

PRESS RELEASE

## Affordable Obamacare Alternatives: eHealth Analysis Shows Medical Insurance Packages Cost 50% Less than Obamacare Plans

**Tightening enrollment periods and rising health insurance costs are leading consumers to purchase a combination of supplemental medical insurance products to protect themselves against unexpected medical costs**

**MOUNTAIN VIEW, CA – August 29, 2017** – Today eHealth, Inc. (NASDAQ:EHTH), which operates [eHealth.com](http://eHealth.com), a leading private online health insurance exchange, released average monthly prices for a variety of supplemental medical insurance products that many shoppers package together to create affordable alternatives to Obamacare.

eHealth's figures show that people who buy these supplemental policies in popular combinations typically pay only half the average monthly premium for Obamacare-compliant major medical health insurance plans selected by eHealth shoppers during the 2017 open enrollment period<sup>1</sup>.

The analysis found that family shoppers spend an average of 50% less in monthly premiums, compared to major medical coverage, when they create their own medical insurance packages with popular supplemental insurance products.

A separate analysis published on June 22, 2017 by eHealth found that the projected rate increases for major medical plans in 2018 would make health insurance unaffordable, according to the affordability rules of the Affordable Care Act (the ACA or Obamacare), for 29% of individuals and 54% of families<sup>2</sup>.

### **Average monthly prices for supplemental insurance and other products often included in medical insurance packages<sup>3</sup>**

	<b>Individual coverage</b>	<b>Family coverage</b>
Short-term health insurance	\$112	\$274
Gap insurance	\$30	\$51
Accident insurance	\$24	\$44
Critical illness insurance	\$34	\$63
Dental insurance	\$28	\$68
Vision insurance	\$23	\$46
Telemedicine (not an insurance product)	\$25	\$26

These supplemental forms of coverage may be purchased individually or in pre-selected medical insurance packages. Average monthly combined pricing is described below for several popular combinations, compared to average monthly premiums for Obamacare-compliant major medical health insurance.

#### **Short-term + Accident + Critical illness + Dental + Vision:**

	<b>Individual coverage</b>	<b>Family coverage</b>
Short-term health insurance	\$112	\$274

Accident insurance	\$24	\$44
Critical illness insurance	\$34	\$63
Dental insurance	\$28	\$68
Vision insurance	\$23	\$46
<b>Combined monthly cost</b>	<b>\$221</b>	<b>\$495</b>
Average Obamacare premiums <sup>1</sup>	\$378	\$997
<b>Savings: medical insurance package vs. Obamacare coverage</b>	<b>\$157 (42% less)</b>	<b>\$502 (50% less)</b>

#### Short-term + Gap + Dental + Vision:

	Individual coverage	Family coverage
Short-term health insurance	\$112	\$274
Gap insurance	\$30	\$51
Dental insurance	\$28	\$68
Vision insurance	\$23	\$46
<b>Combined monthly cost</b>	<b>\$193</b>	<b>\$439</b>
Average Obamacare premiums <sup>1</sup>	\$378	\$997
<b>Savings: medical insurance package vs. Obamacare coverage</b>	<b>\$185 (49% less)</b>	<b>\$558 (56% less)</b>

#### Short-term + Gap + Telemedicine:

	Individual coverage	Family coverage
Short-term health insurance	\$112	\$274
Gap insurance	\$30	\$51
Telemedicine (not an insurance product)	\$25	\$26
<b>Combined monthly cost</b>	<b>\$167</b>	<b>\$351</b>
Average Obamacare premiums <sup>1</sup>	\$378	\$997
<b>Savings: medical insurance package vs. Obamacare coverage</b>	<b>\$211 (56% less)</b>	<b>\$646 (65% less)</b>

### Medical insurance packages vs. Obamacare coverage

Health insurance shoppers turn to supplemental insurance products in order to save money compared to Obamacare coverage while still providing themselves with a layer of financial protection against unexpected medical costs.

A recent survey of health insurance shoppers at eHealth showed that half of them (50%) bought short-term health insurance over other alternatives, including Obamacare-compliant coverage, because it was less costly than other options<sup>4</sup>.

Many health insurance shoppers feel that these supplemental insurance products meet their personal coverage needs and their budget by requiring a lower monthly premium cost in exchange for less comprehensive coverage. However, these products, unlike Obamacare coverage, will not meet the minimum coverage requirements of the Affordable Care Act, and they may leave consumers subject to a tax penalty in cases where consumers are not exempt from the tax for not maintaining qualifying health coverage. Products such as these typically do not provide coverage for pre-existing medical conditions, preventive medical care, pregnancy and childbirth, and other services covered by Obamacare-compliant major medical plans. In addition, these products usually have underwriting requirements that examine an applicant's medical history before the applicant can receive coverage.

### **Supplemental medical insurance products explained**

The following provides a brief summary of the kinds of coverage offered by various supplemental medical insurance products that are often purchased in combination as an alternative to Obamacare coverage:

- **Short-term health insurance** provides temporary coverage (up to three months at a time in most cases) for a broad range of medical benefits
- **Accident insurance** provides policy holders with specific payouts in the event of a covered accident or injury
- **Critical illness insurance** provides policy holders with specific payouts in the event of a covered serious medical diagnosis
- **Gap insurance** typically provides a specific payout to policy holders when a covered illness or injury occurs
- **Dental insurance** provides specific benefits toward dental health
- **Vision insurance** provides specific benefits toward vision correction
- **Telemedicine** is not an insurance product but provides purchasers with access to professional medical assistance by telephone, typically any time of the day

The details of each insurance policy or other product vary by the specific policy or product you purchase, so always check the official policy or product documentation before purchase to make sure you understand how the policy or product works. Each policy or product will have specific benefits, limitations, exclusions, and other terms specific to that policy or product. eHealth's online tools and telephone support can help you understand these details when selecting the appropriate policy or products for your situation.

*Notes:*

<sup>1</sup> Based on eHealth shoppers who purchased Obamacare compliant major medical health insurance without government subsidies during the 2017 open enrollment period. Refer to eHealth's [Health Insurance Price Index Report for the 2017 Open Enrollment Period](#), published in May 2017.

<sup>2</sup> Based on eHealth's aggregated, anonymized data of its customers who did not qualify for tax credits and enrolled in a major medical plan at eHealth in 2017. For more information, see eHealth's [June 22, 2017 press release](#).

<sup>3</sup> The average monthly prices for supplemental forms of coverage described in this release are based on plans and policies available through [eHealth.com](http://eHealth.com) only. Some products are not available in some states and pre-selected combinations of these products may not always be available in certain areas.

<sup>4</sup> See eHealth's [March 10, 2017 press release](#) for more information on this survey.

# # #

#### **About eHealth**

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

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

#### **For media inquiries, please contact:**

Sande Drew  
DMA Communications for eHealth, Inc.  
(916) 207-7674  
[sande.drew@ehealth.com](mailto:sande.drew@ehealth.com)

Nate Purpura  
eHealth, Inc.  
(650) 210-3115  
[nate.purpura@ehealth.com](mailto:nate.purpura@ehealth.com)