

In August 2003, eHealthInsurance Services, Inc. selected and analyzed a sample of more than 56,000 policies from its member base, sold to individual consumers and families who purchased health insurance plans within the prior 6 months. This ongoing study is designed to monitor the trend of cost and comprehensiveness of health insurance policies purchased by consumers. The following data shows the costs paid and the benefits received by consumers buying private health insurance when offered a broad choice of plans. The data is drawn from across the United States and is representative of approximately 94% of the U.S. population.¹

Premiums Within Reach Across Most of the Country

Individual Major Medical Plans

The average premium that consumers in this survey purchased is approximately \$148 per-member-per-month (PMPM) for individual plans. On an annual basis, this premium amount equates to \$1,785 per-person-per-year. Over 60% of the uninsured population is under age 35, and in our survey, that age group paid an average annual premium of less than \$1,477, or approximately \$123 PMPM.

Health Insurance Premiums for Single Policies by Age Bracket							
Age	<18	18-24	25-34	35-44	45-64	65+ (4)	ALL
Average monthly premium per single (1)	\$97	\$115	\$131	\$156	\$210	N/A	\$148
Average annual premium per single	\$1,164	\$1,380	\$1,567	\$1,870	\$2,518	N/A	\$1,785
% of uninsured population by age (2)	20%	19%	22%	17%	21%	1%	100%
% of U.S. population by age (3)	26%	10%	14%	15%	23%	12%	100%

(1) Source: eHealthInsurance, Inc. 2003, single policies sold across states representing 94% of the U.S. population

(2) Source: Health Insurance Coverage, US Census Bureau, issued Sept 2000

(3) Source: U.S. Census Bureau, Census 2001, with extrapolation

(4) Age 65 and older are covered under Medicare

Family Major Medical Plans

For family policies with an average of 3 family members per policy in this sample, the average monthly premium purchased is approximately \$278 per month or \$3,331 per year for family plans.

Short-term Health Insurance Plans

For people who are between health insurance coverage due to job loss, college graduation, leave of absence from work or other life changes, short-term health insurance often can fill the gap at a low cost. Short-term coverage can be purchased to cover one-to-twelve months, depending on the carrier's policies.

Individuals who purchased short-term health insurance plans paid \$65.05 per month on average. Families who purchased short-term health insurance plans paid \$182.68 per month on average.

¹ Includes all U.S. states except MA, KY, WV, ME, NH, HI, ND, VT. See page 2 for more information.

Health Insurance Premiums for Single Policies by State

State	Population	% of U.S. Population	Avg. monthly premium per single: all ages	Avg. annual premium per single: all ages	Avg. age	Guaranteed Issue (1)	Community Rating (2)
California	34,501,130	12.1%	\$139	\$1,673	32		
Texas	21,325,018	7.5%	\$125	\$1,494	34		
New York	19,011,378	6.7%	\$303	\$3,633	38	Yes	Yes
Florida	16,396,515	5.8%	\$136	\$1,638	36		
Illinois	12,482,301	4.4%	\$132	\$1,586	33		
Pennsylvania	12,287,150	4.3%	\$106	\$1,266	33		
Ohio	11,373,541	4.0%	\$116	\$1,397	36		
Michigan	9,990,817	3.5%	\$109	\$1,306	34		
New Jersey	8,484,431	3.0%	\$337	\$4,048	39	Yes	Yes
Georgia	8,383,915	2.9%	\$154	\$1,844	31		
North Carolina	8,186,268	2.9%	\$ 96	\$1,153	32		
Virginia	7,187,734	2.5%	\$146	\$1,757	34		
Indiana	6,114,745	2.2%	\$121	\$1,455	35		
Washington	5,987,973	2.1%	\$177	\$2,125	36		
Tennessee	5,740,021	2.0%	\$124	\$1,487	36		
Missouri	5,629,707	2.0%	\$126	\$1,512	31		
Wisconsin	5,401,906	1.9%	\$107	\$1,286	40		
Maryland	5,375,156	1.9%	\$164	\$1,968	33		
Arizona	5,307,331	1.9%	\$158	\$1,894	35		
Minnesota	4,972,294	1.8%	\$140	\$1,681	33		
Louisiana	4,465,430	1.6%	\$111	\$1,333	32		
Alabama	4,464,356	1.6%	\$141	\$1,694	31		
Colorado	4,417,714	1.6%	\$118	\$1,422	34		
South Carolina	4,063,011	1.4%	\$146	\$1,751	32		
Oregon	3,472,867	1.2%	\$123	\$1,474	33		
Oklahoma	3,460,097	1.2%	\$114	\$1,365	36		
Connecticut	3,425,074	1.2%	\$186	\$2,237	35		
Iowa	2,923,179	1.0%	\$ 90	\$1,085	38		
Mississippi	2,858,029	1.0%	\$115	\$1,380	36		
Kansas	2,694,641	0.9%	\$136	\$1,636	30		
Arkansas	2,692,090	0.9%	\$118	\$1,419	39		
Utah	2,269,789	0.8%	\$154	\$1,843	32		
Nevada	2,106,074	0.7%	\$158	\$1,897	36		
New Mexico	1,829,146	0.6%	\$ 95	\$1,140	35		
Nebraska	1,713,235	0.6%	\$125	\$1,497	32		
Idaho	1,321,006	0.5%	\$130	\$1,565	37		
Rhode Island	1,058,920	0.4%	\$108	\$1,290	34		
Montana	904,433	0.3%	\$123	\$1,475	34		
Delaware	796,165	0.3%	\$118	\$1,414	36		
South Dakota	756,600	0.3%	\$126	\$1,512	38		
Alaska	634,892	0.2%	\$123	\$1,473	37		
Dist. Columbia	571,822	0.2%	\$181	\$2,167	33		
Wyoming	494,423	0.2%	\$ 97	\$1,167	30		
Subtotal	267,532,324	94.1%	\$148	\$1,785	34		

States not included:

State	Population	% of U.S. Population	Avg. monthly premium per single: all ages	Avg. annual premium per single: all ages	Avg. age	Guaranteed Issue (1)	Community Rating (2)	Other (3)
Massachusetts	6,379,304	2.2%	N/A	N/A	N/A	Yes		
Kentucky	4,065,556	1.4%	N/A	N/A	N/A	Yes		
West Virginia	1,801,916	0.6	N/A	N/A	N/A			Yes
Maine	1,286,670	0.5%	N/A	N/A	N/A	Yes	Yes	
New Hampshire	1,259,181	0.4%	N/A	N/A	N/A	Yes	Yes	
Hawaii	1,224,398	0.4%	N/A	N/A	N/A			Yes
North Dakota	634,448	0.2%	N/A	N/A	N/A			Yes
Vermont	613,090	0.2%	N/A	N/A	N/A	Yes	Yes	
Subtotal	17,264,563	5.9%						
Total US	284,796,887							

(1) Law requires all applicants to be issued a policy regardless of health

(2) Law requires policies to be priced independent of age and/or health

(3) State Department of Insurance and/or state-based carriers limits on non-resident broker sales.

Modest Deductibles and Co-payments

Data from this sample shows that there is a clear consumer purchasing preference for lower deductibles. As shown in the chart below, 62% of all plans purchased by individuals, and 50% purchased by families included in the sample have a deductible of \$1,000 or less. Additionally, nearly three-quarters of policies have office visit co-payments of \$20 or less.

Deductible Levels for Policies Purchased by eHealthInsurance Individual and Family Coverage Customers		
Deductible	Percentage of Policies Purchased	
	Individuals	Families
\$500 or less	40.5%	26.4%
\$501 to \$1000	22.0%	24.0%
\$1001 to \$1500	9.2%	11.6%
\$1501 to \$2000	10.5%	12.0%
\$2001 to \$3000	11.0%	13.4%
Over \$3000	6.8%	12.6%
Total	100%	100%

Co-Pay	Percent of Policies Purchased		
	Individuals	Families	Average
\$0	37.7%	46%	41.9%
\$10	10%	6.7%	8.4%
\$15	5.7%	6.4%	6.1%
\$20	19.7%	16.6%	18.1%
\$25	7.2%	4.6%	5.9%
\$30	13%	13.1%	13.0%
\$35	3.1%	3.3%	3.2%
\$40	1.4%	1.1%	1.2%
\$45	2.2%	2.2%	2.2%
Total	100%	100%	100%

Solid and Accessible Benefits

91% of policies purchased by individuals and 85% of policies purchased by families can be considered “comprehensive” in coverage, where comprehensiveness is defined to include: Inpatient, Outpatient, Lab and Test benefits. 85% of these plans also include Prescription Drug benefits. An average of 90% of individuals and families purchased mainstream health insurance plan types that are relatively unencumbered with utilization restrictions (e.g., HMO access requirements).

Benefit Levels of Policies Selected		
Benefit Coverage	% of Policies Purchased	
	Individuals	Families
Comprehensive (1)	91%	85%
Basic	9%	15%
Total	100%	100%

Product Choices by Individual Customers		
Product Type	% of Policies Purchased	
	Individuals	Families
PPO	77%	81%
HMO	12%	8%
Indemnity/Other	11%	11%
Total	100%	100%

(1) Comprehensive = Inpatient + Outpatient + Labs&Tests + Prescription Drugs (85%)

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