



eHealth Appoints Scott Flanders as Chief Executive Officer

May 31, 2016

Gary Lauer Transitioning Out as Chairman and Chief Executive Officer After 16 Years with Company; The Honorable Ellen Tauscher, Esteemed Legislator and Wall Street Veteran, Named Independent Non-Executive Board Chair

MOUNTAIN VIEW, CA -- (Marketwired) -- 05/31/16 -- eHealth, Inc. (NASDAQ: EHTH), the nation's first and largest private health insurance exchange, announced today that the eHealth Board of Directors has appointed Scott Flanders, a director of the Company since 2008, to the role of Chief Executive Officer of eHealth, effective immediately. In addition, The Honorable Ellen Tauscher, a director of the Company since 2012, has been appointed Independent Non-Executive Board Chair. In connection with these appointments, Gary Lauer is transitioning out as Chief Executive Officer and Executive Chairman of the Board. Mr. Lauer will continue on in an advisory role through the end of the year to help ensure a smooth transition.

A strategic visionary and proven business model innovator, Mr. Flanders brings with him nearly 30 years of executive leadership experience and a track record of driving significant growth in his prior positions, including most recently as CEO and a director of Playboy Enterprises, Inc. where he oversaw a transformational shift in the iconic brand. Having also served as CEO of Freedom Communications and as Chairman and CEO of Columbia House Company, Mr. Flanders brings diverse business experience and direct-to-consumer expertise.

Ms. Tauscher brings a blend of expertise in both government affairs and capital markets. She previously served as a seven-term member of the U.S. House of Representatives from California's 10th Congressional District as well as Under Secretary of State for Arms Control and International Security Affairs. Prior to her successful career in public service, Ms. Tauscher spent 14 years on Wall Street working in investment banking and the financial industry. In her role as Board Chair, Ms. Tauscher will leverage her unique experience to spearhead eHealth's public policy initiatives and partnerships with the public sector.

"We are pleased to announce the appointment of Scott, a true innovator and strategist, as our new CEO," said Ms. Tauscher. "As our company and the marketplace evolve, so does our strategic vision. eHealth has a great brand, a great team and great momentum, and that is why we feel confident in the success of our leadership transition. Having served as a highly engaged director of eHealth, Scott has a deep understanding of the Company and its business. We believe that Scott's decades of executive leadership experience, in addition to his expertise in direct-to-consumer markets and track record of overseeing significant growth, will allow him to seamlessly transition into the role of eHealth's CEO. Scott is the right leader to guide eHealth as we build on our positive momentum and strengthen our position as the leader in online health insurance."

"I am excited about the opportunity to work alongside the eHealth Board and management team as CEO as we execute on our strategic vision and build on our record of innovation and success in the online health insurance marketplace," said Mr. Flanders. "eHealth enjoys an outstanding position as the leader in our industry, and I have great respect for the entire eHealth team and what it has built. Together, we will continue to optimize profitability and cash flow generation in our Individual and Family Plan business, invest for rapid growth in Medicare, and leverage our powerful technology platform and broad network of online partnerships to create an unmatched consumer experience for our millions of customers and drive value for our shareholders."

"We thank Gary for his many contributions to eHealth over the years," continued Ms. Tauscher. "Under his leadership, eHealth has transformed from the nation's first internet-based supplier of health insurance policies to an online marketplace with over 10,000 products and four million customers nation-wide."

"It has been a privilege to lead the outstanding team at eHealth for the past 16 years. I am confident that Scott, together with the rest of the leadership team, will build on our positive momentum and position eHealth for continued growth and success," said Mr. Lauer.

"Our industry is dynamic and trends point to more change in the years ahead. As we prepare for the future, we have the right team in place, with Scott as CEO and Ellen as Non-Executive Board Chair, to move quickly and confidently to take advantage of opportunities that will both strengthen and grow our Company," concluded Michael Goldberg, eHealth's Lead Independent Director.

About Scott Flanders

Flanders served as CEO and a member of the Board of Playboy Enterprises, Inc. from 2009 until May 2016, during which time the Company more than tripled its annual licensing revenue, increased traffic to Playboy.com by 400% percent and undertook a transformative redesign of *Playboy* magazine. Previously, Flanders spent three years as CEO of Freedom Communications, overseeing the Company's diversified media portfolio with nearly \$1 billion in annual revenue. Flanders served as an independent director of Freedom's Board for five years before joining the company as CEO. Between 1999 and 2005, Flanders served as Chairman and CEO of the Columbia House Company where he oversaw the world's oldest and largest direct marketer of music and video products, with revenues totaling more than \$1 billion. After beginning his career as a tax and business consultant with PwC, Flanders spent 14 years with Macmillan Publishing. He became President of Macmillan USA in 1993 and established the Company as the largest computer book publisher, the first publisher of books about the internet and the first publisher to sell books online.

In addition to serving on the Board of eHealth, Flanders serves as a member of the Board of Visitors of the Maurer School of Law at Indiana University. Flanders holds a B.A. degree in economics from the University of Colorado and a J.D. from Indiana University. He is also a certified public accountant.

About The Honorable Ellen Tauscher

Tauscher is a former seven-term Member of the U.S. House of Representatives, representing California's 10th Congressional district, and a Wall Street veteran with over ten years of capital markets experience. While in Congress, Tauscher was a leading centrist Democrat and Chairman of the New Democrat Coalition, a caucus of 65 moderate Democrats in the House. From 2001 to 2005, she served as vice-chairwoman of the Democratic Leadership Council. Nominated by President Barack Obama in March 2009 as Under Secretary of State for Arms Control and International Security Affairs and confirmed by the Senate in June 2009, she served in this role until February 2012. As Under Secretary, Tauscher successfully closed

negotiations of the New Start Treaty with the Russian Federation in March 2010 in Geneva, after months of stalemate. She also represented the U.S. at the Non-Proliferation Treaty Review Conference at the United Nations in May 2010, which produced the first consensus agreement in 10 years.

Tauscher began her career on Wall Street, starting at Bache & Co., and subsequently as an investment banker for Bear Stearns and a subsidiary of Drexel Burnham Lambert. She also served as an officer of the American Stock Exchange during this time. At age 25, she was one of the first women to become a Member of the New York Stock Exchange. Tauscher returned to the private sector in February 2012 and, in addition to serving on the Board of eHealth, serves as a director on the Boards of Edison International and Southern California Edison, SeaWorld Entertainment Inc., BAE Systems, Inc. and Aurora Flight Sciences. Tauscher is also on the Board of Advisors of SpaceX. Tauscher holds a B.S. degree in early childhood education from Seton Hall University.

About eHealth, Inc.

eHealth, Inc. (NASDAQ: EHTH) operates eHealth.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. eHealth offers thousands of individual, family and small business health plans underwritten by many of the nation's leading health insurance companies. eHealth (through its subsidiaries) is licensed to sell health insurance in all 50 states and the District of Columbia. eHealth also offers educational resources and 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), eHealthMedicare.com (www.eHealthMedicare.com) and Medicare.com (www.Medicare.com).

For more health insurance news and information, visit the eHealth consumer blog: Get Smart - Get Covered or visit eHealth's Consumer Resource Center.

Forward-Looking Statements

This press release contains statements that are forward-looking statements as defined within the Private Securities Litigation Reform Act of 1995. These include statements regarding: our potential for rapid growth in Medicare, whether our technology platform is powerful, whether our broad network of online partnerships create an unmatched consumer experience for our customers, whether we are well-positioned to move quickly as opportunities present themselves to us and whether the opportunities that present themselves to us will grow and strengthen us. These forward-looking statements are inherently subject to various risks and uncertainties that could cause actual results to differ materially from the statements made, including associated with the impact of healthcare reform; our ability to retain existing members and enroll a large number of new members during the annual healthcare reform open enrollment period and Medicare annual enrollment period; competition, including competition from government-run health insurance exchanges; our ability to retain existing members and limit member turnover; changes in consumer behaviors and their selection of individual and family health insurance products; product offerings among carriers and the resulting impact on our commission revenue; the impact of increased health insurance costs on demand; our ability to accurately estimate membership; our relationships with health insurance carriers; customer concentration and consolidation of the health insurance industry; our success in marketing and selling health insurance plans and our unit cost of acquisition; our ability to hire, train and retain licensed health insurance agents and other employees; the need for health insurance carrier and regulatory approvals in connection with the marketing of Medicare-related insurance products; costs of acquiring new members; scalability of the Medicare business; our ability to attract and to convert online visitors into paying members; changes in products offered on our ecommerce platform; maintaining and enhancing our brand identity; our ability to derive desired benefits from investments in our business, including membership growth initiatives; dependence on acceptance of the Internet as a marketplace for the purchase and sale of health insurance; reliance on marketing partners; timing of receipt and accuracy of commission reports; payment practices of health insurance carriers; dependence on our operations in China; difficulties, delays, unexpected costs and changes in laws and regulations, including in connection with healthcare reform or with respect to the marketing and sale of Medicare plans; compliance with insurance and other laws and regulations; exposure to security risks; and the performance, reliability and availability of our ecommerce platform and underlying network infrastructure.

Other factors that could cause operating, financial and other results to differ are described in eHealth's most recent Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, and filed on May 9, 2016, or Annual Report on Form 10-K for the year ended December 31, 2015 and filed on March 14, 2016, with the Securities and Exchange Commission and available on the investor relations page of eHealth's website at www.ehealthinsurance.com and on the Securities and Exchange Commission's website at www.sec.gov. eHealth does not undertake any obligation to update any forward-looking statement to conform the statement to actual results or changes in expectations.

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