



eHealth Drug Coverage Comparison Tool Helps Medicare Beneficiaries Identify Medicare Plans With Optimal Drug Coverage and Potentially Save An Average of \$898 Per Year

October 11, 2016

Per eHealth report, Medicare shoppers that compared plans based on personal prescription drug needs could save an average of \$75 per month by switching to optimal Medicare insurance plan

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)--Oct. 11, 2016-- According to the latest Medicare Choice and Impact study from eHealth (NASDAQ:EHTH), only 9% of Medicare shoppers using eHealth's prescription drug coverage comparison tool were enrolled in the Medicare Part D or Medicare Advantage Prescription Drug plan that provided them with optimal coverage for their prescription drug needs. Had they switched to the optimal plan, they could have saved an average of \$898 over the course of 2016.

eHealth's Medicare Choice and Impact report examines user sessions from more than 62,000 eHealth Medicare visitors who used the company's Medicare prescription drug coverage comparison tool in the fourth quarter of 2015, including Medicare's 2016 Annual Election Period (October 15 – December 7, 2015).

"The burden of prescription drug costs is a major concern for Medicare beneficiaries, and yet nine out of ten are paying more than they need to when they visit the pharmacy," said eHealth CEO Scott Flanders. "eHealth's simple Medicare prescription drug comparison tool delivers powerful insights that allow beneficiaries to make strategic enrollment decisions that can save them hundreds of dollars."

Potential savings with Medicare Advantage Prescription Drug (MA-PD) plans

- Only 7% of MA-PD enrollees who used eHealth's drug coverage comparison tool were currently enrolled in the MA-PD plan providing optimal coverage for their prescription drugs.
- More than nine-in-ten (93%) could potentially save money by enrolling in a different MA-PD plan, according to eHealth's analysis of drug regimens and plan options.
- \$1,417 per year (or \$118 per month) was the average potential savings available to these consumers if they enrolled in the optimal MA-PD plan for their personal drug regimen.

Potential savings with stand-alone Medicare Prescription Drug Plans (PDPs or Part D plans)

- Only 11% of PDP enrollees who used eHealth's drug coverage comparison tool were currently enrolled in the PDP providing optimal coverage for their prescription drugs.
- Nearly nine-in-ten (89%) could potentially save money by enrolling in a different PDP, according to eHealth's analysis of drug regimens and plan options.
- \$643 per year (or \$54 per month) was the average potential savings available to these consumers if they enrolled in the optimal PDP for their personal drug regimen.

How does eHealth's Medicare prescription drug coverage comparison tool work?

eHealth's prescription drug comparison tool estimates the out-of-pocket costs associated with prescription drug coverage under MA-PD and Medicare Part D plans (PDPs).

In using the tool, consumers enter their zip code, the names and dosages of their prescribed medications, and the name of their current Medicare Part D plan or Medicare Advantage Prescription Drug plan. The tool then displays the different plans eHealth can offer in their area and estimates the annual cost of each plan for the coming year based on the data entered by the user and plan information provided by insurance companies. The estimated annual cost of a plan is a combination of the plan's monthly premiums and the estimated out-of-pocket costs for the medications entered into the tool. The estimated out-of-pocket costs include deductibles, co-pays, and coinsurance.

Out-of-pocket costs for prescription drugs may change year to year

Changes to one's prescribed medications aside, the amount a Medicare beneficiary pays out of pocket for his or her prescription drugs can change significantly because many Medicare prescription drug plans change the pricing, benefit tiers, and formularies of their drug plans from year to year. Typical changes may affect:

- The drugs covered by a plan
- The plan's monthly premiums
- The plan's annual deductible, coinsurance, and co-payments
- The plan's drug tiers, which are used to assign different coinsurance amounts and co-payments to specific drugs

Any one of these changes may affect what an enrollee pays out of pocket for his or her drugs on the same MA-PD or Part D plan from one year to the next. In some cases, the lowest-cost plan for a Medicare beneficiary's personal drug regimen in one year may not be the lowest-cost plan in the following year.

Potential cost savings for plan switchers

The table below details potential savings after calculating all costs — including monthly premiums, co-payments, coinsurance, and deductibles — for people who used eHealth's online Medicare plan comparison tool during the last AEP, based on analyzed user sessions.

	Potential average annual savings by switching to plan with optimal Rx coverage	% of users who could potentially save by switching to plan with optimal Rx coverage
Stand-alone Prescription Drug Plan (PDP or Part D)	\$643	89%
Medicare Advantage Prescription Drug Plan (MA-PD)	\$1,417	93%
Combined Average Savings of PDP Shoppers and MA-PD Shoppers	\$898	91%

The actual savings estimated when a person uses the tool differ based on variables such as geographic location, plan availability and selection, and other factors. Benefits and coverage may also vary between plans. When selecting a plan, consumers should always be sure to check the plan details to confirm the accuracy of any estimate of plan costs and coverage.

Survey methodology

This report analyzes more than 62,000 user sessions that occurred on eHealthMedicare.com and PlanPrescriber.com during the 2016 Annual Election Period (also called Annual Enrollment Period or AEP), which took place between October 15 and December 7, 2015. During that time, there were over 38,000 user sessions in which a person identified their current Medicare Prescription Drug Plan (PDP) and one or more prescription drugs they were taking. In addition, over 23,000 user sessions occurred in which a person identified their current Medicare Advantage Prescription Drug (MA-PD) plan and one or more prescription drugs they were taking.

The Medicare plan comparison tool at eHealthMedicare.com and PlanPrescriber.com compares users' existing plans to other plans available in their areas. The tool calculates the users' known prescription drug costs, including monthly premiums, co-pays, coinsurance, and deductibles. The tool then provides each user with an estimate of their total out-of-pocket costs for the year, which includes a plan's monthly premiums and cost-sharing for prescription drugs.

The information users were required to provide in order to be counted as currently enrolled in a PDP or MA-PD plan included their zip code and the name of their existing PDP or MA-PD plan. In the user sessions used for this analysis, customers also included the names, dosages and frequency of any prescription drugs they were taking. Average annual savings were calculated as the difference between the customer's total estimated out-of-pocket spending on their current plan — including monthly premiums, deductibles, coinsurance, and co-payments — and the estimated out-of-pocket spending on the plan recommended by eHealth's Medicare drug coverage comparison tool.

For price comparisons, this study assumes no changes in prescription or medical needs, as well as no changes in rates or drug prices during the applicable time period. The average savings presented in this report are based on user sessions that occurred during the last AEP on eHealthMedicare.com and PlanPrescriber.com only. These user sessions may not reflect the overall Medicare population or any particular individual's situation.

NOTE: Medicare beneficiaries base their plan selections on a variety of priorities, including price. eHealth encourages people to consider their specific needs in deciding which plans to select during AEP. Plan data listed in this report might change based on additional data received from the Centers for Medicare & Medicaid Services (CMS) at a date later than the active date of the data or later than the published date of this report.

eHealth

eHealth, Inc. (NASDAQ: EHTH) owns [eHealth.com](http://www.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 Medicare.com (www.Medicare.com), eHealthMedicare.com (www.eHealthMedicare.com) and PlanPrescriber.com (www.PlanPrescriber.com).

For more health insurance news and information, visit eHealth's [Consumer Resource Center](#).

View source version on businesswire.com: <http://www.businesswire.com/news/home/20161011005210/en/>

Source: eHealth, Inc.

DMA Communications for eHealth, Inc.
Sande Drew, 916-207-7674
sande.drew@ehealth.com
or
eHealth, Inc.
Nate Purpura, 650-210-3115

