's time to re-examine your options, all of them. When it comes to health insurance, these may include purchasing coverage on your own, sticking with Mom and Dad's plan, and enrolling in coverage through an employer, among others. If you're not ready to settle down in a specific job or city, and if you lost the qualifying coverage that your school offered because you graduated, you should consider buying coverage on your own. Keep an open mind and review the coverage options available to you through a variety of sources.

- ***Think twice before sticking with Mom and Dad's health plan.*** The Affordable Care Act allows your parents to keep you on the family health insurance plan until you turn 26. That's a pretty good deal. However, Mom and Dad aren't required to keep you on their plan and it may cost them to do so. What's more, if you live away from home, in another city or state, your access to network doctors and hospitals through your parents' plan may be limited or non-existent. So, don't automatically stick with your parent's plan. Find out if there are other, better options available to you first.

- ***Look beyond government exchanges.*** If you experience a qualifying life event and find yourself shopping for health insurance, don't limit yourself to government-run health insurance exchanges. There are other plans available outside of government exchanges that can also meet your coverage requirements under the Affordable Care Act. To find the plan that best meets your needs and budget, compare the options available through your government exchange with other options available through private online marketplaces like eHealth.

- ***Consider short-term coverage for the in-between times.*** If you don't expect employer-based health insurance to kick in for a while and you're not eligible for (or can't afford) coverage through another source, consider a short-term health insurance plan. Just make sure you understand what you're buying. A short-term plan is a form of temporary coverage (from 30 days up to 12 months) which will not meet your coverage requirements under the Affordable Care Act, meaning that you may still be subject to a tax penalty. Short-term plans also may not provide coverage for preventive care, pre-existing medical conditions, or prescription drugs. However, these plans tend to be relatively affordable and can put a limit to your financial liability for any medical care you might receive for unexpected illnesses or injuries.

- ***Look out for the next open enrollment period.*** The next nationwide open enrollment period for self-purchased health insurance is coming up on November 15, 2014. The last open enrollment period was six months long but this next one is only scheduled to continue through February 15, 2015 -- a total of three months. Don't let it pass you by. Whether you have insurance in November or not, you should take the opportunity to reconsider your coverage options for 2015.

- ***Check your subsidy eligibility.*** If you experience a qualifying life event allowing you to enroll in coverage outside of open enrollment, find out if you qualify for a government subsidy to help you afford health insurance. In order to qualify, your projected income for 2014 can be no more than 400% of the federal poverty level, about $46,000 for a single person. Be aware, however, that unexpectedly earning more this year could mean that you end up having to pay back some or all of your subsidy dollars. To learn about your eligibility for a health insurance subsidy, work with a licensed agent or your state's government exchange.

- ***Get to know the metal plan levels and what they mean for you.*** All major medical health insurance plans cover the same basic suite of benefits but they may be differentiated by "metal" levels. These metal levels describe how much cost-sharing you may face when you actually receive medical care. Bronze plans are designed to cover about 60% of a typical member's medical expenses. That increases to 90% with platinum plans. The higher you go up the metal scale the better your overall coverage, but the more you should expect to pay in monthly premiums. If you're healthy and don't take prescription drugs, a bronze plan may suit you fine, but make sure you could pay out your full deductible in case of an emergency.

- ***Consider a catastrophic plan too.*** In addition to the metal plans, you may also have access to "catastrophic coverage" plans. These are plans intended primarily for younger adults, under age 30. They provide less coverage overall than bronze plans but may be more affordable on a month-to-month basis. They'll meet your coverage requirements under the health care reform law but you can't use government subsidies to help pay for them. Catastrophic plans might be a good choice if you can't afford more robust coverage but want something to back you up in case of an emergency.

- ***Understand your tax obligations if you go uninsured for 2014.*** Being uninsured the day after graduation doesn't mean that you'll automatically have to pay a tax penalty. Under the Affordable Care Act, tax penalties are triggered when you go uninsured for three consecutive months or more in the same calendar year. If you're tempted to go uninsured after graduation, make sure you understand what your tax penalty may look like. Maybe you've heard it's only $95. In fact, the tax penalty for going uninsured in 2014 is the greater of $95 or 1% of your annual household income above the tax filing threshold of $10,150 (for an individual). Depending on how much you earn in 2014, your tax penalty for going uninsured could be hundreds of dollars.

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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