



eHealth Price Index: Unsubsidized Health Insurance Shoppers Selecting Plans With 16% Higher Premiums During First Weeks of Open Enrollment

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Early Snapshot of Off-Exchange Health Insurance Shopping Trends Shows Average Premiums Rising, Deductibles Dropping, and Average Age of Shoppers Increasing; Nearly Half of Shoppers Are Reshopping for 2015

MOUNTAIN VIEW, CA -- (Marketwired) -- 12/10/14 -- Today eHealth, Inc. (NASDAQ: EHTH) (eHealthInsurance.com), the nation's first and largest private online health insurance exchange, released data from the [eHealth Price Index](#) and a customer survey providing a snapshot of individual and family health insurance shopping trends from the first three weeks of the Affordable Care Act's current nationwide open enrollment period.

According to data published today, \$315 was the average monthly premium for individual health insurance plans selected by eHealth shoppers not utilizing government subsidies between November 15 and December 5, 2014. This represents an increase of 16% compared to the average premium of \$271 per month for 2014 plans selected over the course of the prior open enrollment period, which ran from October 2013 through March 2014¹.

As previously reported by eHealth, early shoppers during the prior open enrollment period tended to select plans with higher monthly premiums than shoppers who selected plans closer to the end of open enrollment. The average monthly premium for individual coverage reported by eHealth today represents an increase of 2% when compared to the average premium for 2014 individual health insurance plans selected by eHealth customers during the first half of the prior open enrollment period only (\$309 for the period from October - December 2013)².

While the data released by the company today does not reflect trends among consumers utilizing government subsidies, eHealth is also able to enroll subsidy-eligible consumers in the majority of states served by the federally-facilitated marketplace and in its home state of California.

In the first three weeks of the current open enrollment period (November 15 to December 5, 2014), eHealth also found:

- **Deductibles decreasing:** The average deductible for individual plans selected by eHealth shoppers declined by 9% when compared to the average deductible for individual plans selected during the prior open enrollment period.
- **Premiums increasing:** Increases in average premiums and decreases in average deductibles were also noted among family plans selected by eHealth shoppers when compared to the prior open enrollment period (see details below).
- **Average age of shoppers increasing:** The average age of shoppers selecting plans increased to 40 compared to an average age of 38 over the prior open enrollment period, which may suggest that younger shoppers are delaying enrollment until later, a trend observed during the prior open enrollment period.
- **Reshopping trends:** Nearly half (48%) of shoppers in the first three weeks of the current open enrollment period were currently insured and reshopping for 2015 coverage, according to a voluntary survey of eHealth customers.

"Open enrollment has begun and our Price Index data provides a first look at what consumers are choosing when shopping for health insurance outside of government exchanges," said Gary Lauer, Chief Executive Officer and Chairman of eHealth. "The figures we released today indicate that unsubsidized health insurance shoppers, which make up a considerable portion of the overall post-reform market, are currently trending toward plans with higher monthly premiums but lower annual deductibles."

"Certain studies released before open enrollment projected single-digit increases in health insurance premiums," Mr. Lauer continued. "While we're reporting a double-digit increase in average premiums for plans selected by consumers so far, these average increases are not as high as the year-over-year premium increases many consumers saw last year. Nonetheless, for many individuals and families, these are considerable costs to bear and so we advise consumers to explore all of their options to find the right health plan for their needs and budget."

The current nationwide open enrollment period for individual and family health insurance plans began on November 15, 2014 and is scheduled to continue through February 15, 2015. For many consumers, this period may be their only chance to apply for premium subsidies and enroll in the major medical individual and family health insurance coverage they need for 2015.

eHealth Price Index Preview for Open Enrollment

(Data from November 15 - December 5, 2014 with comparisons to the period from October 2013 - March 2014)

Health Plan Costs

- Premiums for individual plans selected by eHealth shoppers averaged \$315 per month, a 16% increase when compared to the average premium of \$271 per month for 2014 plans selected during the prior open enrollment period.
- Premiums for family plans averaged \$760 per month, a 14% increase when compared to the average premium of \$667 per month for 2014 plans selected during the prior open enrollment period.
- The average annual deductible for individual plans was \$3,776, a 9% decrease when compared to deductibles for 2014 plans selected during the prior open enrollment period.
- The average annual deductible for family plans was \$7,448, a 4% decrease when compared to deductibles for 2014 plans selected during the prior open enrollment period.
- Average monthly premiums for individual plans selected by eHealth shoppers, by metal level, were as follows:
 - Catastrophic plans: \$149

- Bronze plans: \$297
- Silver plans: \$346
- Gold plans: \$375
- Platinum plans: \$436
- Average monthly premiums for individual plans selected by eHealth shoppers, by age band, were as follows:
 - Less than age 18: \$146
 - Age 18-24: \$172
 - Age 25-34: \$236
 - Age 35-44: \$282
 - Age 45-54: \$366
 - Age 55-64: \$540

Price Index Data for Select States

In California:

- The average monthly premium was \$333 for individual plans and \$856 for family plans; this represents an increase of 10% (from \$302) for individual plans and of 11% (from \$768) for family plans when compared to the prior open enrollment period.
- The average annual deductible was \$2,991 for individual plans and \$5,766 for family plans.

In Colorado:

- The average monthly premium was \$304 for individual plans and \$722 for family plans; this represents an increase of 10% (from \$227) for individual plans and of 8% (from \$670) for family plans when compared to the prior open enrollment period.
- The average annual deductible was \$4,144 for individual plans and \$7,678 for family plans.

In Florida:

- The average monthly premium was \$359 for individual plans and \$855 for family plans; this represents an increase of 34% (from \$267) for individual plans and of 23% (from \$697) for family plans when compared to the prior open enrollment period.
- The average annual deductible was \$4,447 for individual plans and \$8,579 for family plans.

In Illinois

- The average monthly premium was \$276 for individual plans and \$660 for family plans; this represents an increase of 25% (from \$221) for individual plans and of 21% (from \$547) for family plans when compared to the prior open enrollment period.
- The average annual deductible was \$4,150 for individual plans and \$9,290 for family plans.

In Maryland:

- The average monthly premium was \$289 for individual plans and \$682 for family plans; this represents an increase of 21% (from \$239) for individual plans and of 21% (from \$564) for family plans when compared to the prior open enrollment period.
- The average annual deductible was \$2,982 for individual plans and \$6,094 for family plans.

In Minnesota:

- The average monthly premium was \$266 for individual plans and \$635 for family plans; this represents an increase of 34% (from \$199) for individual plans and of 29% (from \$493) for family plans when compared to the prior open enrollment period.
- The average annual deductible was \$3,973 for individual plans and \$7,918 for family plans.

In Texas:

- The average monthly premium was \$322 for individual plans and \$763 for family plans; this represents an increase of 34% (from \$241) for individual plans and of 34% (from \$568) for family plans when compared to the prior open enrollment period.
- The average annual deductible was \$4,328 for individual plans and \$9,729 for family plans.

In Washington:

- The average monthly premium was \$321 for individual plans and \$735 for family plans; this represents an increase of 4%

(from \$310) for individual plans and a decrease of 1% (from \$739) for family plans when compared to the prior open enrollment period.

- The average annual deductible was \$3,786 for individual plans and \$7,028 for family plans.

Plan Selection Data

- In the first three weeks of the current open enrollment period, bronze was the most common metal level selected by both individual and family health insurance shoppers; by percentage, metal level plans were selected as shown:
 - Catastrophic plans: 8%
 - Bronze plans: 45%
 - Silver plans: 24%
 - Gold plans: 16%
 - Platinum plans: 7%
- Among all plans selected by consumers, 48% were PPO-style plans while 35% were HMO-style plans; 10% were POS-style plans, and 7% of plans belonged to other plan types.
- Plans eligible for use with a Health Savings Account (HSA) accounted for 34% of all plans selected by consumers.

Shopper Demographics

- In the first three weeks of the current open enrollment period, 51% of eHealth shoppers selecting plans were women and 49% were men.
- The average age of shoppers selecting plans was 40; by comparison, the average age over the prior open enrollment period was 38.
- Prospective policy holders selecting individual and family health insurance plans fell into the following age bands:
 - Less than age 18: 4%
 - Age 18-24: 7%
 - Age 25-34: 29%
 - Age 35-44: 22%
 - Age 45-54: 20%
 - Age 55-64: 18%

Survey Results: Shopper Trends and Insights

In addition to the plan cost and selection trends above, eHealth also released results from an ongoing voluntary survey of customers who contacted the eHealth Customer Care Center³. Results from this survey may provide additional insight into the factors motivating shoppers in the early weeks of the current open enrollment period.

Regarding their current health insurance coverage status:

- Nearly half (48%) say they are currently insured under another health insurance plan purchased in the private market (that is, not obtained through their own employer or a family member's employer); by comparison, only 33% of survey respondents fell into this category during the period from October - December 2013.
- One quarter (27%) say that they are currently uninsured; by comparison, 35% of survey respondents identified themselves as currently uninsured during the period from October - December 2013.
- About two-in-ten (21%) say that they are currently covered by an employer-based health insurance plan or through COBRA.

When asked why they are shopping for coverage now, and invited to select all the choices that apply to their personal situation, survey respondents report that:

- Nearly a third (32%) are shopping now because coverage under their current plan is scheduled to end soon.
- Nearly a third (32%) are looking for more affordable health insurance coverage.
- About two-in-ten (20%) are shopping for coverage now because their current health insurance plan is raising their monthly premiums.
- Two-in-ten (20%) are looking for a plan with better benefits.

About the eHealth Price Index

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 Price Index reports provide 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-run exchanges.

eHealth's Price Index figures reported today are based solely on plans selected by consumers through eHealth between the dates of November 15 and December 5, 2014. These figures do not include data from individual or family health insurance shoppers who have applied for government subsidies or selected subsidy-eligible plans through their state government's health insurance exchange with the assistance of licensed agents from

eHealth.

Data presented in eHealth's report is based solely on rates quoted for health insurance applications selected by consumers through the company's website in the specified time period. Figures have been rounded to the nearest full dollar or nearest full percentage point. The information provided here does not offer a comprehensive view of costs for all plans available through eHealth, through the market as a whole, or through government exchanges. Certain applications missing key data fields relevant for analysis may have been removed from the sample. For more information on the methods employed for the collection and analysis of data, please refer to the methodology section at ehealth.com/priceindex.

Notes:

¹ All price comparisons made with reference to average costs during the prior open enrollment period (October 2013 - March 2014) are calculated against figures published in eHealth's May 1, 2014 [Health Insurance Price Index report](#).

² Price comparisons made with reference to average costs during the first half of the prior open enrollment period (October - December 2013) are calculated against figures published in eHealth's February 28, 2014 [Health Insurance Price Index report](#).

³ Survey analysis is based on 1,437 voluntary responses collected from the period November 15 through December 5, 2014.

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.

Embedded Video Available: http://youtu.be/TZhUV1RvvOo_030400

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