



## **eHealth Releases Free eBook That Addresses the Most Confusing Aspects of Health Insurance for Consumers**

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### **eHealth's eBook "Health Plans: Know When to Hold 'Em, Know When to Fold 'Em" Addresses Questions From Consumers Transitioning to Obamacare Plans**

MOUNTAIN VIEW, CA -- (Marketwired) -- 12/12/14 -- Today eHealth, Inc. (NASDAQ: EHTH) (eHealthInsurance.com), the nation's first and largest private online health insurance exchange, released a free special edition eBook to help consumers navigate their choices during open enrollment. The company also released tips and answers to common questions asked by consumers who have not yet purchased health insurance plans compliant with the Affordable Care Act (ACA).

eHealth's new eBook, Health Plans: Know When to Hold 'Em, Know When to Fold 'Em, is designed to help health insurance consumers with pre-2014 health insurance understand:

- How their existing health insurance plan may be changing
- When their existing health insurance plan may be changing
- Why they may need to change their health insurance plan for 2015

The new eBook is available for download through the company's Consumer Resource Center.

Some consumers who purchased health insurance prior to 2014 are still covered by plans that do not meet the benefit standards of the health reform law. Those with true "grandfathered" plans (plans with coverage that began before March 23, 2010) may be able to keep their plans for several years to come, but those with plans bought after March 23, 2010 may need to move into new ACA-compliant plans in 2015.

The ACA established annual open enrollment periods during which consumers can purchase individual and family major medical health insurance plans without qualifying life events. The current nationwide open enrollment period began November 15, 2014 and is scheduled to continue through February 15, 2015. Outside of the open enrollment, health insurance shoppers may only be able to purchase individual and family major medical coverage when they experience a qualifying life event.

#### **Frequently Asked Consumer Questions: Pre-2014 Plans**

Question: I thought that I could keep my pre-2014 health insurance policy if I like it? Is that still true?

Answer: The answer depends on what kind of pre-2014 plan you have. There are two types of pre-2014 major medical health plans:

- Non-grandfathered plans: If you bought major medical health insurance after March 23, 2010, you have a non-grandfathered plan. Originally these plans were supposed to be replaced by 2014 but federal regulations gave states the option to allow insurers to extend some non-grandfathered plans. If you have one of these plans, look for information from your insurer about when you will need to change plans. Some consumers may need to move to new, fully-reformed, ACA-compliant plans in the next months. These customers should be sure to reshop during the current open enrollment period.
- Grandfathered plans: If coverage under your current plan started before March 23, 2010 -- when the Affordable Care Act was signed into law -- you may have a grandfathered plan. Depending on your insurance company and plan specifics, you should be able to keep that plan until your insurance company no longer offers it.

Q: If I lose my plan, can I be turned down for health insurance because of a pre-existing medical condition when I shop for a new plan?

A: No. The health care reform law no longer allows insurers to decline your application for ACA-compliant plans because of your personal medical history or any current medical conditions. However, you do need to buy coverage during open enrollment or when you've experienced a qualifying life event such as a move, loss of coverage, or certain changes in your family. Major medical insurance may not be available to you outside of the open enrollment period.

Q: What's going to change when I switch to my new health plan?

A: When you switch to a new, fully-reformed, ACA-compliant health insurance plan, you might notice changes to your coverage such as the following:

- No annual coverage limits: Annual dollar limits on most covered medical services will go away.
- No cost-sharing for some preventive services: The Affordable Care Act requires insurance companies to cover certain recommended preventive

- services at no out-of-pocket cost to you.
- Community rating: The cost of any given health insurance plan will generally be the same for all people your age in your community -- it may vary if you're a smoker or applying as part of a family, but it won't vary based on your other personal health factors.
- Essential health benefits: All health plans must cover ten categories of essential health benefits defined by the government.
- Coverage values: Most plans are now built to cover at least 60% of the average consumer's expected medical costs during the year.

Q: If I have to switch to new a plan, am I going to pay more for my coverage?

A: Your monthly premium may increase with a new ACA-compliant plan, but you may also get better benefits and be eligible for government subsidies to help make your coverage more affordable. Consumers earning up to 400% of the federal poverty level (in 2014, about \$46,000 for a single person or \$95,000 for a family of four) may be eligible for government subsidies.

Whether you receive a subsidy -- and the amount of any subsidy you receive -- may also depend on the cost of coverage offered in your area. In order to receive a subsidy, you must also be a legal resident of the United States, not incarcerated, and not eligible for other forms of minimum essential coverage (for example, coverage through an employer-based plan or through Medicare or Medicaid).

According to the eHealth Price Index, over the previous nationwide open enrollment period (October 2013 - March 2014), premiums for individual coverage averaged \$271 per month while premiums for family plans averaged \$667 per month(1). With a subsidy, individuals paid an average of \$82 per month(2) during the prior open enrollment period.

Q: When will my pre-2014 plan change, and how does that change happen?

A: Depending on whether you have a "grandfathered" plan or a "non-grandfathered" pre-2014 plan, it may not change at all this year. But if it does, the transition from your old plan to a new one may occur in one of the following ways:

- Passive re-enrollment: Your insurance company may choose to "passively re-enroll" you into an ACA-compliant plan. They'll notify you of their intent to change your coverage. You may not be required to do anything if you want to accept the new plan.
- Active re-enrollment: Some insurance companies may require you to actively opt into a new plan, which may involve you submitting a new application for coverage.
- Active communication, non-enrollment: Some insurers will simply advise you that your current plan does not meet new government standards and let you know when the plan will end. It may be up to you to shop and apply for coverage under a new ACA-compliant plan.

Q: Do I have to buy health insurance through one of the government exchanges?

A: No. The Affordable Care Act allows you to purchase certain types of health insurance plans through government run "exchanges" or marketplaces, but in most states you can also buy such plans through private online marketplaces or licensed agents. The plan you choose will cost the same no matter where you buy it.

Using an agent and purchasing your coverage outside of a government exchange can offer you several advantages. All of eHealth's agents receive extensive training, pass strict state licensing exams, and can recommend plans based on your personal needs. Through eHealth you'll also find plans that are not available on government exchanges. No matter where you shop, purchase an ACA-compliant plan will help you avoid a potential ACA tax penalty.

#### Five Tips for Shoppers with Pre-2014 Plans

1. Know when and if your pre-2014 plan will come to an end - This will depend on when coverage under your current plan first went into effect -- what we call the "effective date" of your plan. If your plan has an effective date before March 23, 2010, you may have what's called a "grandfathered" health insurance plan and may have the option to stay on that plan or change to one of the new, fully-reformed, ACA-compliant plans. Note that your plan will lose its "grandfathered" status if your insurance company makes significant changes to the plan that reduce its benefits or increase its costs. If your plan has an effective date between March 24, 2010 and January 1, 2014, it is a "non-grandfathered" plan and may have to be converted to a new, fully-reformed, ACA-compliant plan in 2015. However, this can vary from state to state and insurer to insurer.
2. Look for improved benefits under new ACA-compliant plans - Under the Affordable Care Act, each new health insurance plan must cover the federally-defined ten Essential Health Benefits and must have a metallic benefit level (bronze, silver, gold, or platinum) with coverage starting at a minimum of 60% of the actuarial value -- or average annual medical costs -- per person. Catastrophic plans for people under 30 with fewer benefits are also available. The law also limits out-of-pocket costs, deductibles, and other forms of cost-sharing, based in part on your household income.
3. Look into ALL your coverage options - If your plan is changing, your insurer may offer to put you into a new plan or recommend that you switch to another plan they sell. Their recommended plan may be a good choice, but you should get to know your other options as well. These may include plans from other insurers in your area. See what's available through the government health insurance exchange in your state but also look to private online marketplaces like eHealth where you can find additional ACA-compliant plans that may be better suited to your personal needs.
4. You may qualify for a subsidy to help lower your costs - Some consumers experience sticker shock when they see the price of the new plan their insurance company is moving them to. It's true that, on average, new, fully-reformed, ACA-compliant plans are more expensive, but they also typically

guarantee more benefits, and you may qualify for subsidies to help bring your costs down. If your household income falls between 133% and 400% of the federal poverty level (in 2014, about \$46,000 per year for a single person or \$95,000 per year for a family of four), you may qualify for subsidies that can significantly reduce your monthly premium. Work with a licensed agent like eHealth or your state government exchange to learn more about your eligibility for subsidies.

5. Get personal help and advice from a licensed agent - Finding the right plan for your needs and budget can be difficult, but help is available. Work with a licensed agent to understand your options and find out which plans are accepted by your favorite doctors and hospitals. Health insurance "navigators" at government exchanges may not be licensed agents and may be unable to provide you with personalized recommendations. Even after you buy, a licensed agent can serve as your advocate with the insurance company if any problems or disagreements arise.

Notes:

(1) Refer to eHealth's Health Insurance Price Index Report from May 1, 2014.

(2) ASPE Research Brief, Premium Affordability, Competition, and Choice in the Health Insurance Marketplace, 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](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).

Embedded Video Available: <https://www.youtube.com/watch?v=-vsxl4-9Gdo>

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