



## Many Consumers Not Qualifying for Major Medical Coverage Outside of Open Enrollment Turn to Short-Term Health Insurance, per eHealth Survey

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### Survey of eHealth Customers Shows That Most Value the Kinds of Health Insurance Benefits Provided Only Through Major Medical Health Insurance Plans

MOUNTAIN VIEW, CA -- (Marketwired) -- 10/02/14 -- Today eHealth, Inc. (NASDAQ: EHTH) (eHealthInsurance.com), the nation's first and largest private online health insurance exchange, released results from a survey showing that many policy holders purchased short-term health insurance outside of open enrollment because they had not experienced a qualifying life event enabling them to purchase major medical coverage.

According to a survey of eHealth customers who purchased short-term health insurance policies, seven-in-ten (70%) say that they considered purchasing a major medical plan instead of purchasing short-term coverage. Among those who tried to apply for major medical coverage, more than half (57%) were unable to do so because they had not experienced a qualifying life event as defined by the law. Many enrolled in short-term plans to provide basic coverage as a bridge between other plans or when waiting for traditional major medical coverage to begin.

While short-term health insurance plans do not meet the coverage requirements of the Affordable Care Act (ACA), they may appeal to consumers because, unlike major medical plans, they are generally available outside of the ACA's open enrollment period. They also tend to be more affordable since they offer more limited coverage. Short-term health insurance plans can still provide valuable financial protection against medical bills arising from unexpected covered illnesses or injuries and they may be the only coverage option available to some consumers outside of open enrollment.

"Short-term policy holders should consider buying major medical coverage during the upcoming open enrollment period," said Gary Matalucci, eHealth Vice President of Customer Care. "Our survey of short-term policy holders shows that most of them value the kinds of benefits provided by major medical coverage, and many of them would have enrolled in major medical plans if given the chance. Some short-term policy holders may qualify for government subsidies when applying for major medical coverage. So, if you're covered by a short-term plan today, take a fresh look at your options when open enrollment begins on November 15, 2014."

eHealth's survey of short-term health insurance policy holders was conducted between August 12 and August 22, 2014. Only policy holders who had purchased short-term plans through eHealth were surveyed and a total of 394 responses were collected. Highlights from the survey include the following:

On choosing short-term plans vs. major medical health insurance:

- More than two-thirds (70%) of respondents considered purchasing a traditional (non-short-term) major medical health insurance plan when shopping
- More than four-in-ten (41%) say that they first tried to apply for a major medical individual or family plan before enrolling in short-term coverage
- Of those who tried to apply for major medical individual or family coverage, more than half (57%) say that they weren't able to enroll in major medical coverage because they had not experienced a qualifying life event allowing them to do so outside of the ACA's open enrollment period
- More than a third (38%) say that they selected short-term health insurance because they wanted lower monthly premiums

A majority of short-term policy holders rated the following as "very important" to them in a health insurance plan:

- Preventive medical care (50%)
- Prescription drug coverage (62%)
- Having access to a network of doctors and hospitals (71%)
- Benefiting from contracted rates on health care services to lower their bills (60%)
- Not having to pay the ACA tax penalty for being uninsured or underinsured (62%)
- Not needing to file their own medical claims (56%)

Most of these features and benefits are not available with short-term health insurance plans but only with individual and family major medical plans.

On customer satisfaction with short-term plans:

- When asked to identify what they liked most about their short-term health plan, the most popular selection was the "affordability" of their short-term plan (68%); the second most popular thing about short-term

- plans was the ease of qualifying for coverage (31%)
- About one-third (35%) were satisfied with the coverage their short-term plan provided; an additional 29% report that they were "sort of" satisfied with the coverage their short-term plan provided
  - More than eight-in-ten (82%) say that they were able to use the doctor of their choice with their short-term health insurance plan
  - Among those who had already filed a medical claim with their short-term plan, more than half (62%) report that it was difficult to get paid back

#### 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](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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