

Week One Report - The ACA Open Enrollment Period for 2019 Coverage

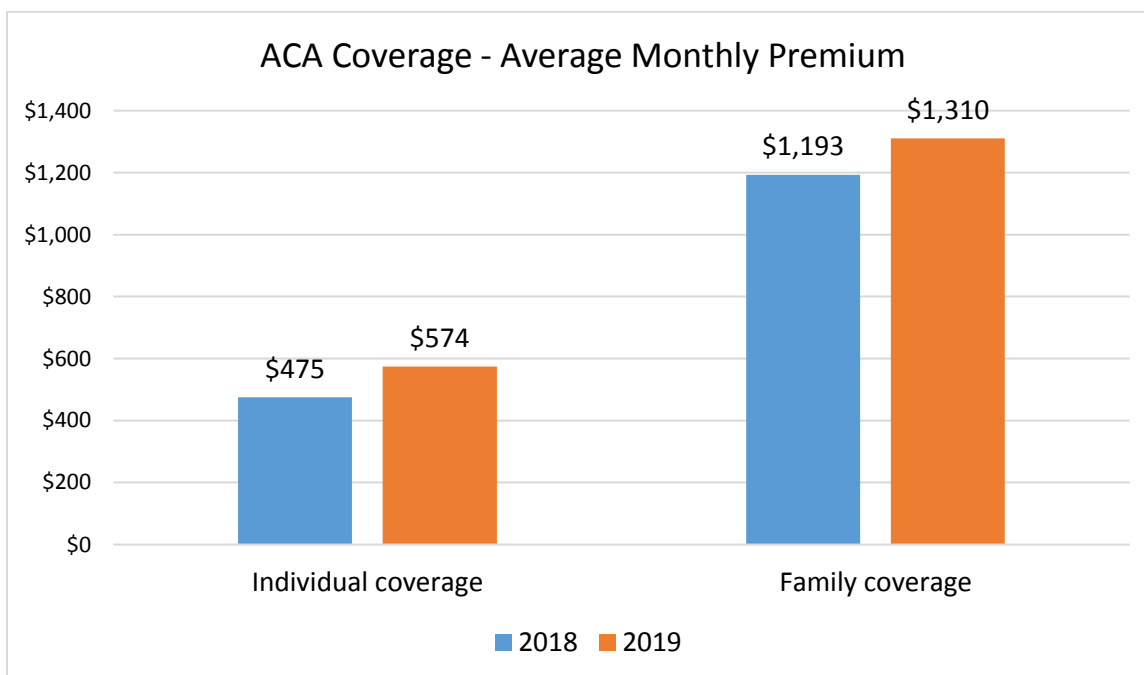
The nationwide open enrollment period for 2019 coverage under the Affordable Care Act (ACA) began November 1, 2018 and is scheduled to continue through December 15, 2018.

The Centers for Medicare and Medicaid Services reports on costs and trends in the ACA market with a focus on consumers utilizing government subsidies. Like many of eHealth's reports, this analysis seeks to fill a gap by examining costs and trends among unsubsidized individual and family health insurance consumers who selected health insurance plans at eHealth in the first week of the 2019 open enrollment period (November 1 through 7, 2018). Comparisons are drawn with trends among unsubsidized eHealth customers during the same period last year.

Following a change of federal rules allowing for the sale of short-term health insurance plans with coverage periods of up to one year, this report also includes a review of costs and trends among eHealth customers purchasing short-term plans in the same period.

ACA Plans – Preliminary figures show higher average premiums

In the first week of the 2019 open enrollment period, the average monthly premium for ACA-compliant plans selected by individual eHealth customers who did not utilize government subsidies was \$574, while the average monthly premium for families was \$1,310.

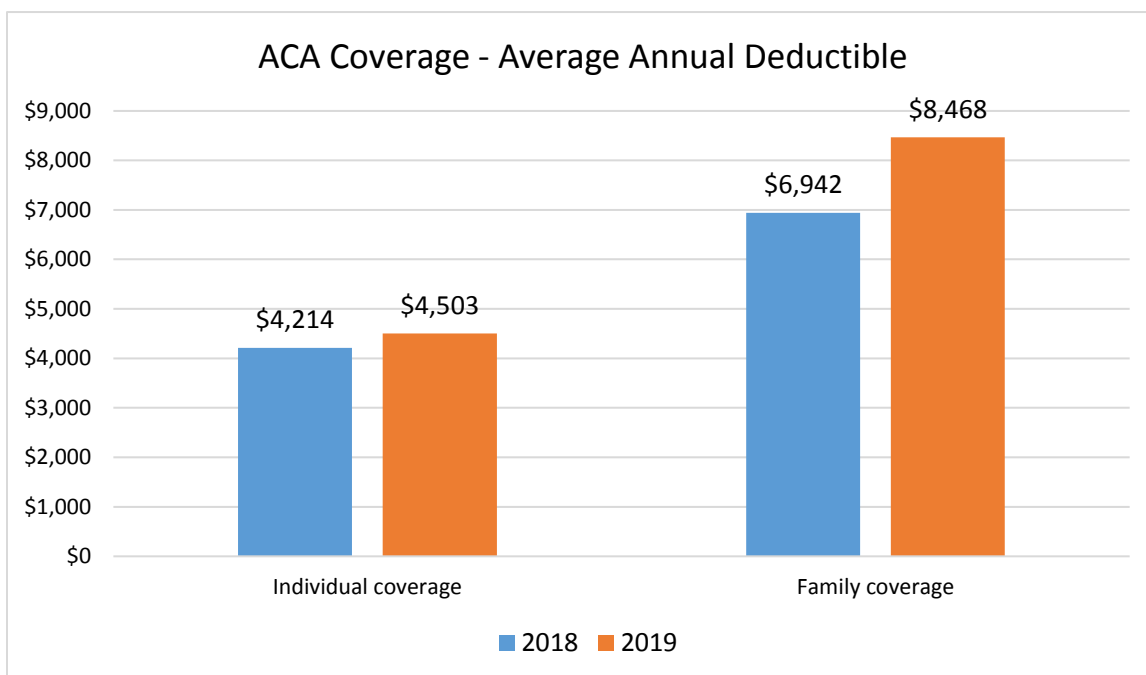


- Average individual premiums increased 21 percent between the first week of the 2018 open enrollment period (November 1-7, 2017) and the first week of the 2019 open enrollment period (November 1-7, 2018).

- The average premium for family coverage increased 10 percent in the same period.
- In interpreting these figures, it should be noted that the average age of people selecting coverage for 2019 is higher in this first week (46 years old among individuals) than the year before (age 40 among individuals); as noted below, eHealth customers also selected more Silver plans than they had in the year before.

ACA Plans – Annual deductibles show modest increases

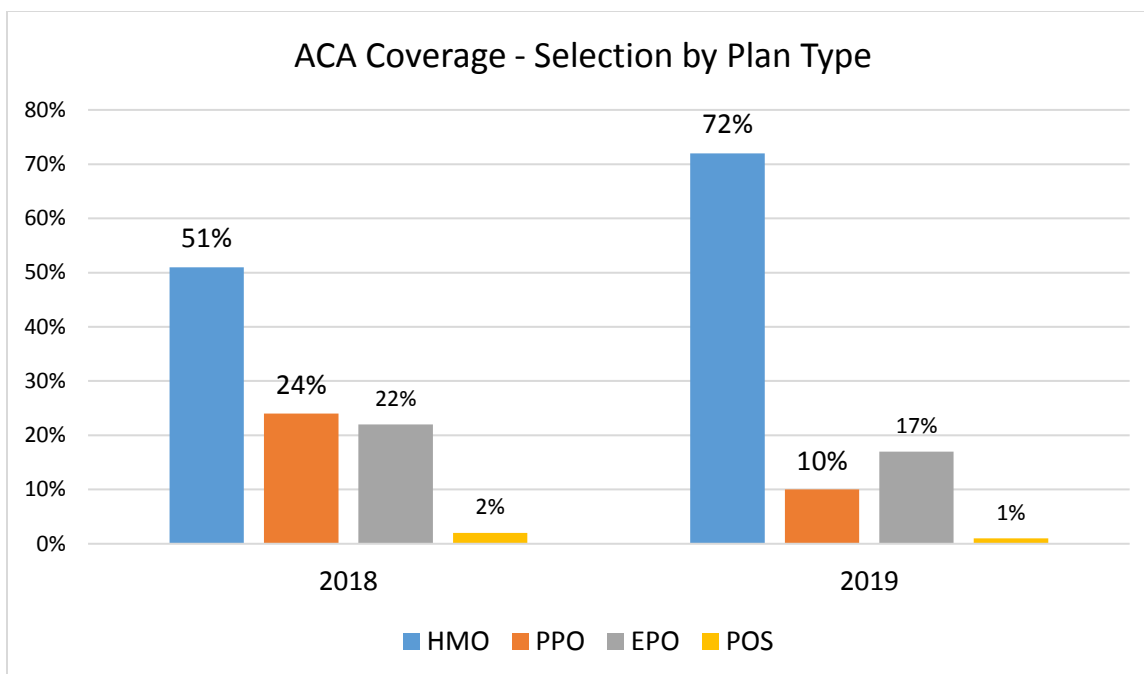
In the first week of the 2019 open enrollment period, the average annual deductible for ACA-compliant plans selected by individual eHealth customers who did not utilize government subsidies was \$4,503, while the average annual deductible for families was \$8,468.



- Average annual deductibles increased 7 percent between the first week of the 2018 open enrollment period (November 1-7, 2017) and the first week of the 2019 open enrollment period (November 1-7, 2018).
- The average annual deductible for family coverage increased 22 percent in the same period.

ACA Plans – Selection by plan type

In the first week of the nationwide open enrollment period for 2019, Health Maintenance Organization (HMO) plans accounted for the majority (72 percent) of individual and family health insurance plans selected by unsubsidized eHealth customers. Preferred Provider Organization (PPO) plans accounted for 10 percent, while Exclusive Provider Organization (EPO) plans, which typically limit coverage to a specific network of providers in the same way HMO plans do, accounted for 17 percent of all plans selected.

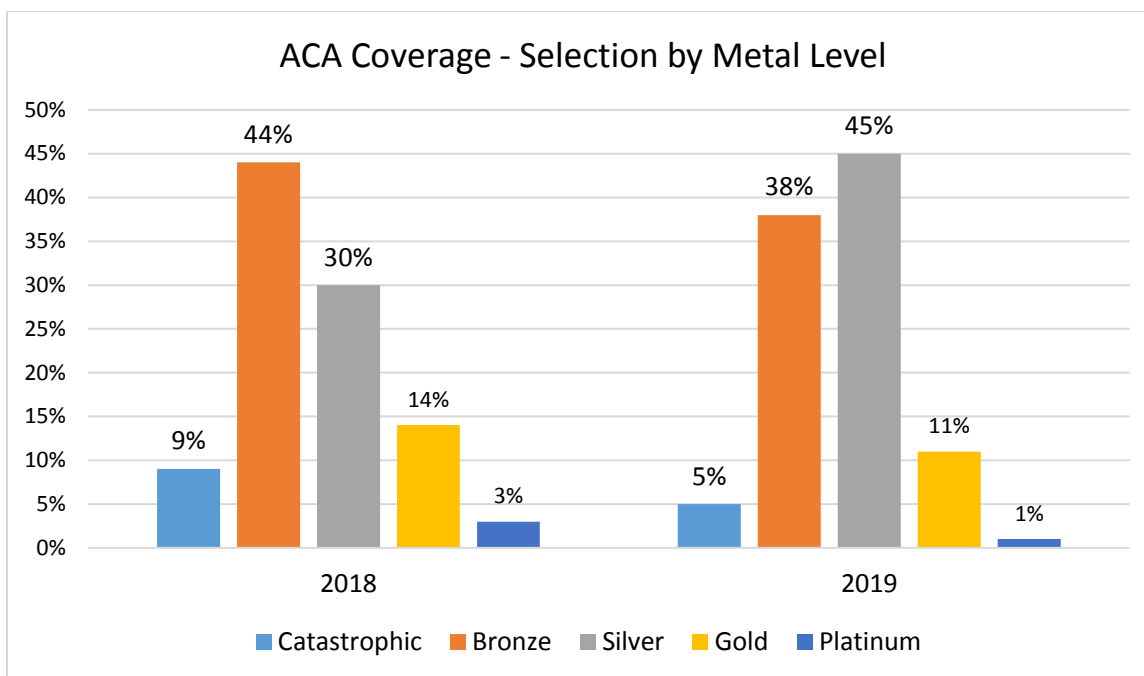


- The trend away from PPO-style plans and toward plans with more restrictive networks continues, as previously reported in eHealth's [Index Report for the 2018 Open Enrollment Period](#).
- HMO and EPO plans account for 89 percent of all plans selected in the first week of this open enrollment period, compared to 73 percent in the prior year.

ACA Plans – Selection by metal level

In the first week of the nationwide open enrollment period for 2019, the most popular metal level plan selected by individual and family eHealth customers was Silver (45 percent). Bronze plans were the second most popular metal level selected, at 38 percent of plans.

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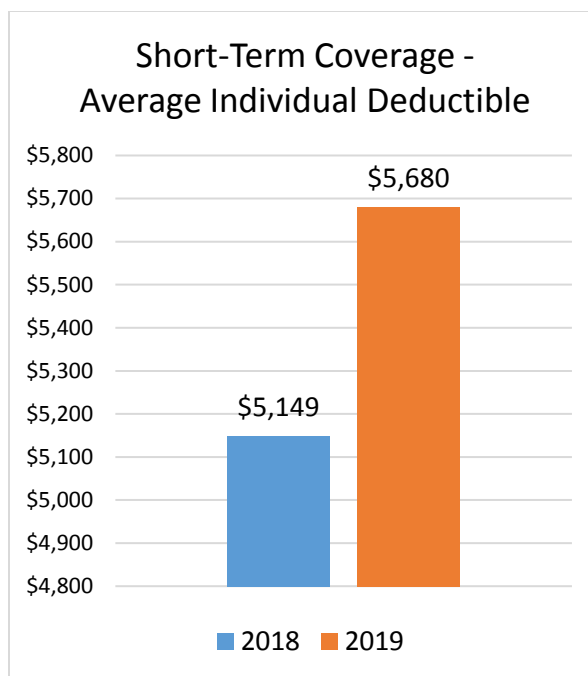
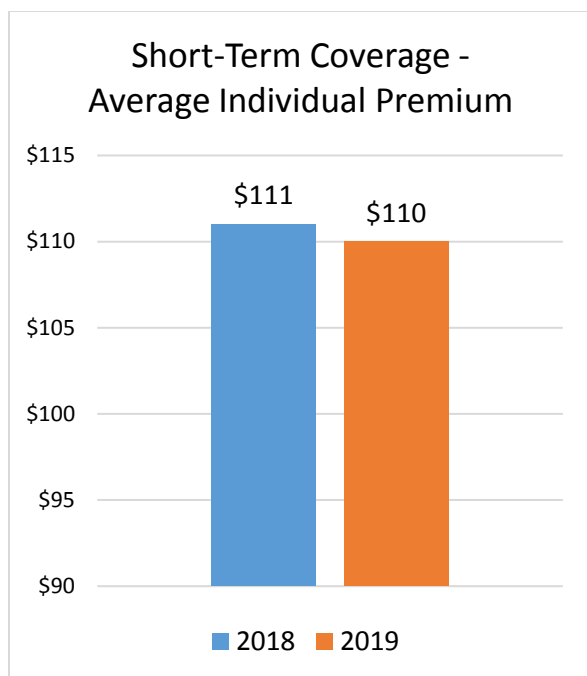
- Bronze plans accounted for 44 percent of all plans selected in the first week of the 2018 open enrollment period, but 38 percent in the first week of the 2019 open enrollment period.
- Silver plans accounted for 30 percent of all plans selected in the first week of the 2018 open enrollment period but Silver plans accounted for 45 percent of all plans selected in the first week of the 2019 open enrollment period.

Short-Term Plans – Monthly Premiums

No special open enrollment period is required for consumers to purchase short-term health insurance plans. However these products merit special attention due to a new federal rule extending the maximum-available coverage period from 90 days to one year and to the repeal of the tax penalty for going without qualifying ACA coverage.

The cost of short-term coverage has remained fairly stable year to year. \$110 was the average monthly premium for individual short-term plans selected by customers at eHealth in the first week of the ACA's current open enrollment period, compared to \$111 for the same period a year before. The average individual deductible has increased from \$5,149 to \$5,680.

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- The average monthly premium for short-term plans is almost identical for the first week of November in 2017 and the first week of November in 2018.
- In the same period, the average annual deductible for short-term plans has increased 10 percent.

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Methodology Note: The data presented in this report are based solely on health insurance plans selected by customers at eHealth in the time periods described. Data on ACA-compliant major medical health insurance plans are based on plans selected only by consumers who are not utilizing government subsidies (advance premium tax credits). Changes in average costs year over year may be explained by a number of factors, including premium increases, the introduction of new products and discontinuation of old one, changes in the states in which eHealth offers products, and changes in the average age of individuals purchasing coverage through eHealth, and changes in the metal levels of plans selected by eHealth customers in the defined time period. All dollar figures have been rounded to the nearest full dollar. All percentages have been rounded to the nearest full percentage.

About eHealth

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