

**eHealth<sup>®</sup>**

2010/2011

**National Consumer Survey  
of Individual & Family Health Insurance  
Shoppers at [eHealthInsurance.com](http://eHealthInsurance.com)**

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# Introduction

## *Individual & Family Health Insurance*

Major medical individual & family health insurance is purchased by consumers on the open market to provide coverage for themselves, their children, or their families. Individual & family coverage is differentiated from group health insurance, which is typically obtained as a benefit through one's employer.

Approximately 14 million Americans are presently covered by individual & family health insurance plans in the United States<sup>1</sup>. That number may increase substantially beginning in 2014 when the so-called "individual mandate" outlined in the Patient Protection and Affordable Care Act of 2010 comes into effect. The mandate will require most Americans without employer-based coverage to obtain individual & family coverage for themselves.

## *Health Care Reform in 2010 and 2011*

The Patient Protection and Affordable Care Act will deliver big changes to the individual & family health insurance market – changes both in the design of the health insurance products sold and in the demographics of the consumer population. Provisions of the law are being phased in between 2010 and 2014. Some of these changes are already visible in the market today.

Provisions of the new law that came into effect in 2010 seek to provide improved access to coverage for children and young adults up to age 26, to guarantee coverage for certain preventive medical screenings, and to end lifetime benefit limits for many covered medical services. With few exceptions, these changes were made effective for new individual & family plans purchased on or after September 23, 2010, and for most group health insurance plans at the policy's first annual renewal after that date.

## *Surveying Today's Health Insurance Shopper*

eHealth, Inc.'s 'National Consumer Survey of Individual & Family Health Insurance Shoppers' presents results from an ongoing survey of consumers who contacted the eHealthInsurance Customer Care Center between September 2010 and February 2011. It also presents a year-over-year comparison of consumer responses to the same survey questions gathered between September 2009 and February 2010. Staffed with over 100 licensed health insurance agents, the eHealthInsurance Customer Care Center receives thousands of calls every month from consumers looking for health insurance.

The purpose of the survey is to provide a snapshot of the characteristics and concerns of today's individual & family health insurance shoppers. By providing year-over-year comparisons of survey responses, the present report also tracks changes in consumer demographics and behavior before and after the Patient Protection and Affordable Care Act was signed into law on March 23, 2010.

eHealth, Inc.'s 'National Consumer Survey of Individual & Family Insurance Shoppers' is not intended to provide a comprehensive overview of the entire individual & family insurance market. It samples only consumers who have contacted eHealthInsurance while shopping for individually-purchased health insurance products and who respond to a survey. At this time, eHealthInsurance.com is the single largest source of individual & family health insurance products nationwide, offering thousands of products from a broad selection of brand-name health insurance companies.

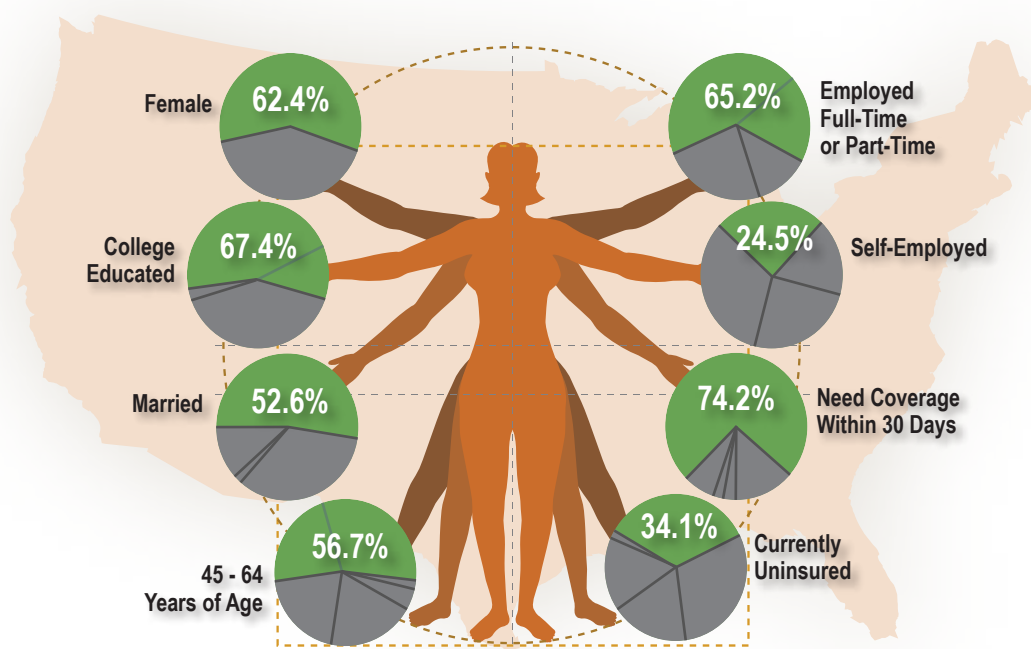
Refer to the Methodology section of this report for more information on how the survey was conducted.

# Consumer Snapshots 2010-2011

## Portrait of the Individual & Family Health Insurance Shopper 2010-2011

eHealthInsurance's National Consumer Survey of Individual & Family Insurance Shoppers' survey asks respondents to provide demographic information including sex, education, marital status, age, and employment status. The survey also asks whether respondents currently have health insurance and how soon they hope to have new health insurance coverage in place. In the 2010-2011 survey period, the average shopper is:

- Female (62.4%) more often than male
- College educated (67.4%)
- Married (52.6%)
- Between the ages of 45 and 64 (56.7%)
- Nearly seven in ten (65.2%) report being employed either full or part-time
- Nearly three in four (74.2%) indicate that they need health insurance coverage under a new plan to begin within 30 days



By comparing shopper demographics in the 2010-2011 survey period to responses from the 2009-2010 period, eHealthInsurance found the following:

### Women are increasingly more likely than men to shop for health insurance

- Women accounted for 62.4% of shoppers during the 2010-2011 period, compared to 59.7% the year before

### Fewer married people and more single people are shopping for health insurance

- In the 2010-2011 period, 52.6% of respondents were married and 33.6% were single, compared to 55.4% and 30%, respectively, in 2009-2010

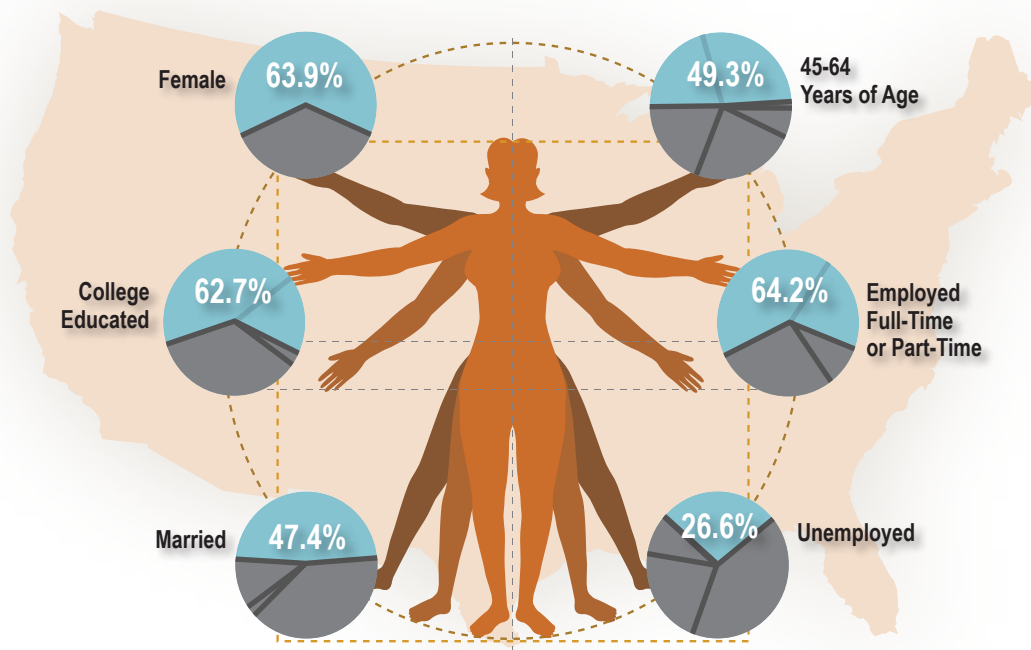
### Fewer young adults and more older adults are shopping for health insurance

- 4.6% of survey respondents were between the ages of 18 and 24 in 2010-2011, compared to 8.0% the year prior
- The percentage of respondents in the 55-64 age range increased from 28.2% to 38.7%

## Portrait of the Uninsured Individual & Family Health Insurance Shopper 2010-2011

The survey also provides an in-depth look at consumer demographics for the subset of shoppers who identify themselves as currently 'uninsured.' Among the uninsured:

- A substantial majority of respondents are female (63.9%)
- Most are college educated (62.7%)
- Most of the uninsured are employed full or part-time (64.2%)

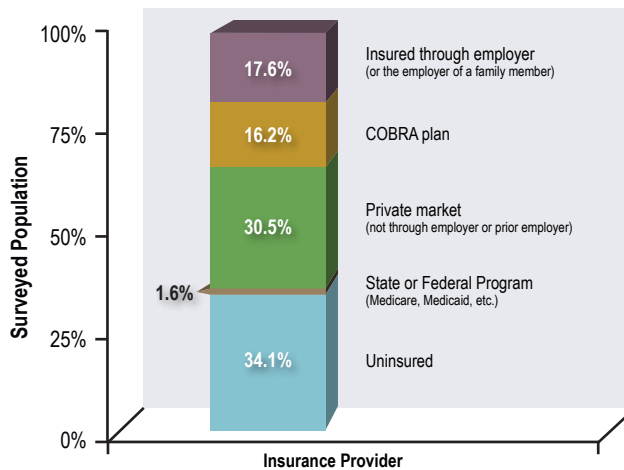


# Survey Highlights

## Insurance Status

Survey respondents were asked to state whether or not they currently have health insurance, and if so, through what source they obtain their coverage. In the 2010-2011 survey period, 34.1% report being uninsured, substantially higher than the overall uninsured population in the United States in 2011 (reported by Gallup as 16.6%<sup>2</sup>). Persons identifying themselves as currently uninsured made up the largest single block of consumers when sorted by insurance status. Additionally:

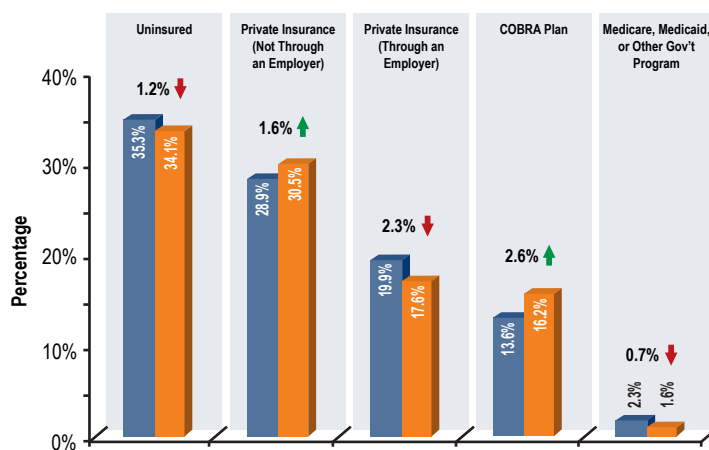
- More than half (57.1%) of respondents between ages 18-24 report being uninsured
- More than four in ten (44.4%) of those between ages 25-34 report being uninsured
- However, more than three in ten (33.8%) report being currently insured through an employer-sponsored plan or through COBRA



When comparing results year over year, the survey reveals a modest decrease in the number of shoppers who report having health insurance through an employer, and a modest increase in the number of shoppers reporting that they currently have COBRA health insurance.

- In the 2010-2011 period, 17.6% of respondents indicated that they currently have health insurance through an employer, down from 19.9% in the 2009-2010 period
- Over 16% of 2010-2011 shoppers describe themselves as currently covered by a COBRA plan, up from 13.6% a year prior

■ – September 2009 - February 2010 Survey Results    ■ – September 2010 - February 2011 Survey Results



## Employment Status

Most Americans who have health insurance get their coverage as a benefit of employment. As businesses struggle with a tough economy and increasing health care costs, many are passing a greater portion of those health insurance expenses on to employees<sup>3</sup>. Under the burden of increased expenses, some may cease providing employee coverage altogether. Consumers may turn to the individual & family health insurance market as a result of increased cost-sharing and loss of employer-based coverage.

- In the 2010-2011 survey period, more than six in ten survey respondents (65%) indicated they were currently employed full or part-time, a decrease of 3.2% compared to the year prior
- More than two in ten (23%) reported being currently unemployed, a 4.2% increase compared to the 2009-2010 survey period

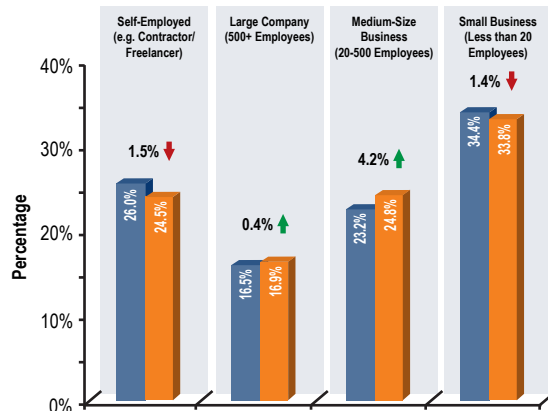
■ – September 2009 - February 2010 Survey Results   ■ – September 2010 - February 2011 Survey Results



The survey asked employed respondents to describe their employment in terms of the size of the firm for which they work. The results describe a slight decrease in the number of self-employed and small business workers, and a 4.2% increase in the number of respondents working for medium-sized businesses - defined as companies employing between 20 and 500 persons.

- Nearly one in four (24.5%) of the 2010-2011 survey respondents report being “self-employed”
- More than eight in ten (84%) of the 2010-2011 respondents who identified themselves as self-employed were between the ages 35 and 64
- More than three in ten 2010-2011 respondents (33.8%) report working for a small business
- 73% of respondents working for a small business in 2010-2011 are between the ages of 25 and 54

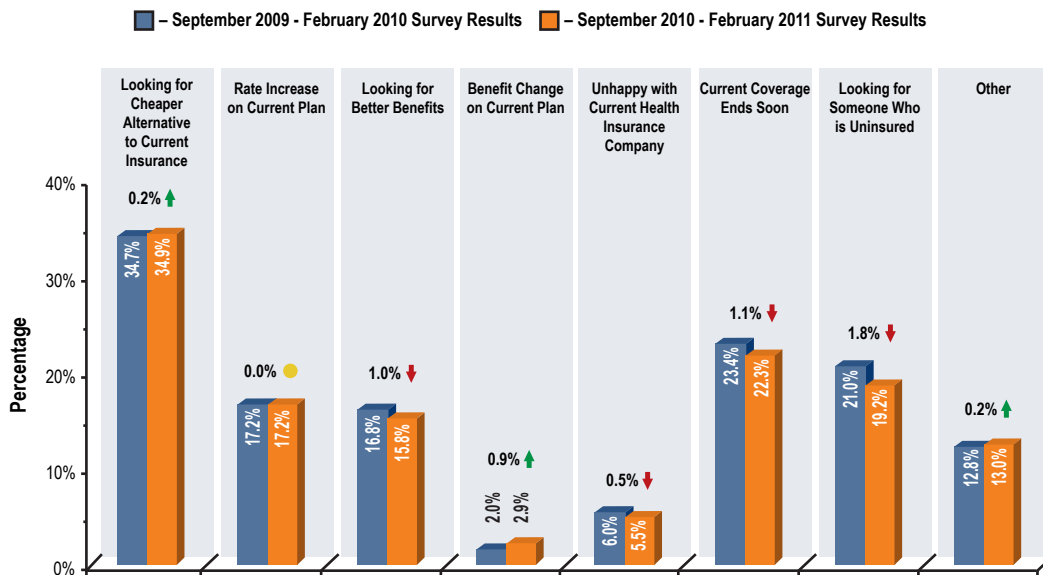
■ – September 2009 - February 2010 Survey Results   ■ – September 2010 - February 2011 Survey Results



## Reasons for Shopping – and the End Consumer

The survey asked respondents to describe why they are currently shopping for individual & family health insurance, allowing them to list multiple reasons. It also asked them whether they are shopping for themselves or on behalf of another person.

- Over half of the 2010-2011 respondents (52.1%) indicated that rate increases or the need for more affordable coverage spurred them to shop for a new plan
- More than two in ten 2010-2011 respondents (22.3%) cite the impending loss of their current coverage as a reason to shop



### NOTES:

<sup>1</sup> According to the Kaiser Family Foundation, 2010: <http://kff.org/kaiserpolls/upload/8077-R.pdf>

<sup>2</sup> Source: <http://www.gallup.com/poll/148079/Employer-Based-Health-Insurance-Declines-Further.aspx>

<sup>3</sup> Kaiser Family Foundation 2010 Employer Health Benefits 2010 Annual Survey:

<http://ehbs.kff.org/>



# Methodology

## *Survey Methodology*

The results of this ongoing survey were compiled by online poll. The survey was sent by email to consumers who contacted the eHealthInsurance Customer Care Center by telephone and who provided an email address. Participation in the survey is voluntary and so self-selection bias may be present in the results. Survey results considered in this report were compiled between September 2010 and February 2011. For the purposes of year-over-year comparison, responses to the same questions were also compiled from data gathered a year earlier, between September 2009 and February 2010. Information released in this report was compiled from a total of 2104 respondents (out of 33,887 surveys sent) in the September 2010-February 2011 period, and 1573 respondents (out of 26,192 surveys sent) in the September 2009-February 2010 time period. Given the nature of this survey, a margin of sampling error for all respondents is not readily available.

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