

Saving Money is the Overriding Concern for the Majority of People Shopping during This Year's ACA Open Enrollment

As the 2019 Affordable Care Act (ACA) open enrollment period approaches its end, eHealth sought to understand the motivations of consumers in the market buying both short-term and ACA-compliant insurance products.

Findings presented in this report are based on a survey of eHealth customers conducted between December 4 and 7, 2018. A total of 726 responses were received. Respondents were asked whether they had shopped for 2019 coverage during the current open enrollment period and whether they bought ACA coverage or a short-term plan; they were also asked to describe the factors that inspired them to shop and that played a role in their coverage decision.

Short-term health insurance plans [do not comply](#) with the ACA's benefit requirements and are available outside of the ACA's open enrollment period. Questions about these products were included in the survey due to public interest following the federal government's 2018 rule change expanding the maximum allowable duration of these policies from 90 days to as long as one year.

Key findings:

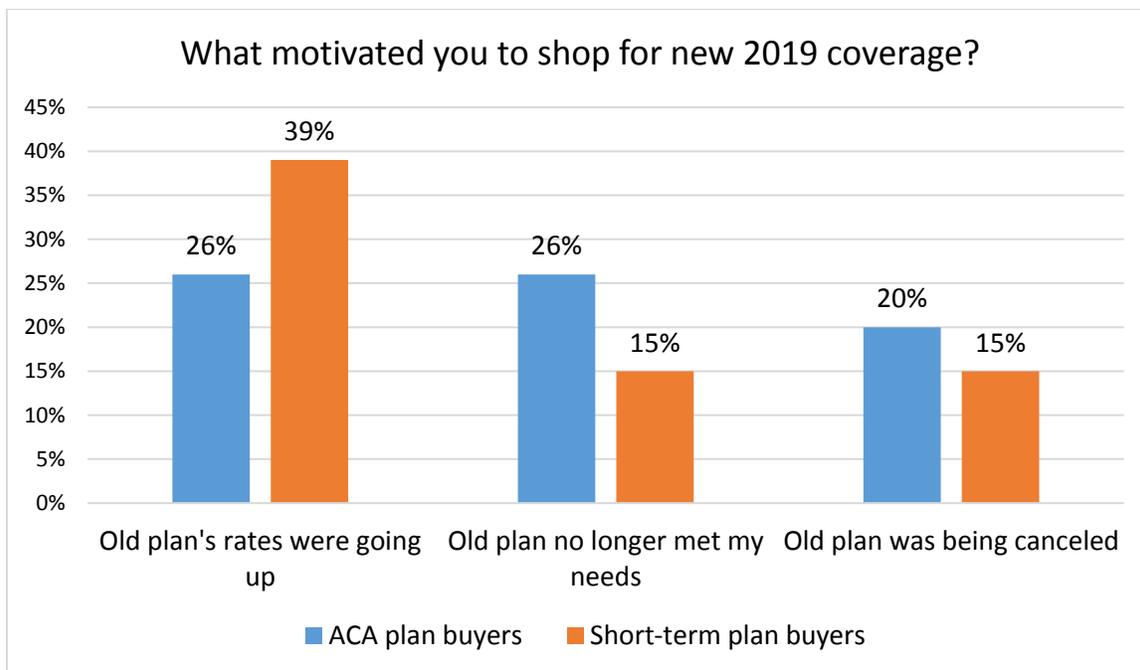
- **Price sensitivity drives interest in short-term plans:** 86 percent of people who selected short-term coverage for 2019 said they chose their plan because it saved them money over other options; only 62 percent of people picking ACA plans said the same.
- **People who bought ACA coverage were relatively more likely to cite considerations other than cost in choosing 2019 coverage:** Price was still their first consideration, but 46 percent chose their ACA plan because it covered the benefits they valued most (compared to 24 percent of short-term buyers).
- **Short-term buyers are more likely to have considered all their options:** 38 percent of those who selected a short-term plan for 2019 said they also considered an ACA-compliant health insurance plan; only 15 percent of ACA buyers considered a short-term plan.
- **Many consumers still don't know that open enrollment ends December 15, 2018 in most states:** 41 percent of respondents who had not yet shopped for 2019 coverage believed that open enrollment continues through December 31 or later.

Findings among People Who Have Already Chosen Their 2019 Coverage

Sixty-five percent of survey respondents said they had already selected 2019 coverage since the ACA's open enrollment period began. The findings in this portion of our survey explore the factors that motivated them in shopping for a health insurance plan and helped determine whether they bought an ACA-compliant or a short-term policy.

Sensitivity to rate increases drives many short-term buyers

Respondents who had selected short-term coverage for 2019 were more likely than those who chose ACA coverage to have been motivated by rate increases under their old plan, and less likely to have been motivated by other factors.

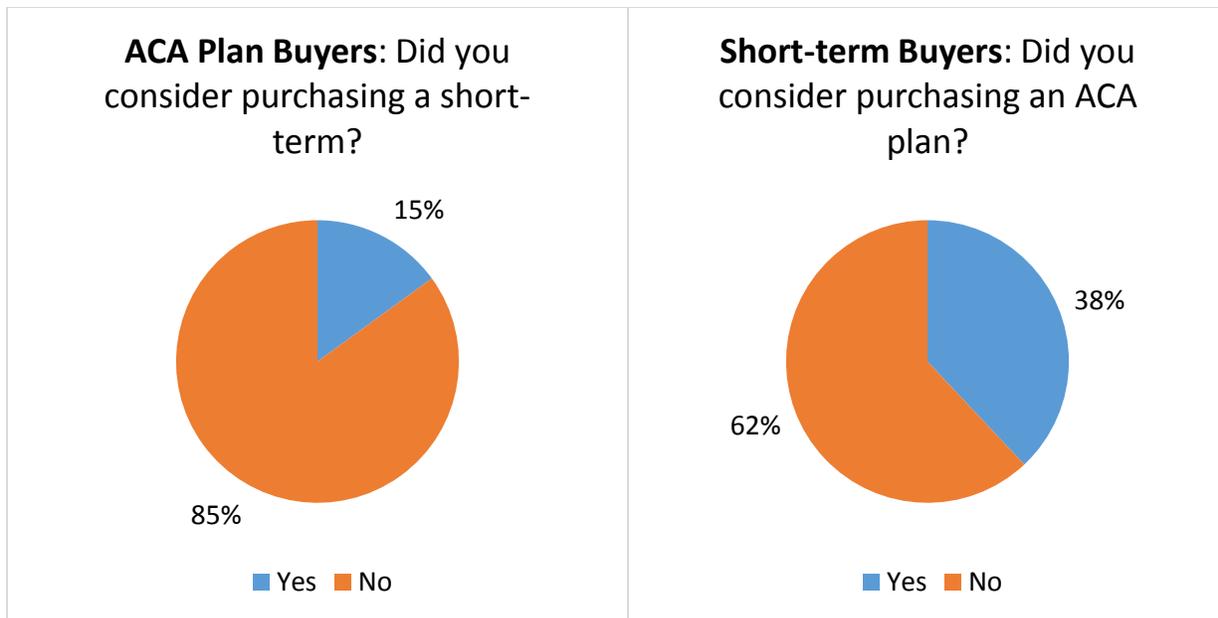


- 39 percent of those who selected a short-term policy during open enrollment said they were motivated to shop by the threat of rising rates under their old plan; only 26 percent of those who selected an ACA plan said the same.
- People who selected ACA coverage were more likely to cite other factors that motivated them to shop, such as changes to their coverage needs (26 percent) or the cancelation of their old plan (20 percent); only 15 percent of short-term buyers cited each of these factors as motivation to shop.

Short-term buyers more likely to have considered other options first

A significant portion of people who selected short-term coverage for 2019 first considered ACA coverage. Fewer people who chose ACA coverage first considered a short-term plan.

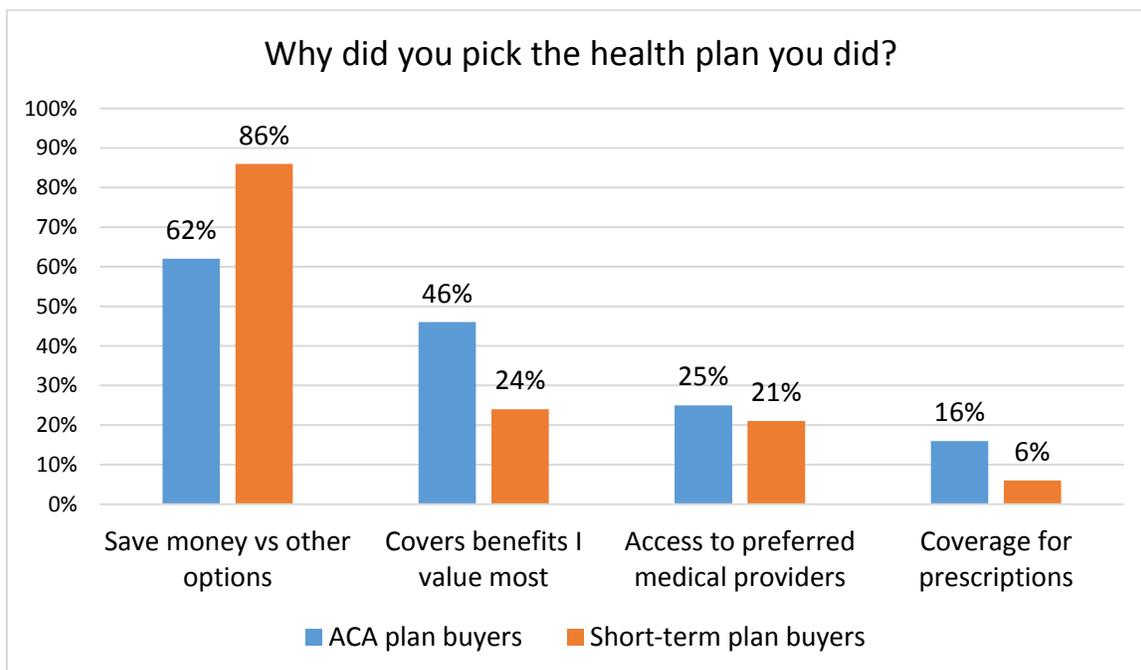
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- 38 percent of short-term buyers said they had considered ACA coverage during the shopping process while 15 percent of people who bought ACA plans said they had considered short-term coverage.

People who bought ACA plans more likely to cite considerations other than cost

While cost was the number one concern for people selecting ACA coverage, other factors played a significant role in the shopping process for many of them. By comparison, short-term buyers were more likely to be influenced by cost above other factors.



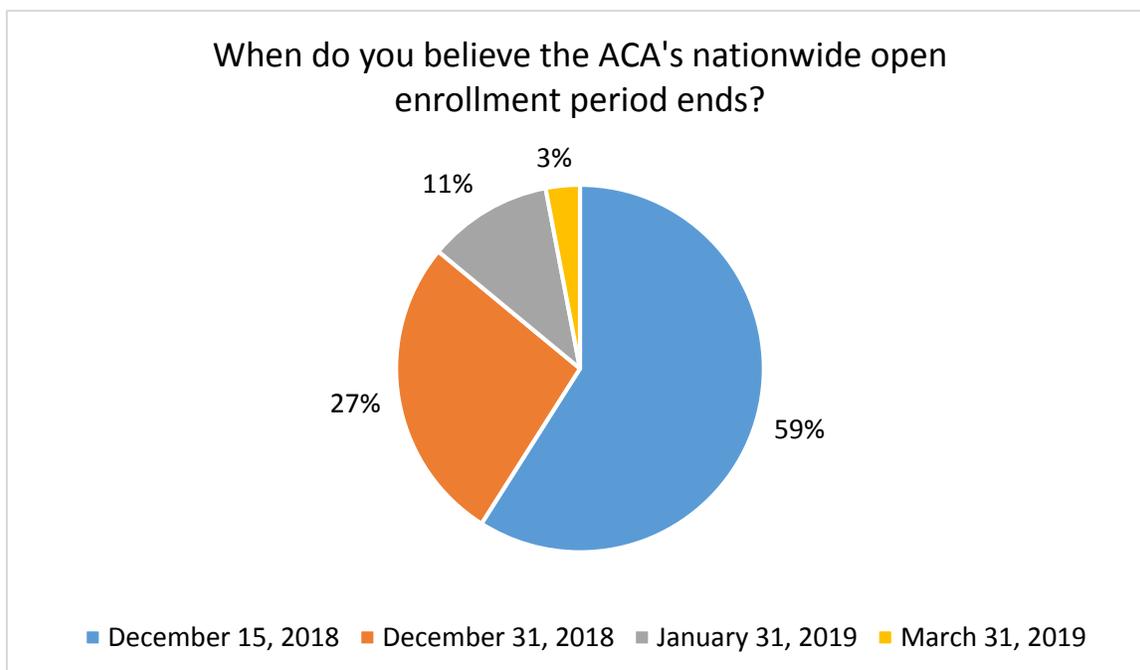
- 86 percent of short-term buyers cited saving money when asked why they chose the plan they did; 62 percent of people selecting ACA plans said the same.
- People buying ACA plans were more likely to cite obtaining valued benefits (46 percent), getting access to preferred doctors (25 percent) or obtaining coverage for prescription drugs (16 percent) than short-term health insurance buyers (26 percent, 21 percent, and 6 percent respectively)¹. The particularly low number of buyers of short-term plans citing prescription drugs as a reason is likely due to the fact that most short-term plans only cover prescription drugs during hospitalization.

Findings among People Who Have Not Yet Shopped for 2019 Coverage

Among survey respondents, 35 percent said they had not yet shopped for 2019 coverage during the ACA’s current open enrollment period. Of these, 56 percent said they did not intend to shop (satisfaction with their current plan being the most commonly cited reason), while 44 percent said they still intend to shop for 2019 coverage before open enrollment ends.

Forty percent don’t know when open enrollment ends

Among all those who had not yet shopped for 2019 coverage, a majority of respondents knew correctly that December 15, 2018 marks the scheduled end of the ACA’s current nationwide open enrollment period, but many were still confused.

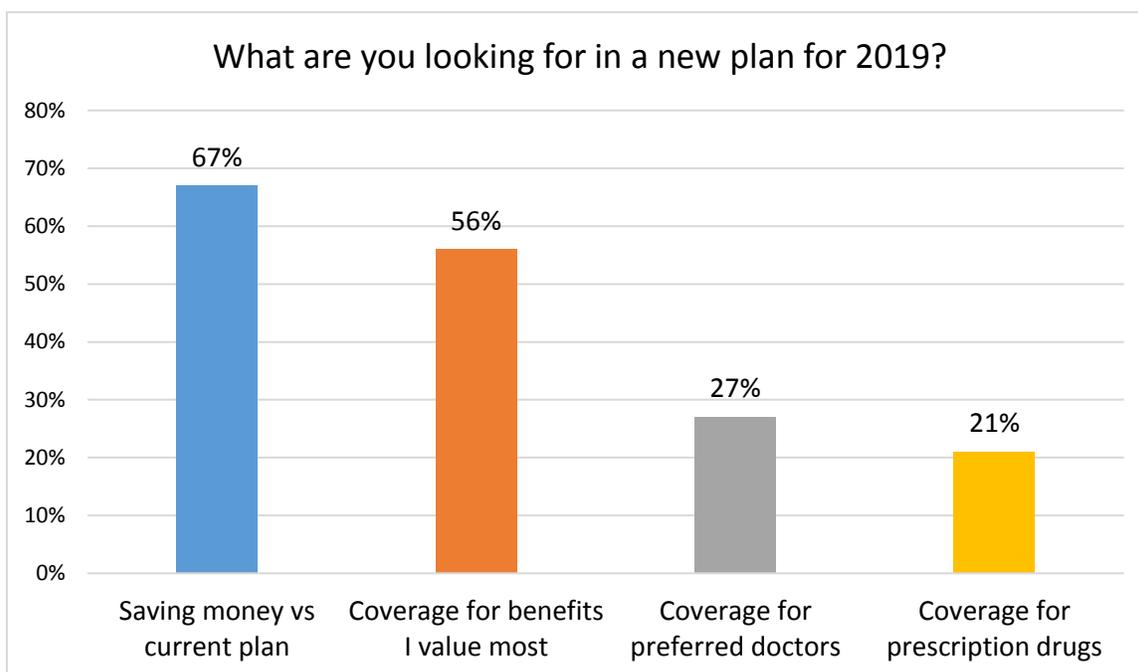


- 41 percent of respondents who had not yet shopped for coverage did not know when the ACA’s current nationwide open enrollment period is scheduled to end.

- 27 percent believed incorrectly that open enrollment would run through the end of 2018, while 14 percent believed it would continue through January 2019 or later.²

Interest in benefits plays greater role before purchase

Among respondents still intending to shop for coverage before the end of open enrollment, the cost of coverage is the number one consideration but many indicate an interest in benefits and coverage for preferred doctors and prescriptions.

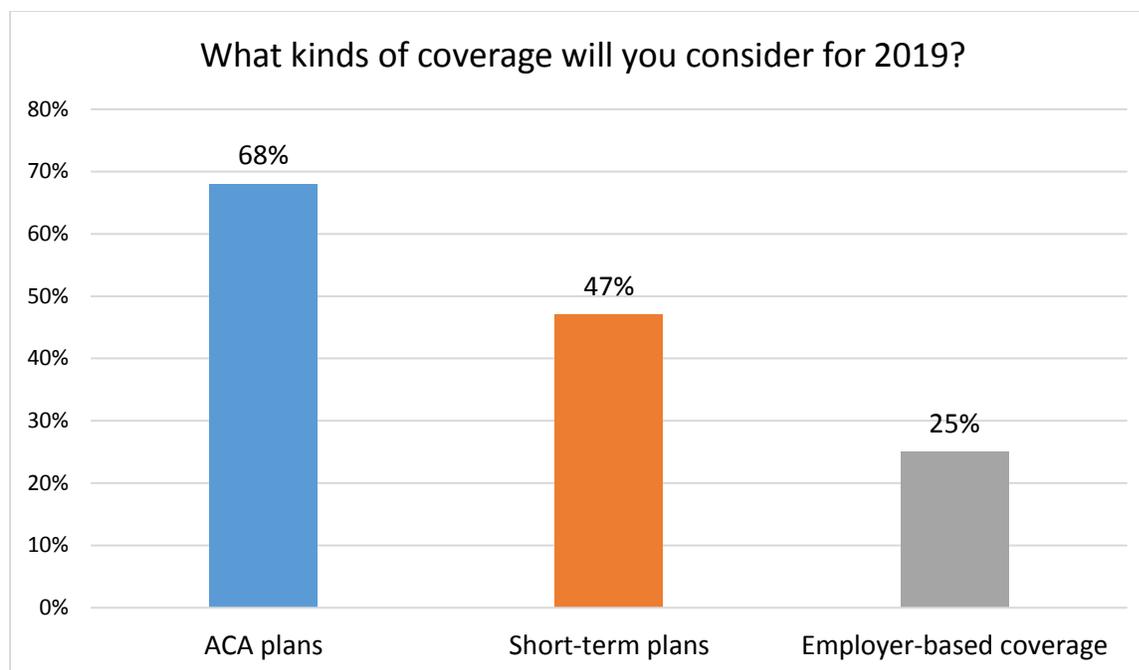


- 67 percent of those who still plan to shop for 2019 coverage during open enrollment want to save money compared to their current plan.
- A majority of respondents (56 percent) also cite a desire to obtain coverage for the benefits they personally value most.

People yet to shop are open to considering their options

Nearly half of respondents who indicate they're still planning to shop during open enrollment are willing to consider products like short-term health insurance, which [do not provide](#) coverage compliant with the ACA (for example, by not covering pre-existing conditions or preventive care) and are not eligible for government subsidies.

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- More than two thirds (68 percent) of respondents who still intend to shop for 2019 coverage during open enrollment intend to look at ACA coverage options.
- Nearly half (47 percent) intend to look into short-term health insurance plans while shopping.

Notes

¹ Many short-term health insurance plans provide coverage for prescription drugs only during hospitalization.

² The ACA's federal open enrollment period for 2019 coverage is scheduled to run through December 15, 2018 but some state governments have extended the open enrollment period within their own borders.

Methodology

Findings in this report are based on a voluntary survey of eHealth customers who had purchased either ACA-compliant health insurance coverage or short-term health insurance coverage in the past. The survey was conducted on a voluntary basis by email invitation between December 4 and December 7, 2018. A total of 726 responses were received.