



# Q1 2019 Financial Results Conference Call Slides

April 25, 2019

# Non-GAAP Financial Measures

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## **Non-GAAP Information**

This presentation includes both GAAP and non-GAAP financial measures. The presentation of non-GAAP financial information is not intended to be considered in isolation or as a substitute for results prepared in accordance with GAAP. A reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable GAAP financial measures is available in the Appendix to this presentation. Management uses both GAAP and non-GAAP information in evaluating and operating its business internally and as such has determined that it is important to provide this information to investors.

# eHealth Q1 2019 Highlights

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Q1 2019 performance of our Medicare business significantly exceeded expectations



Medicare segment revenue grew 78% year-over-year and segment profit grew 240% year-over-year



Medicare submitted applications grew 82% year-over-year



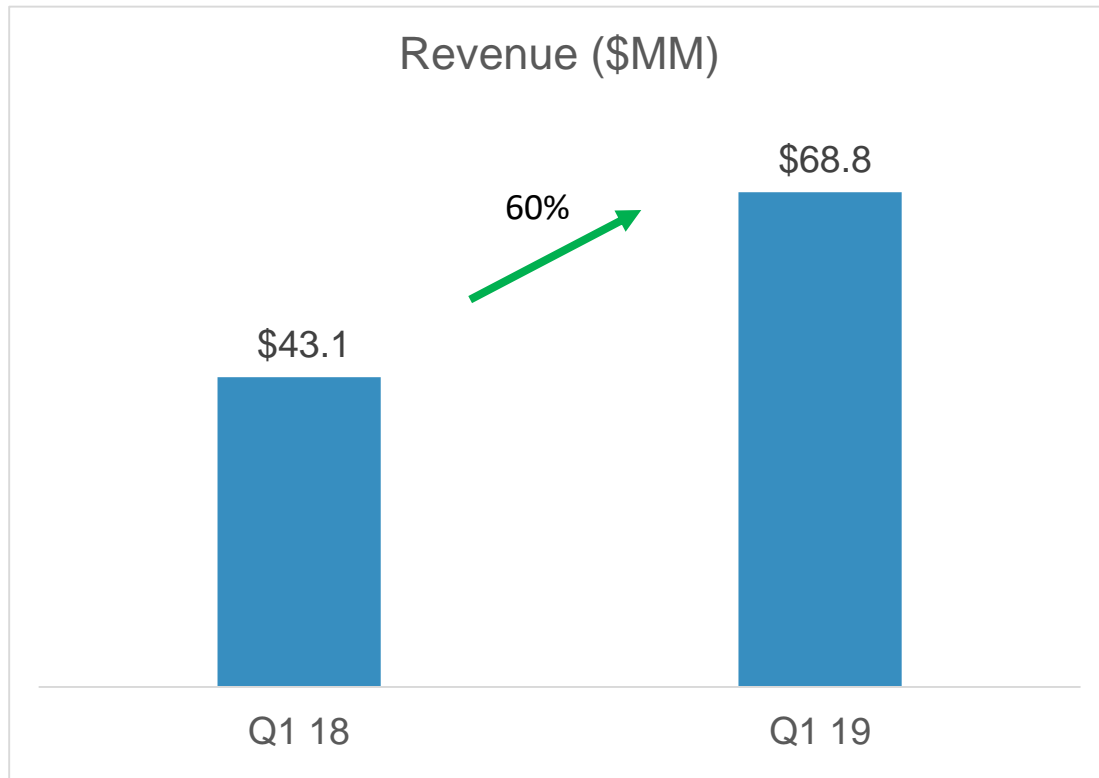
12% of Medicare major medical applications submitted online, compared to 7% in Q1 2018



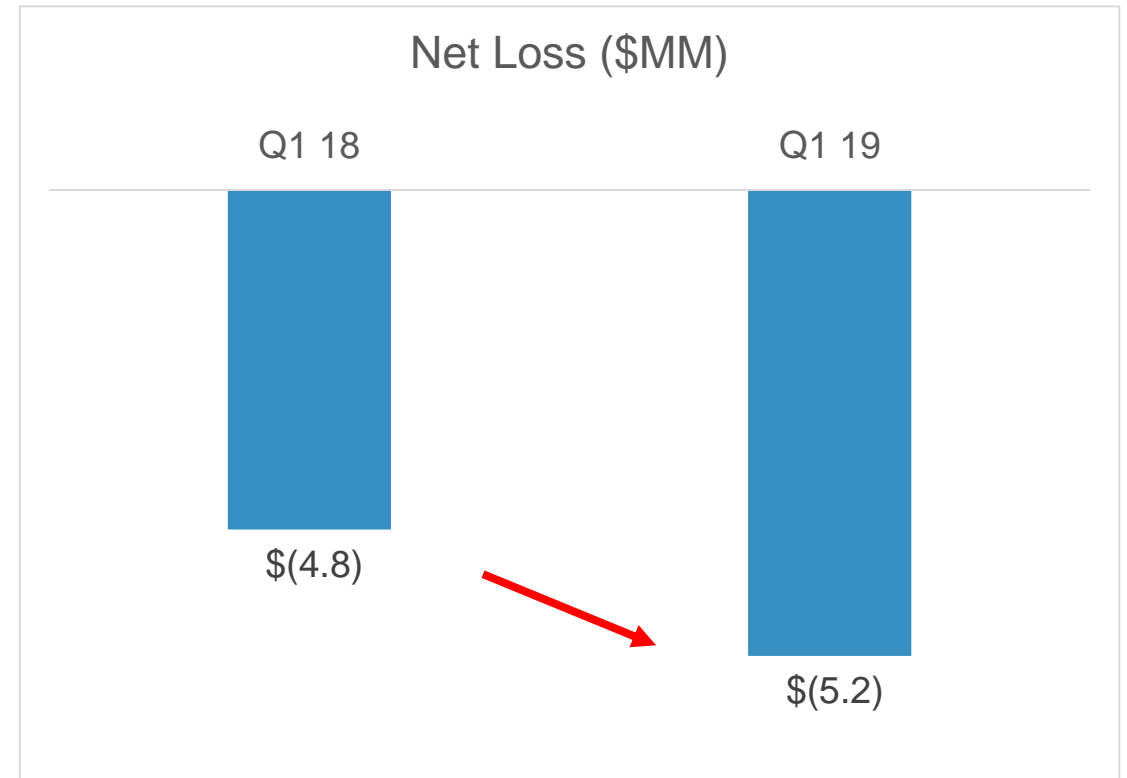
Improving cash flow with Q1 2019 trailing twelve month operating cash flow at (\$1)MM vs. (\$13)MM for Q1 2018 trailing twelve month

# Q1 2019 Revenue and Net Loss<sup>(1)</sup>

## Revenue

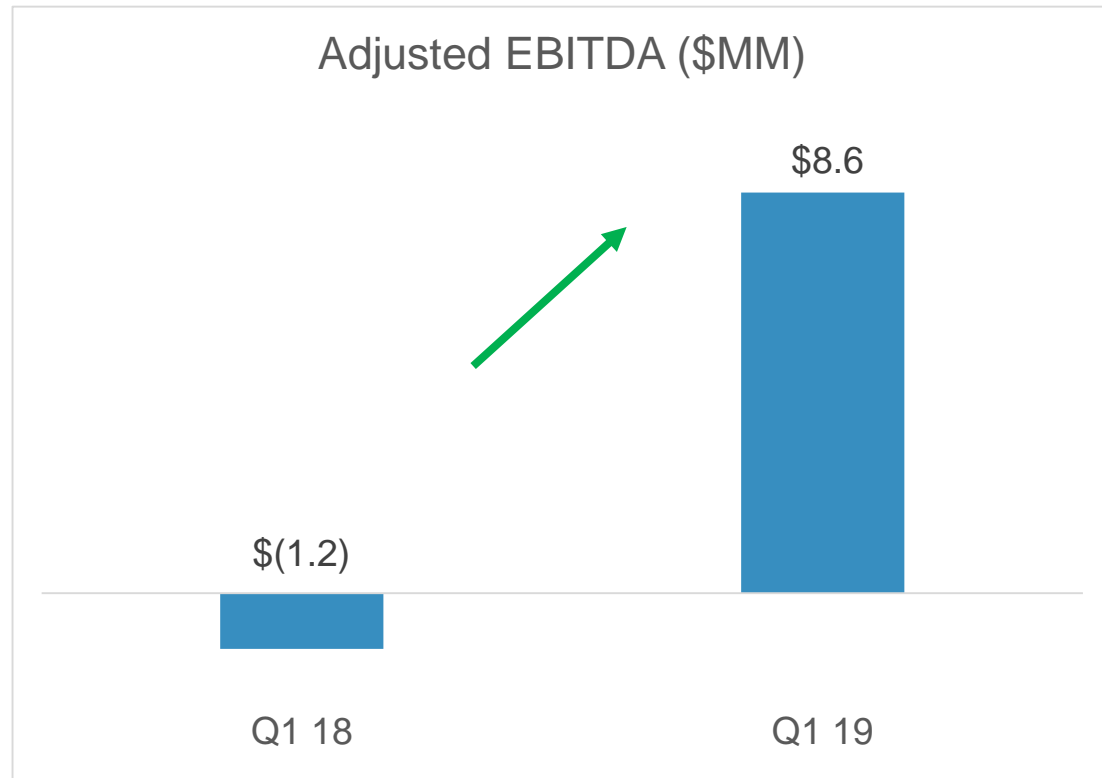


## Net Loss

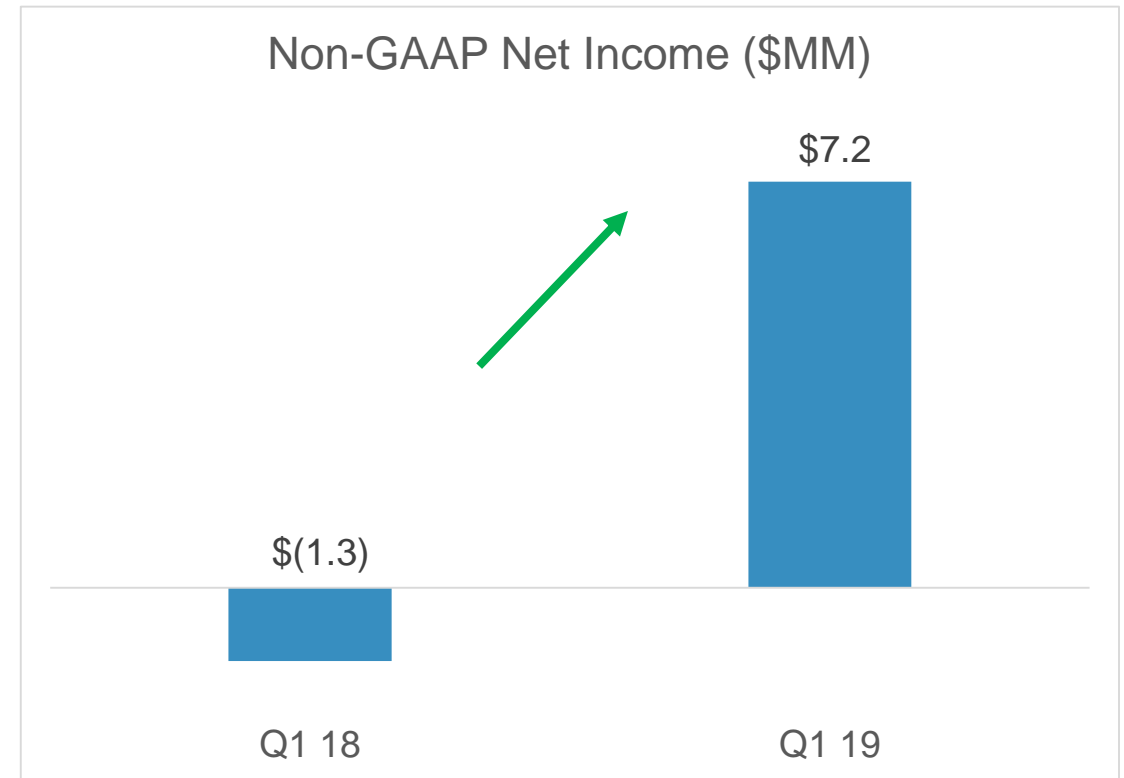


# Q1 2019 AEBITDA<sup>(1)</sup> and Non-GAAP Net Income<sup>(2)</sup>

## Adjusted EBITDA



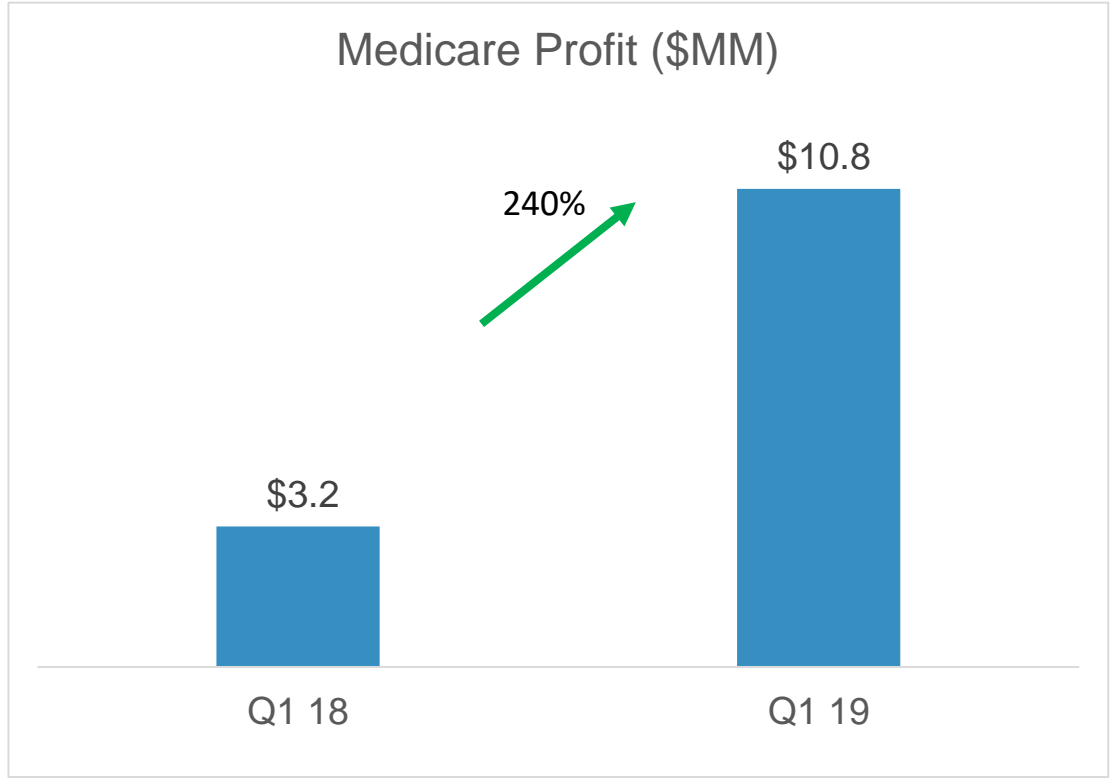
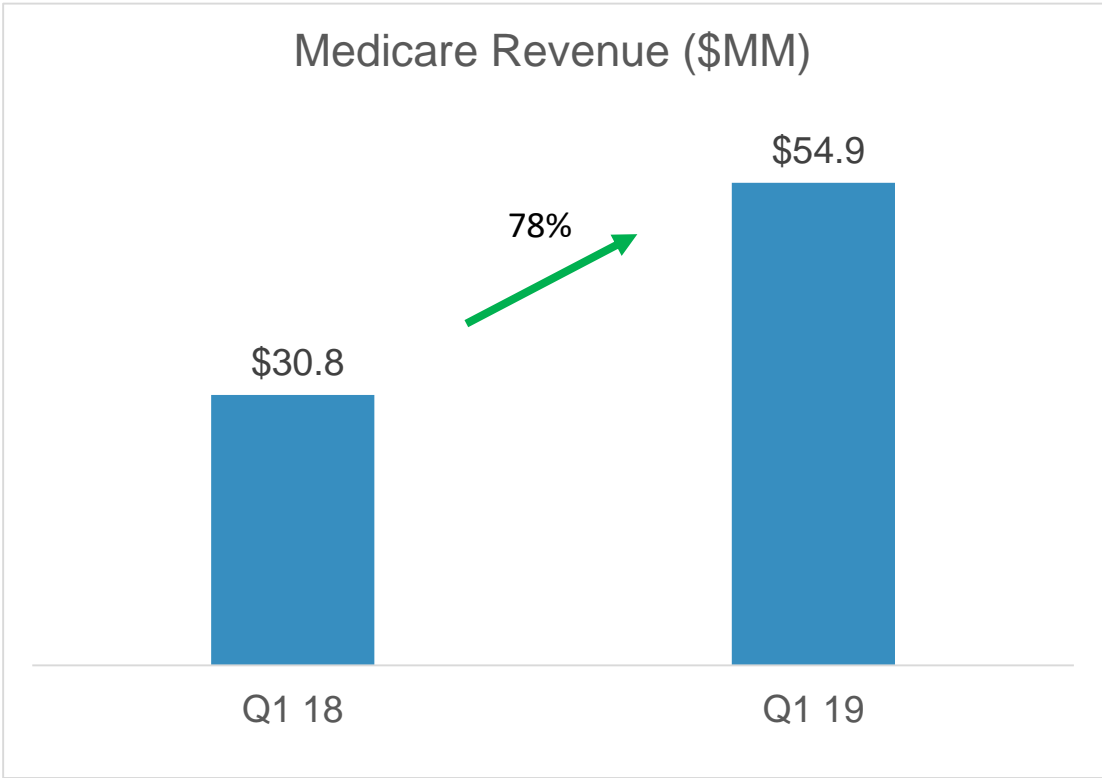
## Non-GAAP Net Income



# Q1 2019 Medicare Segment Revenue and Profit

## Medicare Segment Revenue

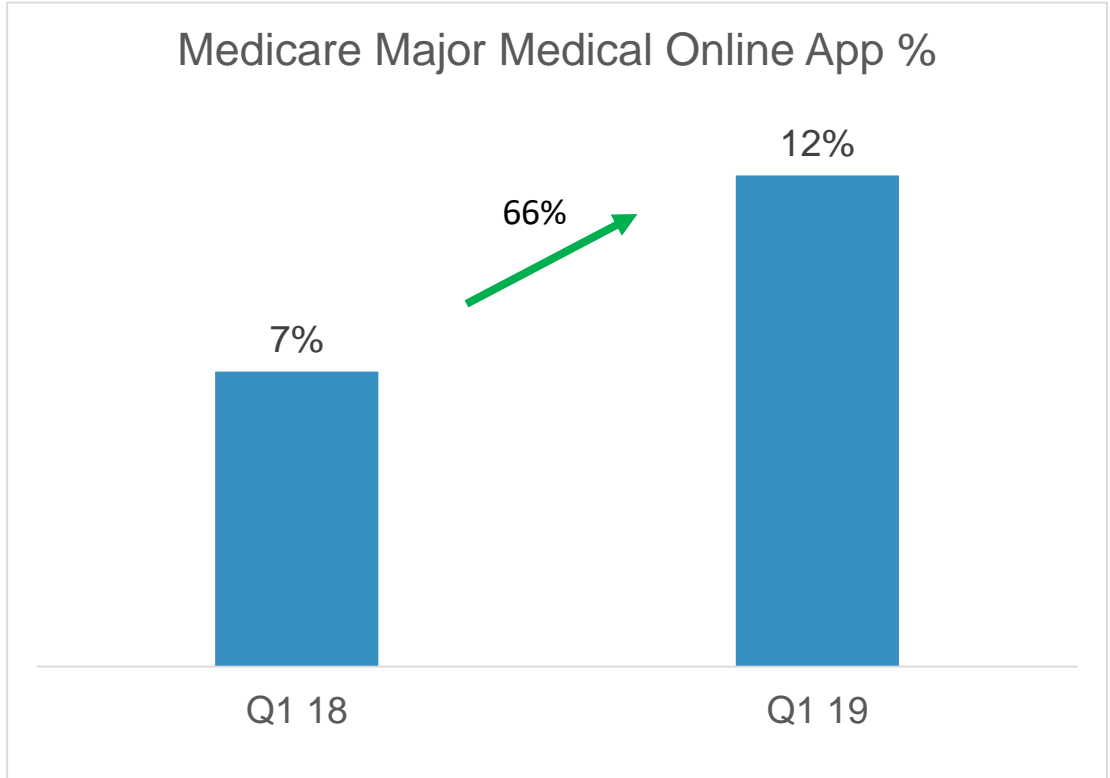
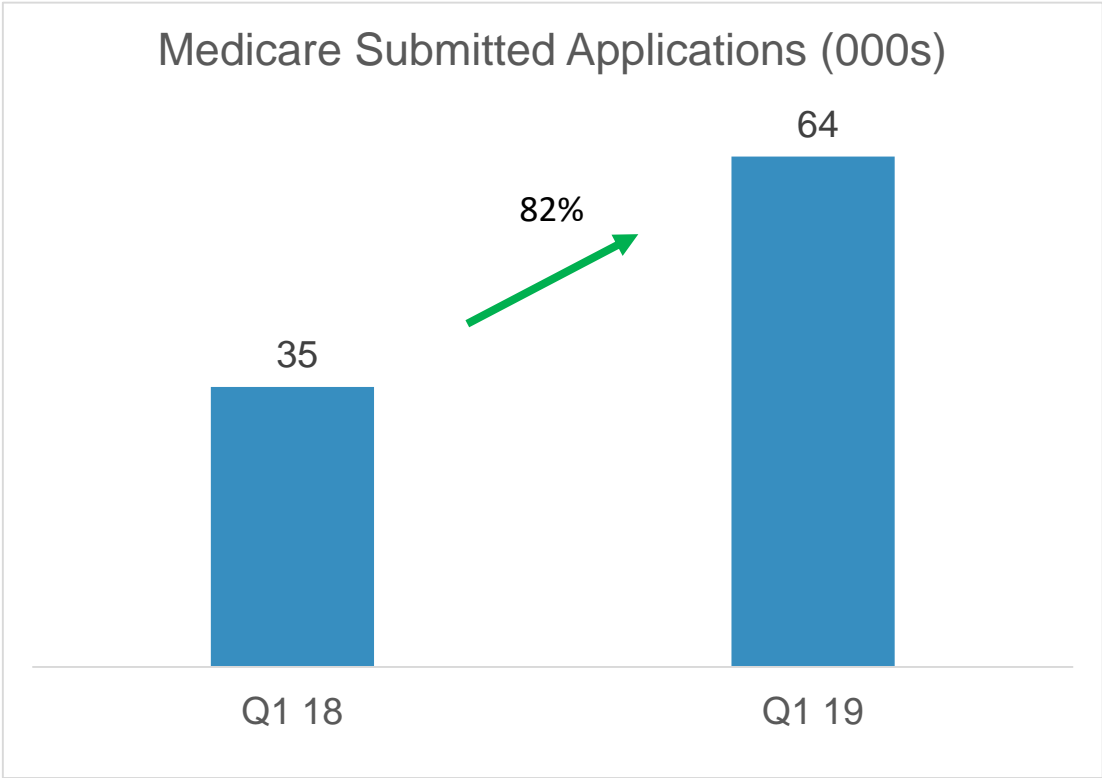
## Medicare Segment Profit



# Q1 2019 Medicare Application Volumes and Medicare Major Medical Online %<sup>(1)</sup>

## Medicare Submitted Applications

## Medicare Major Medical Online Application %

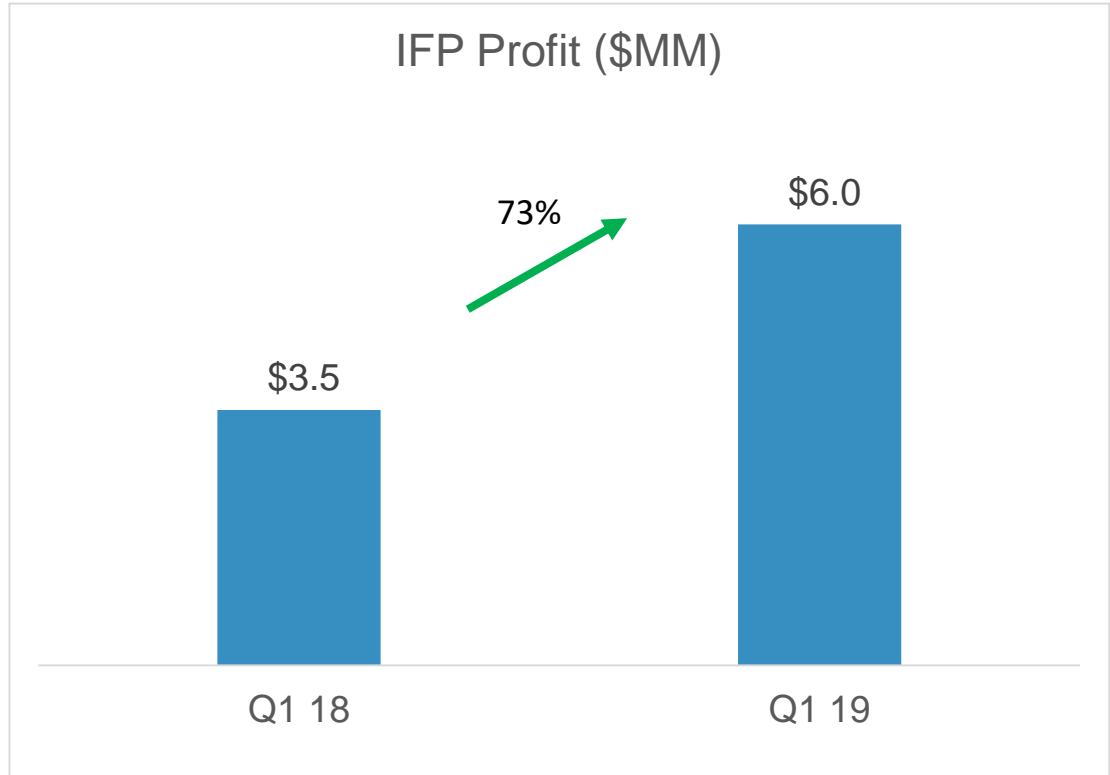
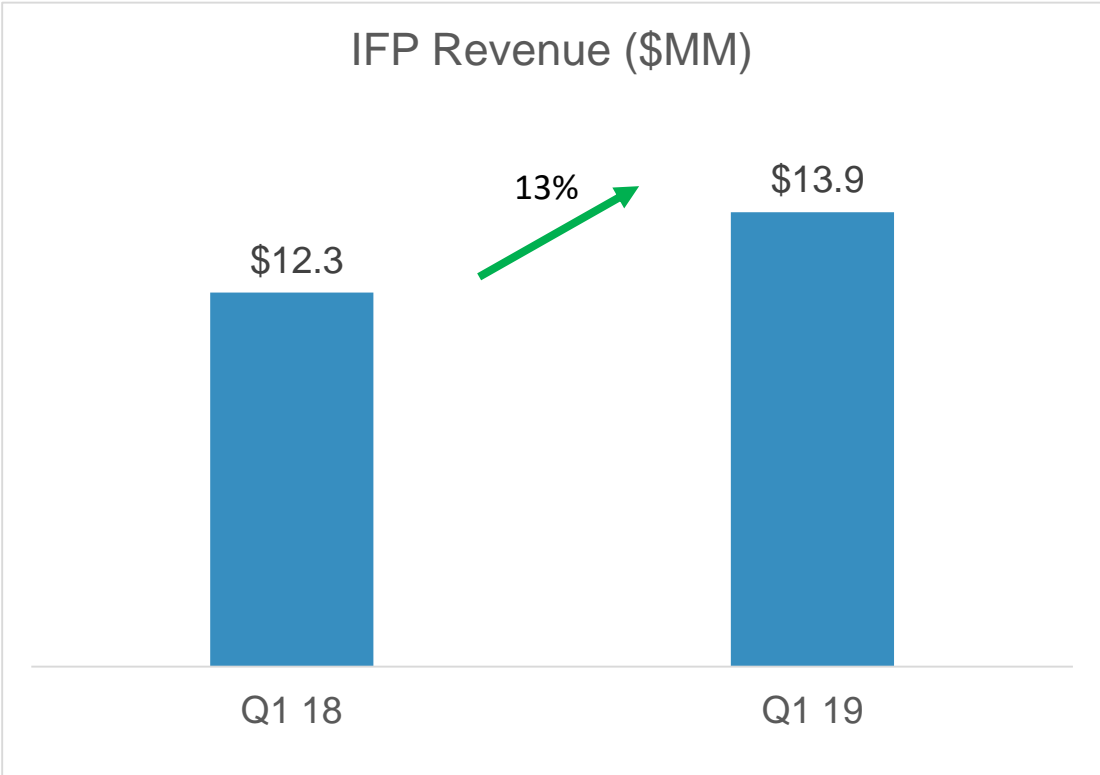


(1) Major Medicare plans include Medicare Advantage and Medicare Supplement plans

# Q1 2019 IFP Segment Revenue and Profit

## IFP Segment Revenue

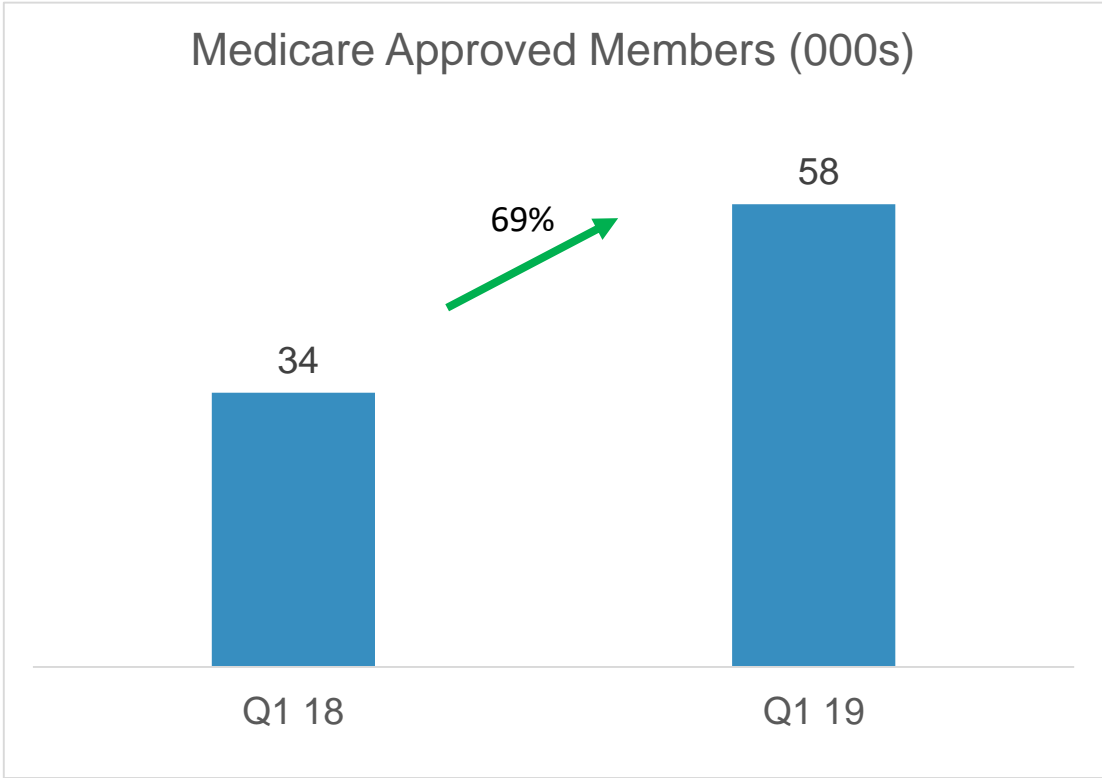
## IFP Segment Profit



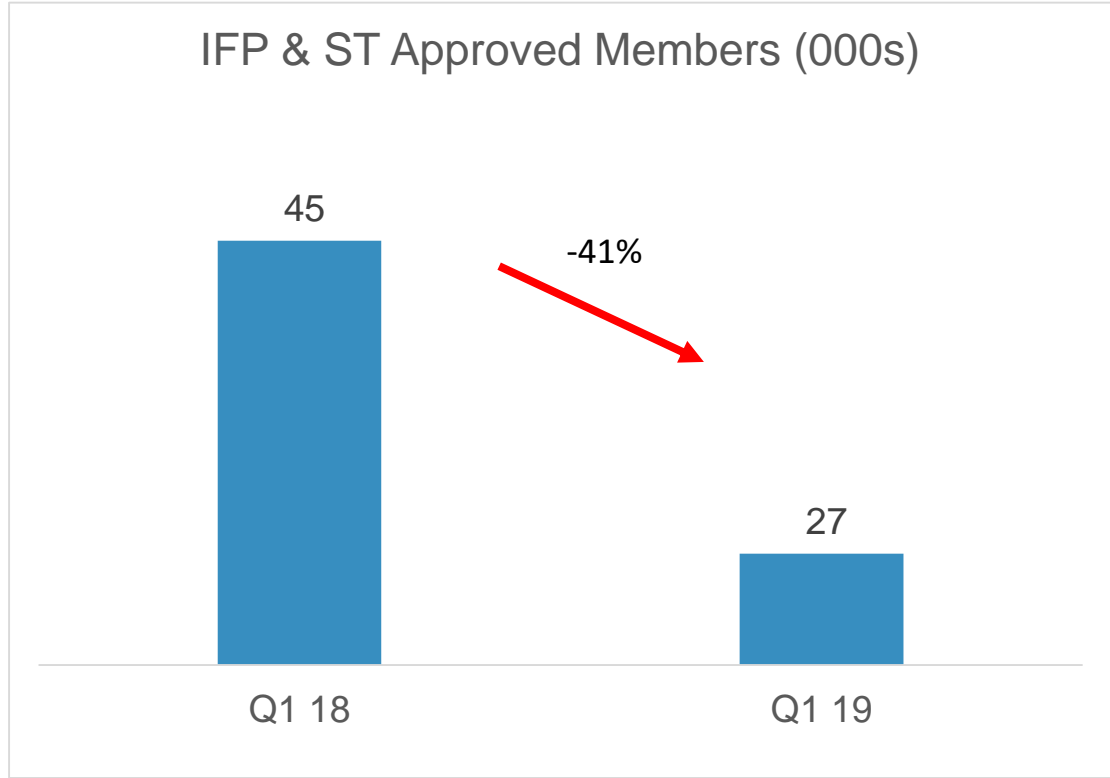


# Q1 2019 Approved Members

## Medicare Approved Members



## IFP & ST Approved Members





# Appendix

# Reconciliation of GAAP to Non-GAAP Financial Measures

	<u>Q1 2019</u>	<u>Q1 2018</u>
GAAP net loss	\$ (5,159)	\$ (4,845)
Stock-based compensation expense	3,229	2,550
Change in fair value of earnout liability	13,306	—
Acquisition costs	—	58
Restructuring	—	1,856
Amortization of intangible assets	547	451
Tax effect of non-GAAP adjustments	(4,687)	(1,375)
Non-GAAP net income (loss)	<u>\$ 7,236</u>	<u>\$ (1,305)</u>

GAAP net loss	\$ (5,159)	\$ (4,845)
Stock-based compensation expense	3,229	2,550
Change in fair value of earnout liability	13,306	—
Depreciation and amortization	655	619
Acquisition costs	—	58
Restructuring	—	1,856
Amortization of intangible assets	547	451
Other income, net	(557)	(184)
Benefit from income taxes	(3,467)	(1,691)
Adjusted EBITDA	<u>\$ 8,554</u>	<u>\$ (1,186)</u>