

eHealth Survey: Health Insurer Insights into the 2019 Affordable Care Act Market

eHealth conducted an anonymous survey of health insurance companies operating in the Affordable Care Act (ACA) market, asking about their plans for market participation in 2019. Insurers invited to participate in the survey are responsible collectively for insuring more than 200 million Americans.

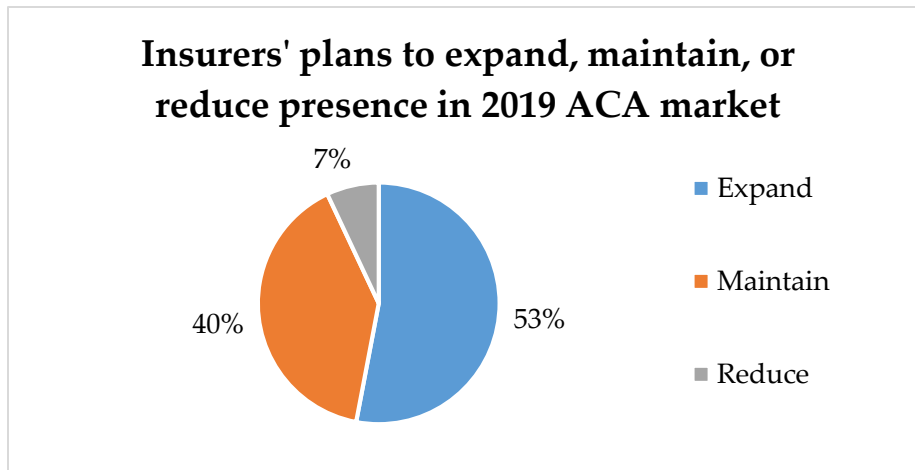
Survey highlights:

- **ACA market participation set to expand for 2019:** 93 percent of respondents are either expanding or maintaining their ACA market business in 2019; the percentage of those who said in the current survey that they would expand their market presence had doubled since the same question was asked in eHealth's earlier March survey.
- **More changes to plan design, provider networks anticipated for 2019:** 36 percent of insurers surveyed said they planned to alter the mix of plan types (HMO, PPO, etc.) they offer next year. Another 36 percent say they will restrict the size of their provider networks.
- **Limited near-term impact from repeal of individual mandate:** 54 percent of insurers surveyed do not expect the repeal of the individual mandate to have a significant impact on enrollment for 2019 ACA plans; 73 percent said that the repeal did not significantly impact their strategy for next year.
- **More modest rate increases anticipated compared to prior years:** 50 percent of respondents plan to raise premiums between 5 and 10 percent while 25 percent plan to reduce premiums. Another 25 percent plan no change in premiums at all for 2019.

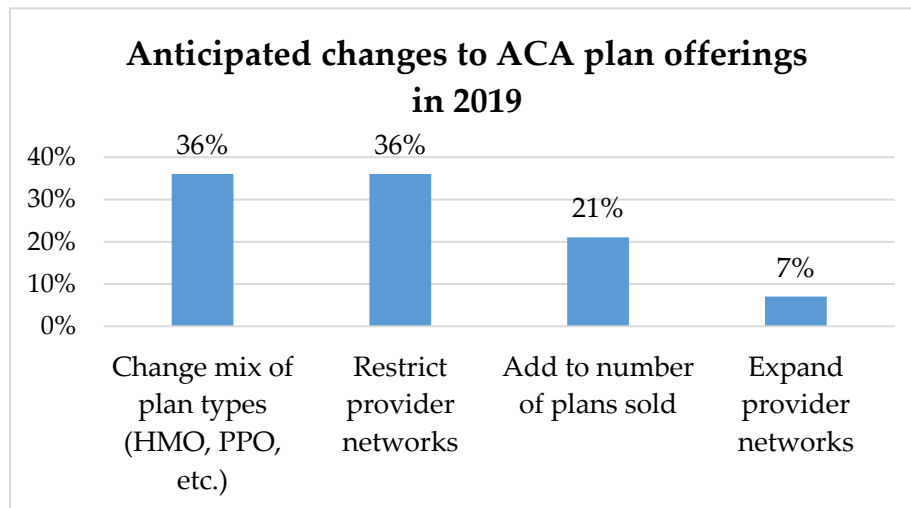
ACA MARKET STRATEGIES FOR 2019

A majority of survey respondents (53 percent) reported plans to expand their presence in the ACA market in 2019, a figure that doubled since eHealth's earlier [March 2018 survey](#), when 26 percent of insurers reported the same. The current survey also found that 40 percent of insurers surveyed intend to maintain their current level of market participation. Seven percent of respondents indicated an intention to reduce their presence in the market or exit it entirely.

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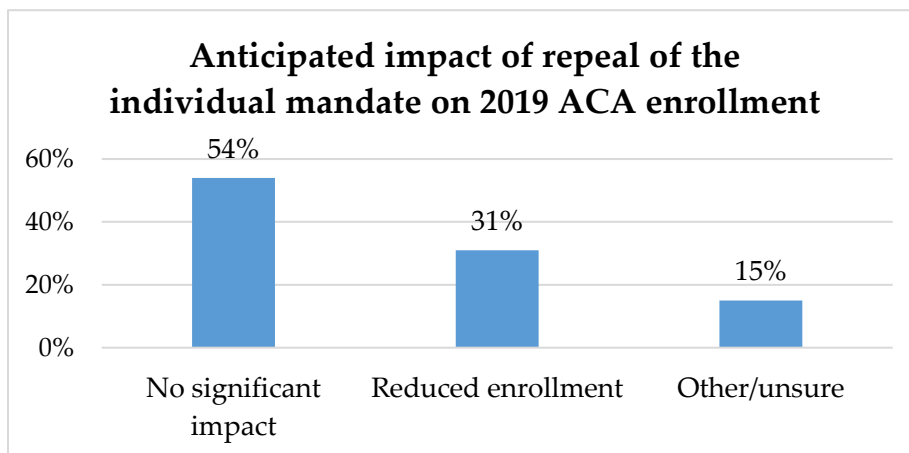


When asked about changes they intend to make to their plan design or offerings in 2019, 36 percent of respondents said they planned to alter the mix of plan types (HMO, PPO, etc.) they offer next year. Another 36 percent will restrict the size of their provider networks, up from 24 percent in [the March survey](#). Only 21 percent intend to add to the number of plans they sell (down from 29 percent in March), while 7 percent say they'll expand their provider networks (down from 18 percent in March).

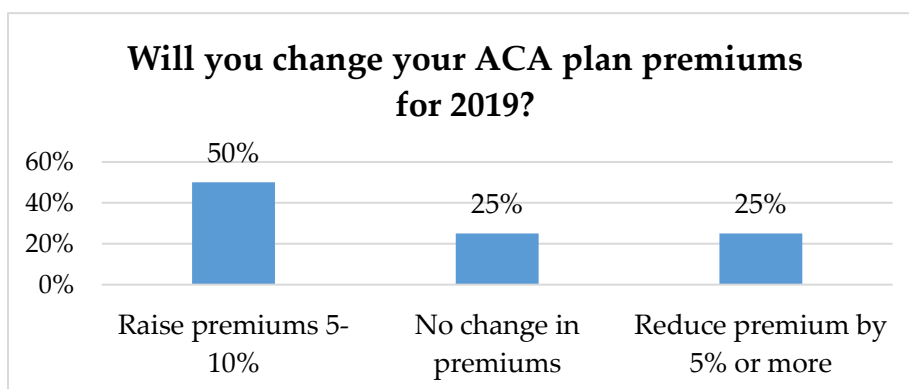


Overall, insurers do not expect repeal of the individual mandate to heavily influence their business in 2019. Seventy-three percent said that the repeal did not significantly impact their strategy for next year. Thirty-one percent anticipate a reduction in ACA enrollment, but a majority (54 percent) said they did not expect the repeal of the individual mandate to significantly impact their enrollment in ACA plans for 2019.

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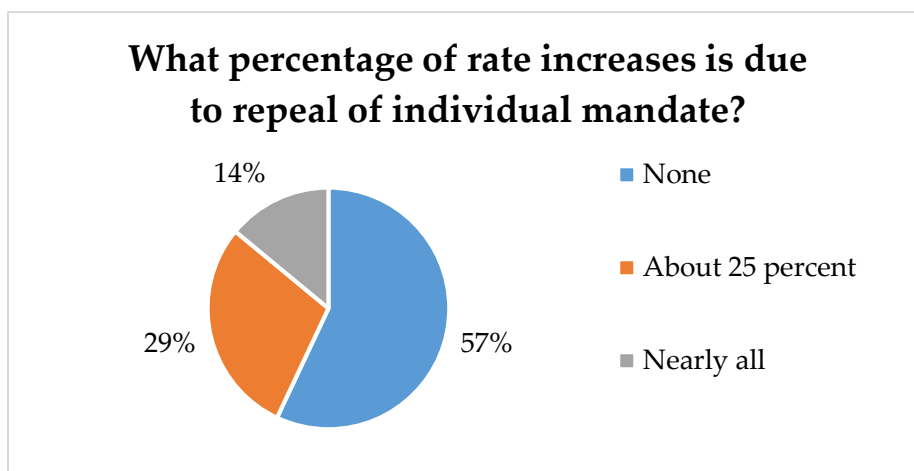


Based on survey responses, premiums are likely to increase at a lesser rate than for the 2018 plan year, which the most current reported insurer filings for 2019 have also revealed. Half of respondents (50 percent) said they intend to raise premiums between 5 and 10 percent compared to 2018. A quarter (25 percent) said they were not changing premiums at all, while another quarter said they would be reducing premiums by 5 percent or more.

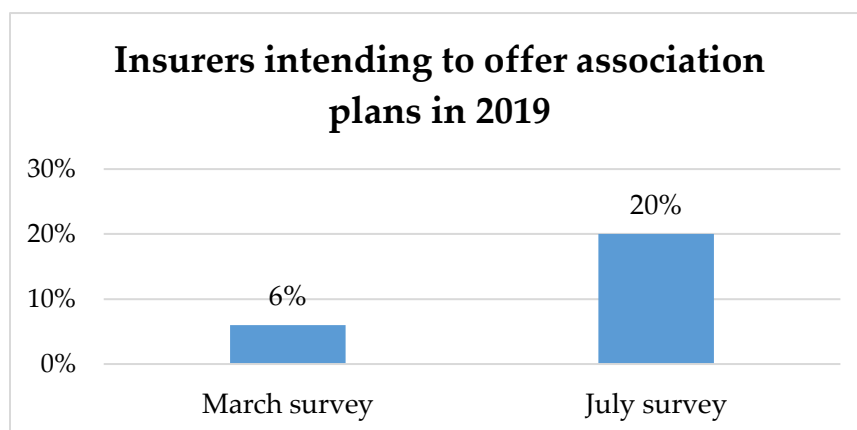


Among insurers planning to raise rates in 2019, 57 percent said there was no relationship between the repeal of the individual mandate in 2019 and their decision to increase premiums. Twenty-nine percent said the mandate’s repeal accounted for about 25 percent of their planned increase. Fourteen percent of insurers surveyed said the impact of the repeal accounted for all or nearly all of the planned increase in premiums.

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When asked if they intend to offer association health plans in 2019, nearly half (47 percent) said they did not. Twenty percent said they did intend to offer association plans in response to the Trump administration's new rule, a significant increase since eHealth's [March 2018 survey](#), when only 6 percent of respondents said they intended to offer association plans.



ON SHORT-TERM HEALTH PLANS

eHealth's July, 2018 survey of insurance companies also included questions on short-term health insurance plans and the potential impact of the Trump administration's decision to allow for the sale of short-term policies with coverage periods of up to one year. These findings were recently published in a [separate report](#).

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Methodology note: eHealth's survey was conducted in July 2018 by email invitation to representatives of health insurance companies with which eHealth has a business relationship. Results were compiled anonymously. Findings are intended to be directional only and are not necessarily representative of all insurers in the market. A total of 15 responses were collected.

About eHealth

eHealth, Inc. (NASDAQ: EHTH) owns eHealth.com, a leading private online health insurance exchange where individuals, families and small businesses can compare health insurance products from brand-name insurers side by side and purchase and enroll in coverage online and over the phone. 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, exceptional telephonic support, 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 or over the phone through Medicare.com (www.Medicare.com), eHealthMedicare.com (www.eHealthMedicare.com), GoMedigap (www.goMedigap.com) and PlanPrescriber.com (www.PlanPrescriber.com).