



HEALTH INSURANCE PRICE INDEX REPORT

2016 OPEN ENROLLMENT PERIOD

OCTOBER 2016

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INTRODUCTION

The 2016 Open Enrollment Period in Review

eHealth's Health Insurance Price Index Report for the 2016 Open Enrollment Period is an in-depth analysis of the cost of individual and family health insurance plans selected by unsubsidized eHealth shoppers during the Affordable Care Act's nationwide open enrollment period for 2016 coverage. The open enrollment period began on November 1, 2015 and ended January 31, 2016.

eHealth is America's oldest and largest private online health insurance marketplace, representing more than 180 health insurance companies nationwide and offering thousands of plans to choose from. While the company has served the needs of consumers eligible for government subsidies as well as those ineligible for government subsidies, the present report focuses on consumers not utilizing subsidies. By examining the cost of coverage without subsidies, eHealth's report provides a clearer view of the actual cost of coverage in 2016's reformed health insurance market.

The intent of this report is to present a nationwide snapshot of consumer behavior in the individual health insurance market by looking at the cost of health plans actually selected by consumers shopping outside government marketplaces through eHealth. Information presented in this report is based solely on rates quoted for health insurance applications submitted by consumers through the company's website, eHealth.com, in the specified time period. It does not offer a comprehensive view of costs for all plans available outside government-run marketplaces or through government marketplaces or through private marketplaces other than eHealth.

For more information on the methods employed in the collection and analysis of the data presented in this report, refer to the methodology section.

EXECUTIVE SUMMARY AND 2016 HIGHLIGHTS

eHealth's Health Insurance Price Index Report for the 2016 Open Enrollment Period provides an analysis of quoted costs and trends of individual and family health insurance plans selected by unsubsidized eHealth shoppers from November 1, 2015 through January 31, 2016. All data included in this report is based solely on consumers selecting health insurance plans at eHealth.

Highlights:

- **Individual premiums averaged \$321 per month.**
- **Family premiums averaged \$833 per month.**
- **Deductibles averaged \$4,358 for individuals and \$7,983 for families.**
- **The popularity of EPO-style plans doubled in two years:** The percentage of eHealth shoppers selecting EPO-style plans increased from 8% in 2014 to 16% in 2016; only 38% of eHealth shoppers selected PPO-style plans for 2016, compared to 46% in 2014.
- **The popularity of silver plans continued to increase:** Silver plans accounted for 29% of all plans selected by eHealth shoppers for 2016 compared to 21% for 2014; meanwhile, the percentage of bronze plans selected by shoppers has dropped from 47% in 2014 to 44% in 2016.

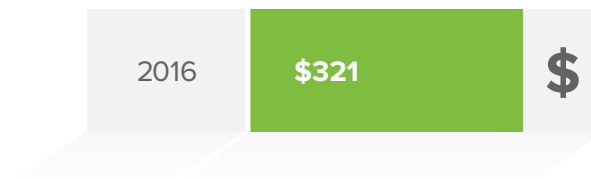
For more information on 2014 data, refer to the methodology section of this report.



INDIVIDUAL COVERAGE COSTS AND TRENDS

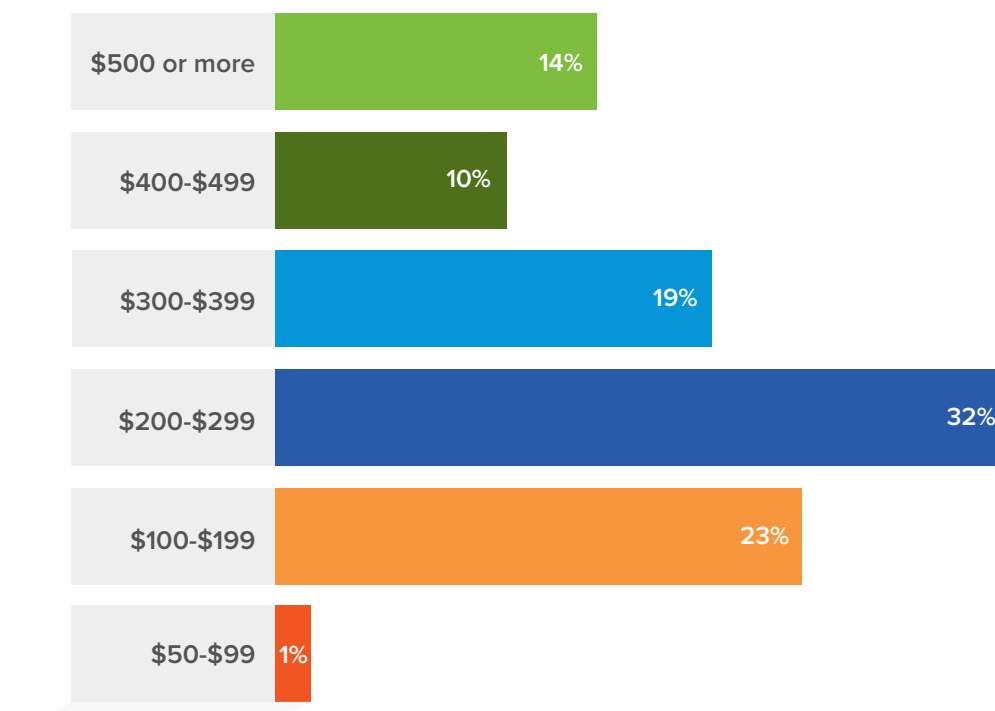
INDIVIDUAL COVERAGE COSTS AND TRENDS

Average monthly premiums for individual plans



- \$321 was the average monthly premium for individual health insurance plans selected by eHealth shoppers during the 2016 open enrollment period.

Average monthly premium by dollar range for individual plans

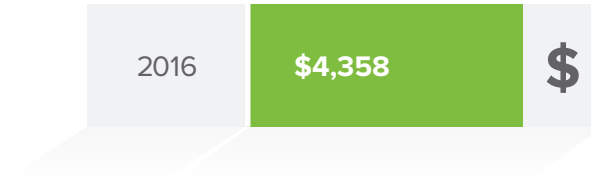


- More than four-in-ten shoppers (43%) selected plans with monthly premiums of \$300 or greater in 2016.

Numbers may not add to 100% due to rounding

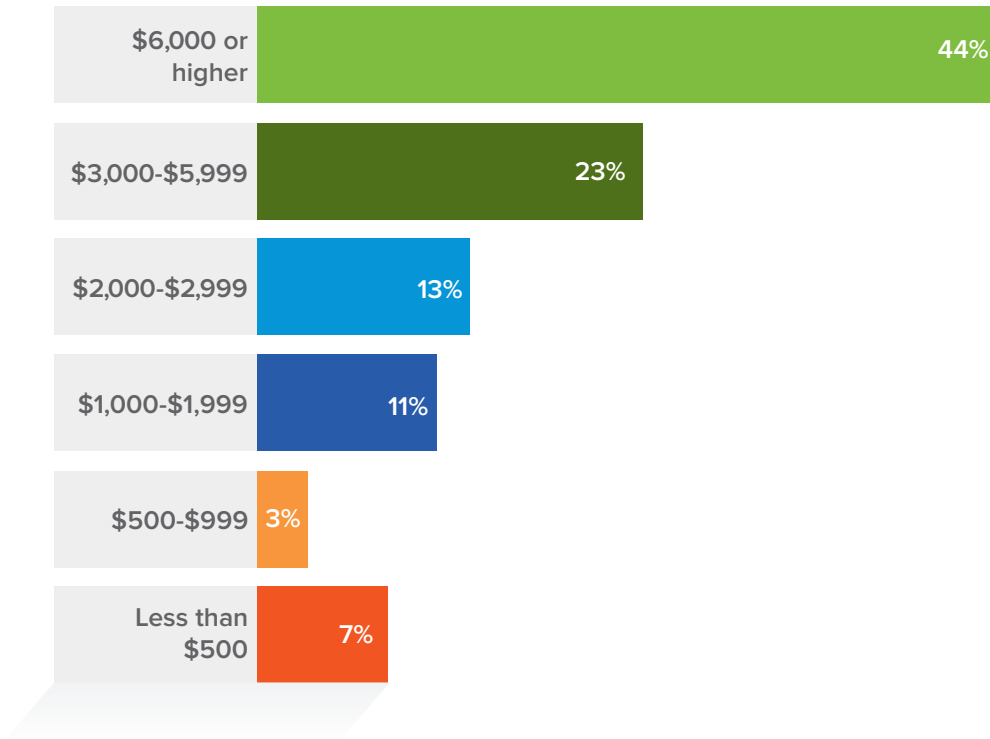
INDIVIDUAL COVERAGE COSTS AND TRENDS

Average annual deductibles for individual plans



- In 2016 the average annual deductible for individual plans was \$4,358.

Average annual deductibles by dollar range for individual plans

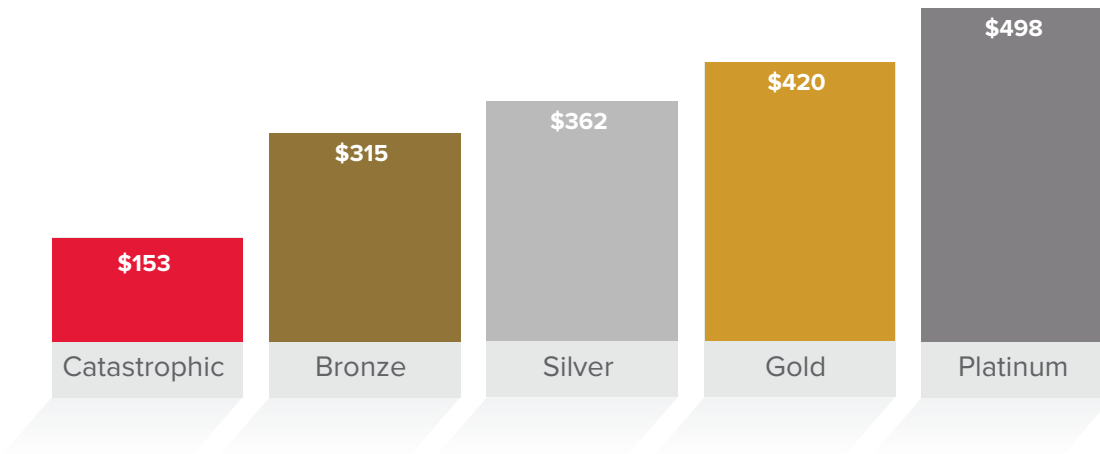


- More than four-in-ten (44%) shoppers selected plans with annual deductibles of \$6,000 or greater in 2016.

Numbers may not add to 100% due to rounding

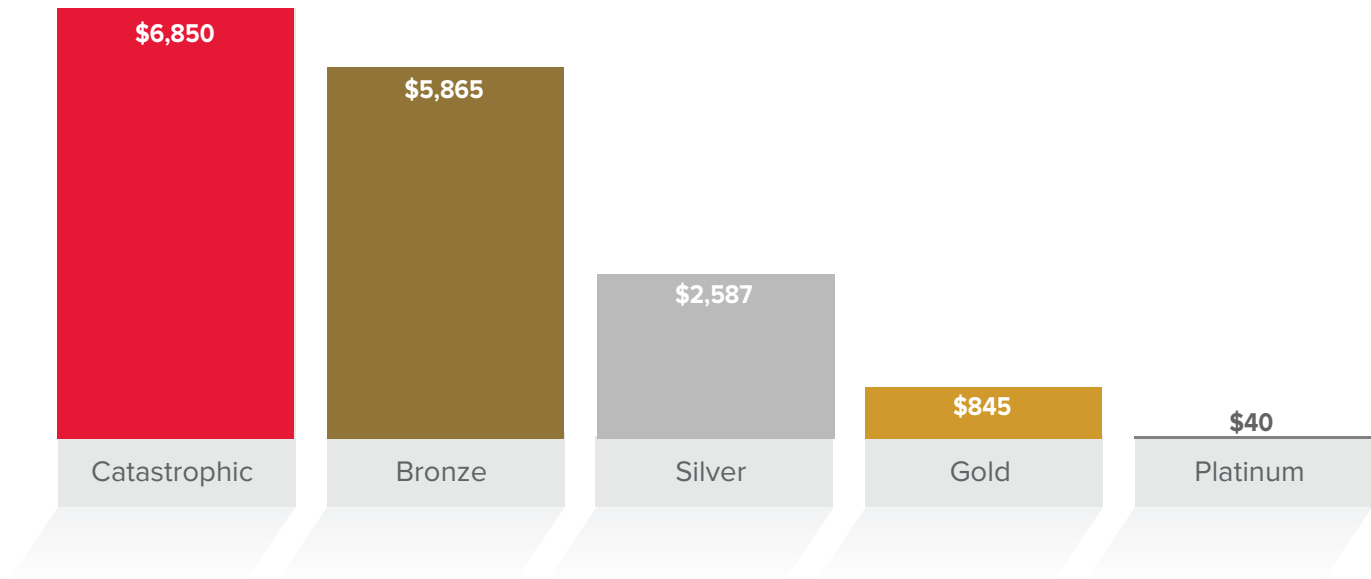
INDIVIDUAL COVERAGE COSTS AND TRENDS

Average monthly premiums by metal level for individual plans



- The average monthly premium for individual bronze plans was \$315 in 2016 while the average platinum plan premium was \$498.

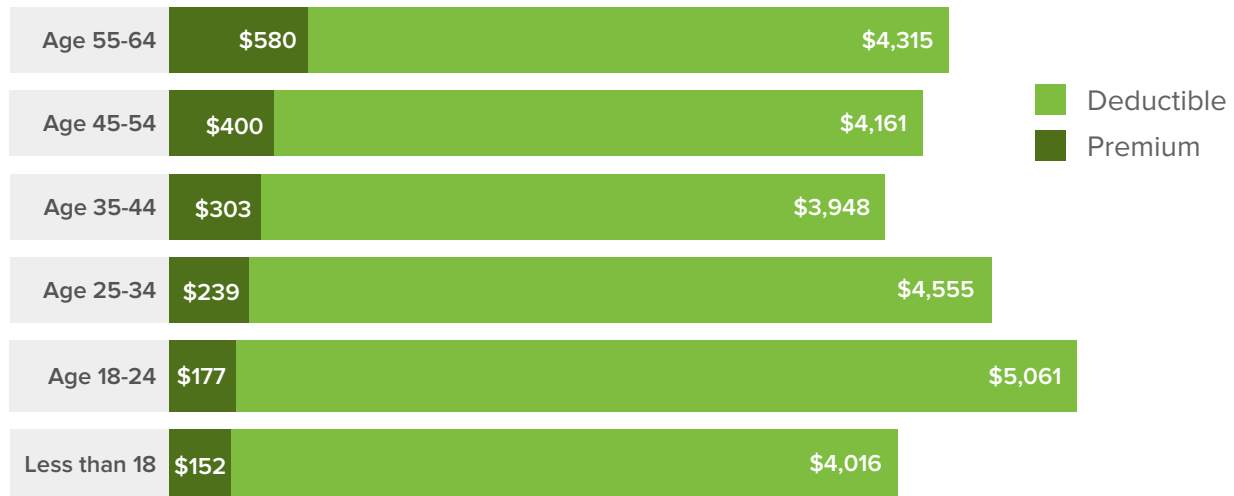
Average annual deductibles by metal level for individual plans



- The average annual deductible for a bronze plan was \$5,865 in 2016 while the average annual deductible for a platinum plan was only \$40.

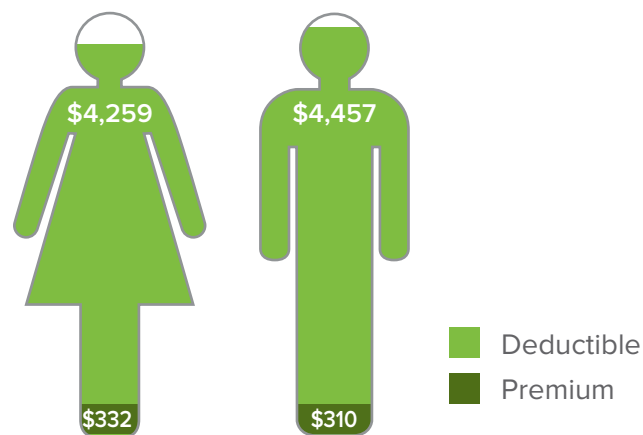
INDIVIDUAL COVERAGE COSTS AND TRENDS

Average premiums and deductibles by age band for 2016 individual plans



- The average age of applicants for individual plans was 37 years old.

Average premiums and deductibles by gender for individual plans



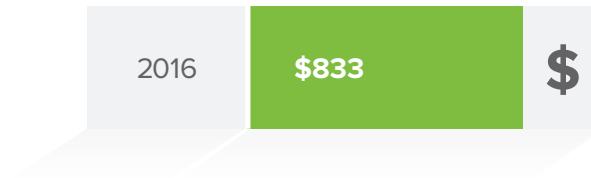
- Women selected plans with average monthly premiums 7% higher than those selected by men.
- Women selected plans with average annual deductibles 4% lower than those selected by men.



FAMILY COVERAGE COSTS AND TRENDS

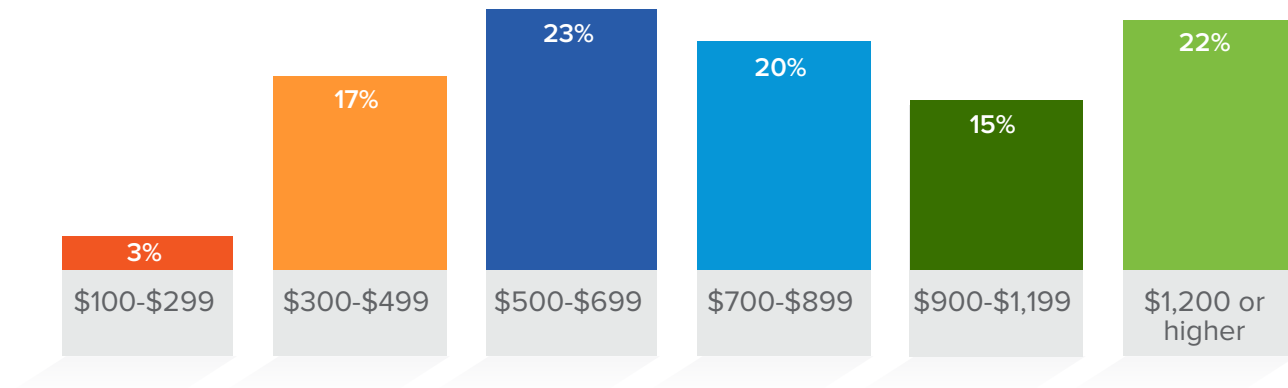
FAMILY COVERAGE COSTS AND TRENDS

Average monthly premiums for family plans



- \$833 was the average monthly premium for family health insurance plans selected by eHealth customers during the 2016 open enrollment period.

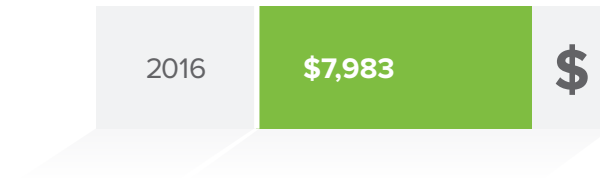
Average monthly premium by dollar range for family plans



- Fewer than half (43%) of shoppers selected plans with monthly premiums of \$700 or less in 2016.

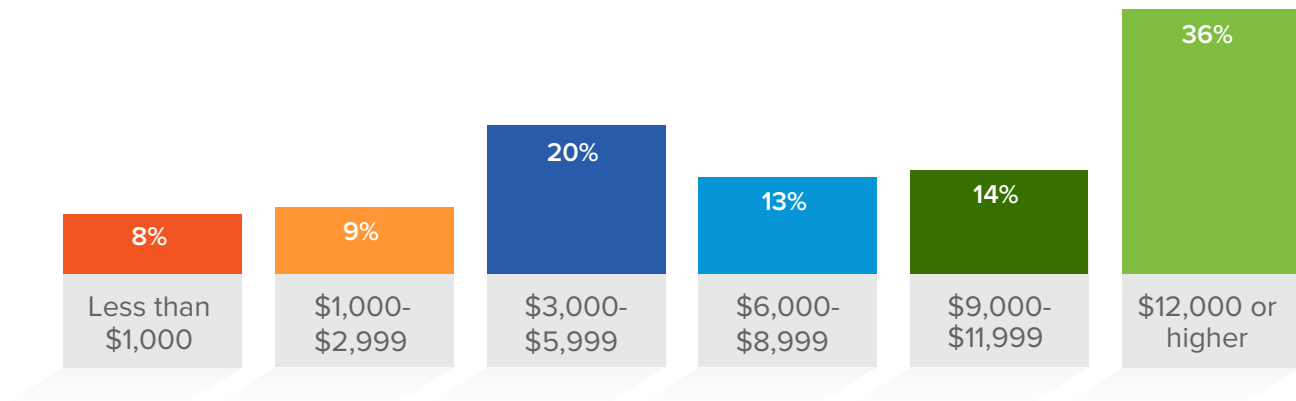
FAMILY COVERAGE COSTS AND TRENDS

Average annual deductibles for family plans



- In 2016 the average annual deductible for family plans was \$7,983.

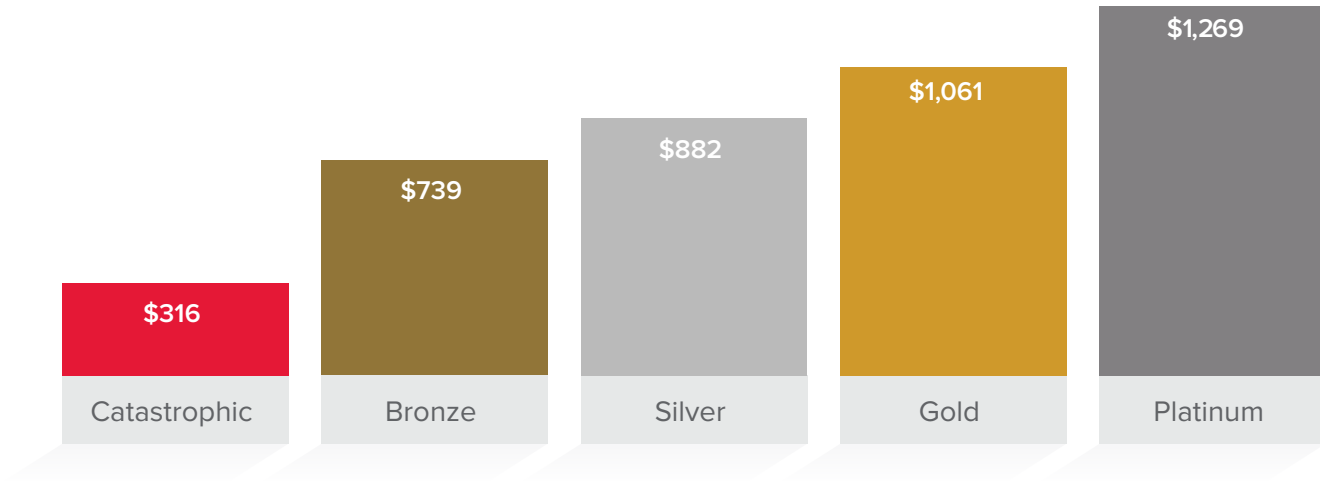
Average annual deductibles by dollar range for family plans



- More than four-in-six (63%) shoppers selected plans with annual deductibles of \$6,000 or greater in 2016.

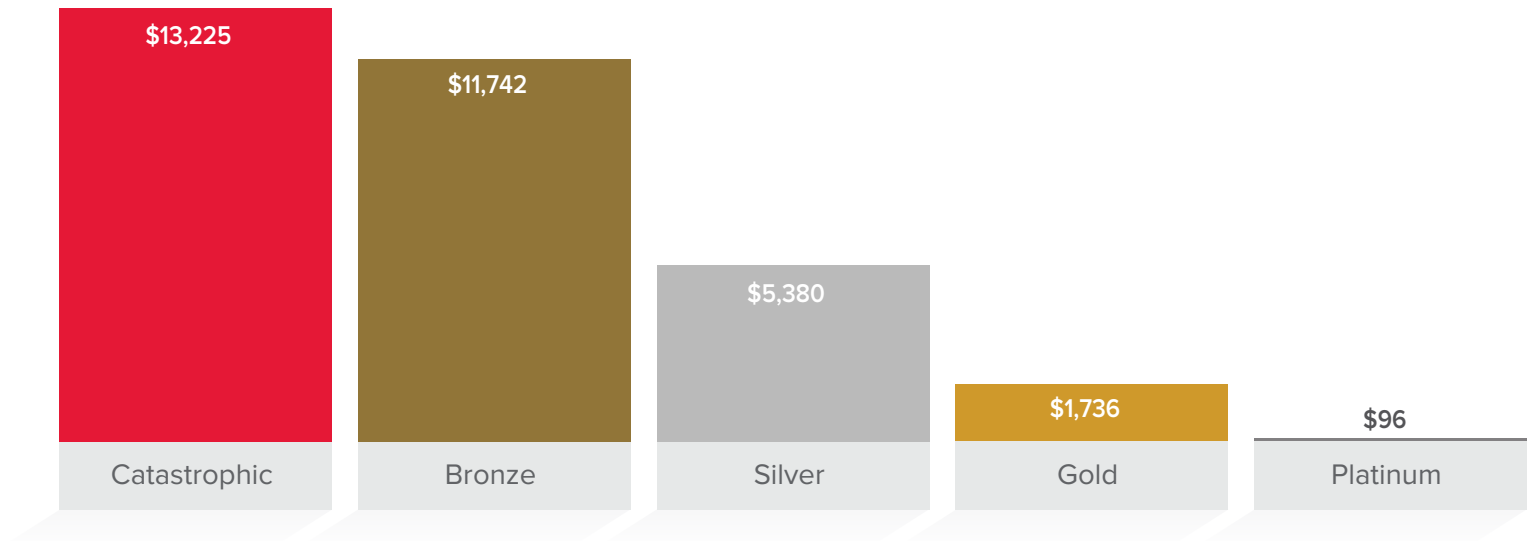
FAMILY COVERAGE COSTS AND TRENDS

Average monthly premiums by metal level for family plans



- The average monthly premium for bronze plans was \$739 per family in 2016 while the average monthly premium for platinum plans was \$1,269 per family.

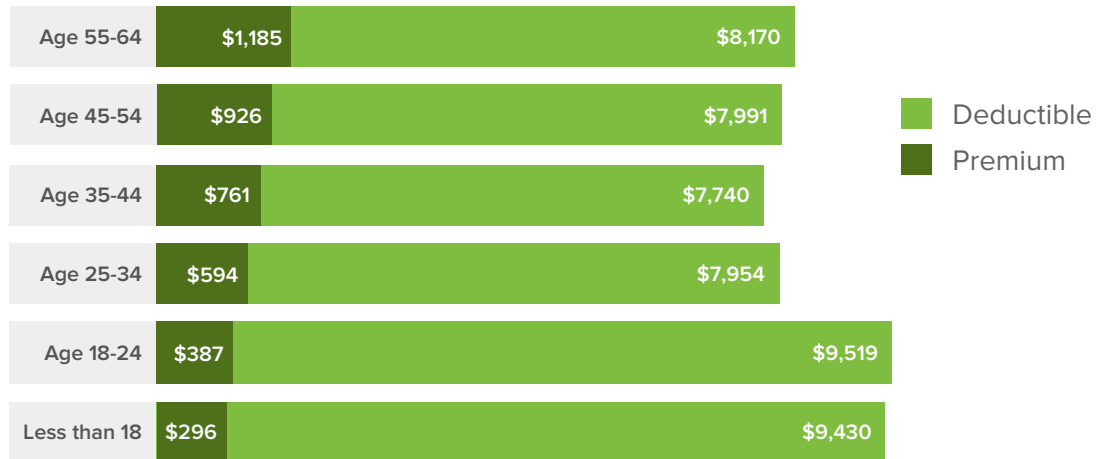
Average annual deductibles by metal level for family plans



- The average annual deductible for family bronze plans in 2016 was \$11,742 while the average annual deductible for platinum plans was \$96.

FAMILY COVERAGE COSTS AND TRENDS

Average premiums and deductibles by age (of primary applicant) for 2016 family plans



- The average age of primary applicants for family plans was 43 years old.

Average premiums and deductibles by family size



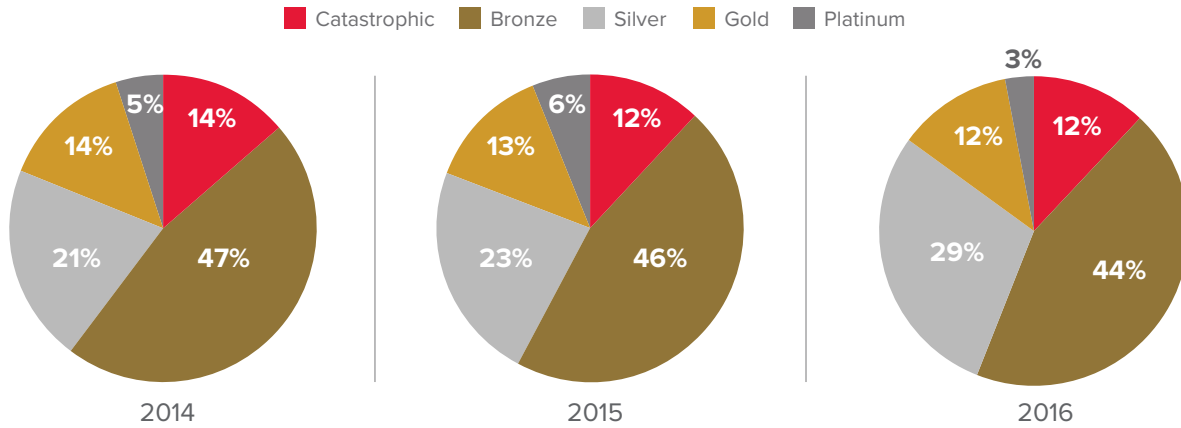
- The average monthly premium for 4-person family was 31% higher than the average monthly premium for 2-person family in 2016.



OVERALL PLAN SELECTION COSTS AND TRENDS

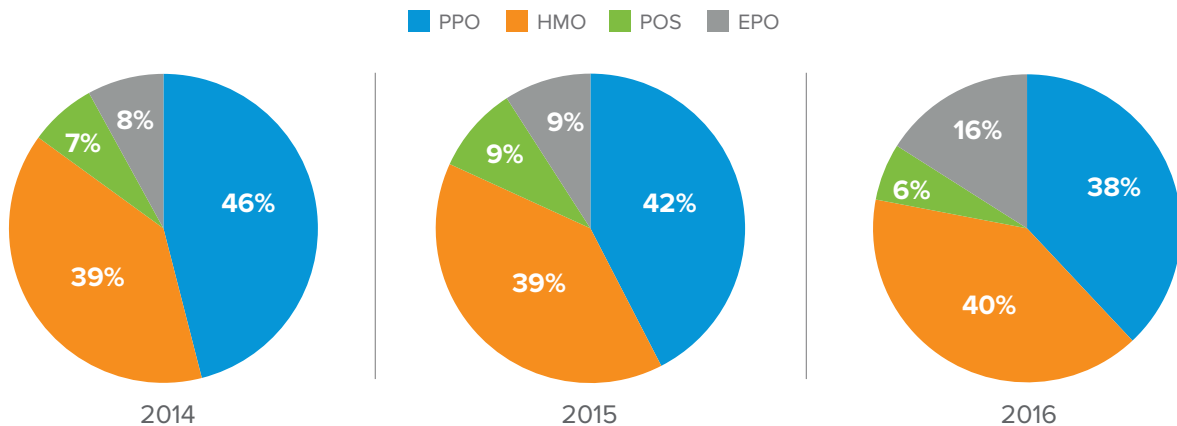
OVERALL PLAN SELECTION COSTS AND TRENDS

Plan selection by metal level (individual and family plans combined)



- The percentage of individual and family eHealth customers selecting bronze plans has decreased from 47% to 44% between 2014 and 2016.
- The percentage of shoppers selecting silver plans has increased from 21% to 29% between 2014 and 2016.

Plan selection by plan type (individual and family plans combined)

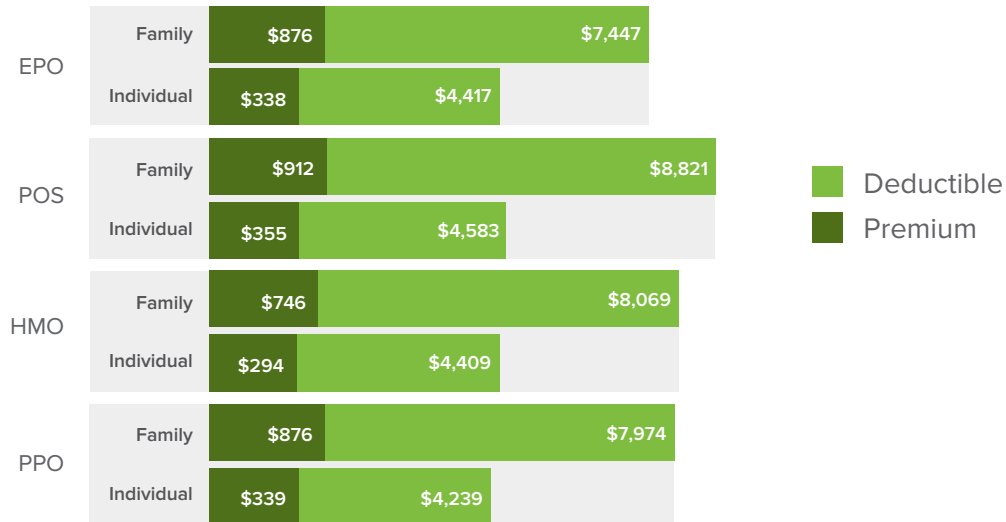


- The percentage of shoppers selecting Preferred Provider Organization (PPO) plans has decreased from 46% to 38% between 2014 and 2016.
- The percentage of shoppers selecting Exclusive Provider Organization (EPO) plans has doubled from 8% in 2014 to 15% in 2016.

*Numbers may not add to 100% due to rounding
For information on 2014 and 2015 data, refer to methodology*

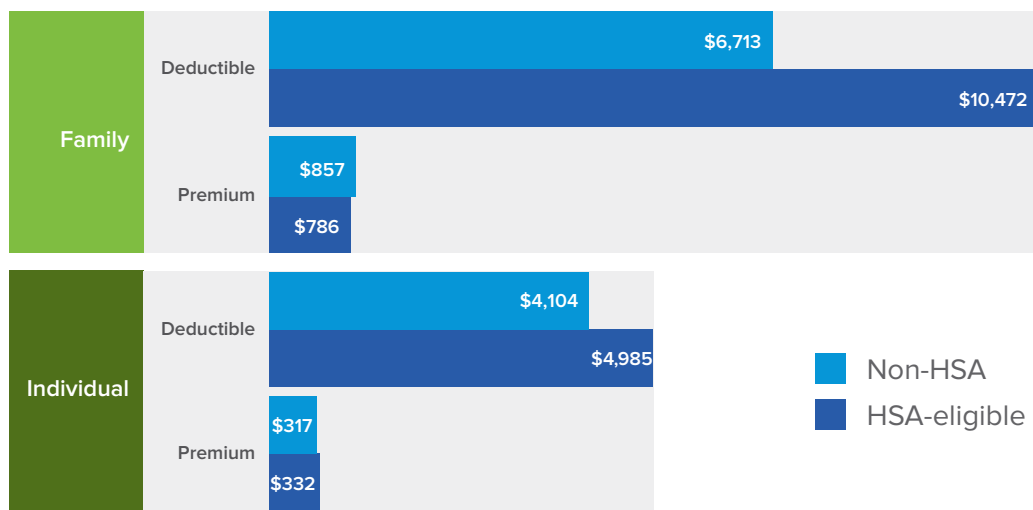
OVERALL PLAN SELECTION COSTS AND TRENDS

Average premiums and deductibles by plan type for 2016 plans



- Health Maintenance Organization (HMO) plans had the lowest average monthly premiums for both individual and family plans in 2016.
- PPO-style plans had the lowest average deductible for individual coverage in 2016, while Exclusive Provider Organization (EPO) plans had the lowest average deductible for family coverage.

HSA-eligible plans vs HSA-ineligible plans for 2016



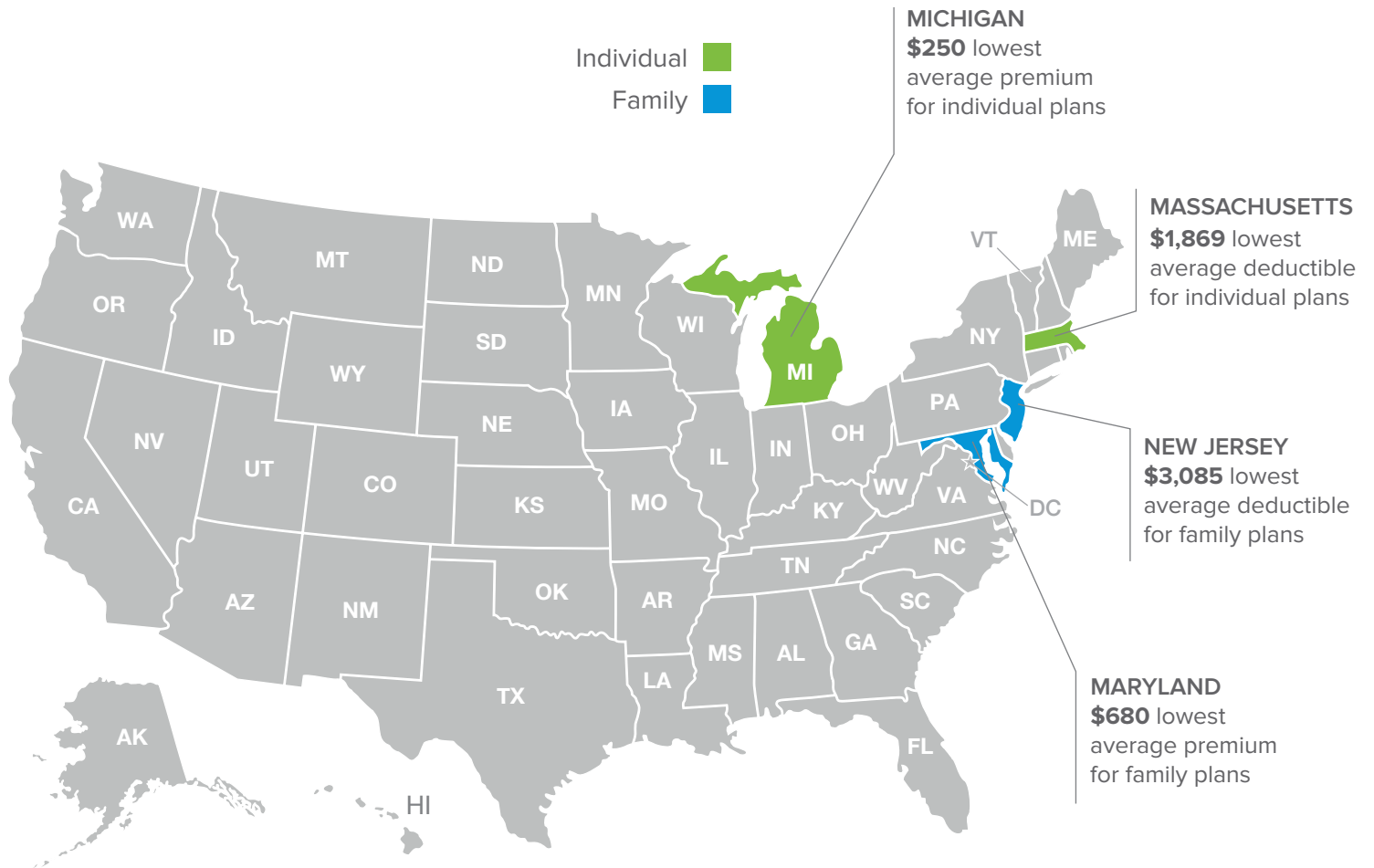
- Average premiums for HSA-eligible plans were higher for individuals and lower for families when compared to plans not eligible for use with an HSA.



STATE-SPECIFIC COSTS AND TRENDS

STATE-SPECIFIC COSTS AND TRENDS

Lowest average premiums and deductibles for 2016



Data presented in this map is based on the information included in this report and represents only plans selected by eHealth shoppers during the 2016 open enrollment period. This is not a comprehensive or definitive representation of the highest or lowest cost plans available in every state.

Average monthly premiums & deductible by state for individual plans

| State | Avg. premium 2016 OEP | Avg. deductible 2016 OEP |
|-------|-----------------------|--------------------------|
| AL | \$290 | \$6,125 |
| AR | \$290 | \$5,029 |
| AZ | \$297 | \$4,911 |
| CA | \$330 | \$3,509 |
| CO | \$312 | \$4,581 |
| CT | \$340 | \$4,862 |
| DE | \$386 | \$4,478 |
| FL | \$340 | \$5,364 |
| GA | \$312 | \$4,900 |
| IA | \$281 | \$5,225 |
| ID | \$314 | \$4,437 |
| IL | \$304 | \$4,541 |
| IN | \$361 | \$5,160 |
| KS | \$301 | \$5,338 |
| KY | \$304 | \$4,676 |
| LA | \$338 | \$4,895 |
| MA | \$365 | \$1,869 |
| MD | \$257 | \$4,730 |
| ME | \$343 | \$4,914 |
| MI | \$250 | \$4,945 |
| MN | \$283 | \$5,074 |
| MO | \$287 | \$5,093 |
| MS | \$308 | \$5,666 |
| MT | \$333 | \$5,108 |
| NC | \$359 | \$5,630 |
| ND | \$314 | \$4,857 |
| NE | \$325 | \$5,234 |
| NH | \$457 | \$4,732 |
| NJ | \$400 | \$2,139 |
| NM | \$305 | \$3,612 |
| NV | \$307 | \$4,426 |
| NY | \$375 | \$4,647 |
| OH | \$329 | \$5,006 |
| OK | \$294 | \$4,807 |
| OR | \$301 | \$4,076 |
| PA | \$313 | \$3,783 |
| SC | \$363 | \$5,021 |
| TN | \$305 | \$4,973 |
| TX | \$328 | \$4,792 |
| UT | \$286 | \$4,259 |
| VA | \$307 | \$4,489 |
| WA | \$317 | \$3,734 |
| WI | \$379 | \$5,696 |
| WV | \$398 | \$3,994 |

Average monthly premiums & deductible by state for family plans

| State | Avg. premium 2016 OEP | Avg. deductible 2016 OEP |
|-------|-----------------------|--------------------------|
| AZ | \$685 | \$9,491 |
| CA | \$869 | \$5,903 |
| CO | \$795 | \$8,442 |
| CT | \$928 | \$8,233 |
| FL | \$854 | \$9,979 |
| GA | \$830 | \$8,829 |
| ID | \$767 | \$8,461 |
| IL | \$797 | \$9,423 |
| IN | \$951 | \$8,878 |
| KS | \$742 | \$9,775 |
| KY | \$712 | \$9,013 |
| LA | \$873 | \$10,332 |
| MA | \$952 | \$3,664 |
| MD | \$680 | \$8,255 |
| MI | \$691 | \$9,239 |
| MN | \$734 | \$9,960 |
| MO | \$775 | \$9,140 |
| NC | \$957 | \$10,117 |
| NJ | \$1,054 | \$3,085 |
| NM | \$732 | \$6,304 |
| NV | \$745 | \$7,908 |
| NY | \$1,153 | \$5,477 |
| OH | \$845 | \$9,513 |
| OK | \$695 | \$11,237 |
| OR | \$705 | \$8,078 |
| PA | \$871 | \$5,979 |
| SC | \$931 | \$8,663 |
| TN | \$782 | \$8,881 |
| TX | \$833 | \$9,402 |
| UT | \$793 | \$8,036 |
| VA | \$861 | \$7,659 |
| WA | \$799 | \$6,739 |
| WI | \$995 | \$10,042 |

Fields are marked "NA" when fewer than 100 applications were submitted by eHealth shoppers. For more information, refer to the methodology section of this report. Where data was insufficient, some states were not included in the table above. Based on plans selected by eHealth customers only.

METHODOLOGY

eHealth is one of the few organizations with national health insurance data from multiple insurance carriers that broadly reflects consumer buying patterns and costs in the unsubsidized, self-purchased individual and family health insurance market. eHealth's Health Insurance Price Index Report for the 2016 Open Enrollment Period examines shopping trends and costs for plans selected by consumers visiting eHealth's website between November 1, 2015 and January 31, 2016.

Information presented in this report is based solely on rates quoted for health insurance applications submitted by unsubsidized consumers through the company's website, eHealth.com in the specified time period. It does not offer a comprehensive view of costs for all plans available through eHealth or through government exchanges or through private exchanges other than eHealth.

Regarding this report:

Data collected and presented is based on over 77,000 unsubsidized individual and family health insurance applications submitted through eHealth.com between November 1, 2015 and January 31, 2016. In some cases, comparisons are drawn between consumer selections during the 2015 and 2014 open enrollment periods, in which case data is drawn from eHealth's previously published March 2015 Health Insurance Price Index Report.

Although eHealth was able to facilitate subsidy applications and enroll qualifying consumers in subsidy-eligible plans in many states during the 2015 and 2016 open enrollment periods, data from these customers are not included in this report.

When the number of submitted applications was less than 100, state-specific cost points were omitted from the state data tables.

Premium and deductible and metal level data provided in this report are based on information provided by the insurance companies to eHealth.

Not all submitted applications result in an enrollment. It is possible for an applicant to withdraw his or her request for coverage after submitting an application, or for an application to be declined for certain reasons. No financial data relevant to eHealth's business should be drawn from this report.

Definitions:

- A "premium" is the estimated cost (usually expressed as a monthly figure) of a health insurance plan that the consumer is quoted when submitting a health insurance application on eHealth.com.
- A "deductible" is the amount of medical expenses (usually expressed as an annual figure) that a consumer may be required to pay out-of-pocket before an insurance company begins paying for medical claims.

- A “submitted application” is a health insurance application that has been completed by a visitor on ehealth.com and has been submitted for health insurance carrier review and approval via ehealth.com.
- An “individual plan” is an individual and family major medical policy that has only one member.
- A “family plan” is an individual and family major medical policy that has two or more members.
- A “shopper,” for the purposes of this report, is a consumer who selected an individual or family health insurance plan at eHealth, unless otherwise stated. Not all visitors to eHealth’s website select plans to enroll in. This report is concerned only with those who do select plans.

The average national premiums and additional data included in this report are based on individual and family health insurance applications submitted through eHealth (and not involving government exchanges) for the period noted. Certain applications missing key data fields relevant to the Index may have been removed from the sample.

Disclaimers:

- Average costs published in this report present a snapshot of national average health insurance premiums based solely on the behavior of eHealth’s unsubsidized, off-exchange customers, and do not necessarily represent the average costs of all individual or family health insurance plans purchased across the country through all sources.
- The analysis presented in this report is based solely on health insurance plans offered and applied for through eHealth.com. Results may not reflect the full scope of all individual and family health insurance products on a national basis or that are available within a given state.
- Each individual’s or family’s health insurance premium is based on many factors, including but not limited to geography, age, type of plan, individual plan benefits chosen, and others that may not be fully reflected in this report.
- Specific health insurance plan premiums, deductibles, and other features may differ significantly from any averages or other statistics presented in this report.
- Dollar figures in the report have been rounded to the nearest full dollar. Percentages have been rounded to the nearest full percentage point and may add up to slightly less or more than 100% due to rounding.

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