

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K
CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (date of earliest event reported): November 8, 2022

EHEALTH, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction of incorporation)

001-33071
(Commission File Number)

56-2357876
(I.R.S. Employer Identification No.)

2625 AUGUSTINE DRIVE, SUITE 150
SANTA CLARA, CA 95054
(Address of principal executive offices) (Zip Code)

(650) 210-3150
(Registrant's telephone number, including area code)

Not applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	EHTH	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Effective November 14, 2022, John J. Stelben will join eHealth, Inc. (the “Company”) as its new senior vice president, chief financial officer of the Company. Mr. Stelben will succeed Christine Janofsky as the Company’s senior vice president, chief financial officer. On November 8, 2022, Ms. Janofsky’s employment with the Company was terminated effective November 11, 2022. In connection with her departure, Ms. Janofsky did not express any disagreement on any matter relating to the Company’s operations, policies or practices.

Mr. Stelben, age 61, most recently served as CFO CVS Integration for Aetna from 2017 to 2018. Prior to that, Mr. Stelben served in a number of positions of increasing responsibility at Aetna, including CFO Government Programs, which included Medicare, Medicaid and public exchange businesses, from 2013 to 2017. Mr. Stelben also served in various senior leadership roles at Coventry Health Care, Inc, for over 18 years. Mr. Stelben is a certified public accountant (inactive) and holds a B.S. degree in accounting from Fairfield University.

In connection with the appointment of Mr. Stelben as senior vice president and chief financial officer, the Company entered into an offer letter (the “Offer Letter”) and a severance agreement (the “Severance Agreement”) with Mr. Stelben. Pursuant to the Offer Letter, Mr. Stelben’s initial annual base salary is \$500,000 and he is eligible to participate in the Company’s executive bonus program beginning in 2023 at a target discretionary incentive bonus equal to 75% of his annual base salary.

The Offer Letter provides for the grant, subject to the approval of the compensation committee of the board of directors (the “Board”), of a time-based restricted stock unit award that will cover 375,000 shares of the Company’s common stock, which award will be subject to vesting over four years, subject to continued service with the Company through each vesting date and potential acceleration upon certain terminations of employment. The Offer Letter also provides for the grant, subject to the approval of the compensation committee of the Board, of a performance-based restricted stock unit award that will cover 125,000 shares of the Company’s common stock that will be eligible to be earned based on the Company’s achievement of various levels of thirty calendar-day average stock price targets (or transaction price targets, in the case of a change in control), with vesting generally occurring one year following the date the price threshold is achieved (provided that such price targets are met within four years of the grant date of the award), subject to Mr. Stelben’s continued service with the Company through each vesting date and potential acceleration of vesting upon certain terminations of employment.

Pursuant to the Severance Agreement, if Mr. Stelben is terminated by the Company “without cause” or if he voluntarily resigns for “good reason” (as such terms are defined in the Severance Agreement), Mr. Stelben will be entitled to receive the following severance payment and benefits (subject to his execution of a standard release of claims): (i) a single lump-sum cash payment (less applicable withholding taxes) in an amount equal to twelve months of his then-current annual base salary; and (ii) company-paid group health, dental and vision benefits for Mr. Stelben and his covered dependents for up to twelve months, subject to certain conditions. In addition, if Mr. Stelben is terminated by the Company “without cause” or if he voluntarily resigns for “good reason” during the one-year period following a change of control (as such term is defined in the Severance Agreement), then Mr. Stelben will also be entitled to receive the following severance payment and benefits (subject to his execution of a standard release of claims): (i) a single lump-sum cash payment (less applicable withholding taxes) in an amount equal to 100% of his then-current target annual bonus; and (ii) 100% vesting of any outstanding and unvested time-based equity awards granted to Mr. Stelben.

There are no family relationships between Mr. Stelben and any director or executive officer of the Company that require disclosure under Item 401(d) of Regulation S-K. Other than the Offer Letter and the Severance Agreement, there are no transactions between Mr. Stelben or any member of his immediate family, on the one hand, and the Company or any of its subsidiaries, on the other hand, that require disclosure under Item 404(a) of Regulation S-K. Furthermore, there are no arrangements or understandings between Mr. Stelben and any other persons pursuant to which Mr. Stelben was selected as the senior vice president, chief financial officer of the Company.

The foregoing descriptions of the Offer Letter and Severance Agreement are summaries only and do not purport to be complete. A copy of the Severance Agreement will be filed as an exhibit to the Company’s Annual Report on Form 10-K for the year ended December 31, 2022.

Item 7.01 Regulation FD Disclosure.

On November 14, 2022, the Company issued a press release announcing Mr. Stelben's appointment and reaffirming its 2022 annual guidance. A copy of such press release is attached hereto as Exhibit 99.1.

The information in Item 7.01 of this Current Report on Form 8-K and the exhibits attached hereto are intended to be "furnished" and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended. Except as shall be expressly set forth by specific reference in such filing, the information contained herein and in the accompanying exhibits shall not be incorporated by reference into any filing with the Securities and Exchange Commission made by the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release of eHealth, Inc. dated November 14, 2022
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: November 14, 2022

eHealth, Inc.

/s/ Gavin Galimi

Gavin Galimi

SVP, General Counsel and Corporate Secretary

eHealth, Inc. Appoints John Stelben as Chief Financial Officer

***Brings More Than 25 Years of Financial and Operational Experience to CFO Role;
Succeeds Christine Janofsky***

Reaffirms Full Year Fiscal 2022 Guidance

SANTA CLARA, Calif., November 14, 2022 – eHealth, Inc. (Nasdaq: EHTH), a leading private online health insurance marketplace, today announced that it has appointed John Stelben as Chief Financial Officer, effective immediately. Stelben succeeds Christine Janofsky, who is leaving her role at eHealth.

Stelben brings more than 25 years of health insurance experience to eHealth. Mr. Stelben’s most recent experience was at Aetna where he had multiple roles including CFO Governance Services covering Medicare, Medicaid, Federal Employees, and Public Exchange businesses. Mr. Stelben was also CFO Integrations during various Aetna transactions. Prior to that, Mr. Stelben had multiple senior financial roles at Coventry Health Care, Inc., including interim CFO as well as operational responsibilities for Medicare Advantage.

“We are thrilled to welcome a leader of John’s caliber to eHealth as we continue to enhance our profitability and cash flow profile,” said eHealth CEO Fran Soistman. “I have worked closely with John for many years and have a deep appreciation of his significant financial leadership experience in healthcare. We continue to be encouraged by our execution to date in the early stages of the Annual Enrollment Period, and I’m sure that John will be able to immediately begin supporting the finance organization during this critical time of year for eHealth. I am confident he will be a strong addition to eHealth as we work to create value for shareholders and deliver on our differentiated value proposition to customers and carriers.”

Soistman continued, “On behalf of the Board and management team, I would like to thank Christine for her contributions to eHealth. We wish her well in her future endeavors.”

“I’m pleased to have the opportunity to lead eHealth’s finance organization,” said Stelben. “I believe eHealth has significant opportunity for growth and value creation, and right now is a pivotal time for the Company as it continues to take steps on its path towards profitable growth. As we execute on these initiatives, I look forward to working closely with Fran and the entire leadership team to return eHealth to a position of strength, drive enhanced value for our shareholders and help customers access the health insurance they need.”

Based on information available as of November 14, 2022, the Company is also reaffirming its full year guidance for 2022 as discussed on its November 7, 2022 earnings call, and reiterating the encouraging performance its team has achieved to date during the Annual Enrollment Period.

About eHealth, Inc.

eHealth, Inc. (Nasdaq: EHTH) operates a leading health insurance marketplace at [eHealth.com](https://www.eHealth.com) and [eHealthMedicare.com](https://www.eHealthMedicare.com) with technology that provides consumers with health insurance enrollment solutions. Since 1997, we have connected more than eight million members with quality, affordable health insurance, Medicare options, and ancillary plans. Our proprietary marketplace offers Medicare Advantage, Medicare Supplement, Medicare Part D prescription drug, individual, family, small business, and other plans from approximately 200 health insurance carriers across fifty states and the District of Columbia.

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 opportunity for growth and profitability, and our 2022 annual guidance on total revenue, GAAP net loss, adjusted EBITDA, and total cash outflow.

These forward-looking statements are inherently subject to various risks and uncertainties that could cause actual results to differ materially from the statements made. In particular, we are required by Accounting Standards Codification 606 — Revenue from Contracts with Customers to make numerous assumptions that are based on historical trends and our management’s judgment. These assumptions may change over time and have a material impact on our revenue recognition, guidance, and results of operations. Please review the assumptions stated in this press release carefully.

The risks and uncertainties that could cause our results to differ materially from those expressed or implied by such forward-looking statements include our ability to retain existing members and enroll new members during the annual health care open enrollment period, the Medicare annual enrollment period and other special enrollment periods; changes in laws, regulations and guidelines, including in connection with health care reform or with respect to the marketing and sale of Medicare plans; competition, including competition from government-run health insurance exchanges and other sources; the seasonality of our business and the fluctuation of our operating results; our ability to accurately estimate membership, lifetime value of commissions and commissions receivable; changes in product offerings among carriers on our ecommerce platform and the resulting impact on our commission revenue; our ability to execute on our growth strategy in the Medicare market; the impact of the COVID-19 pandemic and other public health crises, illness, epidemics or pandemics on our operations, business, financial condition and growth prospects, as well as on the general economy; changes in our management and key employees; exposure to security risks and our ability to safeguard the security and privacy of confidential data; our relationships with health insurance carriers; the success of our carrier advertising and sponsorship program; our success in marketing and selling health insurance plans and our unit cost of acquisition; our ability to hire, train, retain and ensure the productivity of licensed health insurance agents and other employees; our ability to effectively manage our operations as our business evolves and execute on our transformational plan and other strategic initiatives; the need for health insurance carrier and regulatory approvals in connection with the marketing of Medicare-related insurance products; changes in the market for private health insurance; consumer satisfaction of our service and actions we take to improve the quality of enrollments; changes in member conversion rates; changes in commission rates; our ability to sell qualified health insurance plans to subsidy-eligible individuals and to enroll subsidy-eligible individuals through government-run health insurance exchanges; our ability to maintain and enhance our brand identity; our ability to derive desired benefits from investments in our business, including membership growth and retention initiatives; reliance on marketing partners; the impact of our direct-to-consumer mail, email, social media, telephone and television marketing efforts; timing of receipt and accuracy of commission reports; payment practices of health insurance carriers; dependence on our operations in China; the restrictions in our debt obligations; the restrictions in our investment agreement with H.I.G; our ability to raise additional capital; compliance with insurance, privacy and other laws and regulations; the outcome of litigation in which we are and may from time to time be involved; the performance, reliability and availability of our information technology systems, ecommerce platform and underlying network infrastructure. Other factors that could cause operating, financial and other results to differ are described in our most recent Quarterly Report on Form 10-Q or Annual Report on Form 10-K filed with the Securities and Exchange Commission and available on the investor relations page of our website at <http://www.ehealthinsurance.com> and on the Securities and Exchange Commission’s website at www.sec.gov.

All forward-looking statements in this press release are based on information available to us as of the date hereof, and we do not assume any obligation to update the forward-looking statements provided to reflect events that occur or circumstances that exist after the date on which they were made, except as required by law.

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