

eHealth Insights 2020 Retrospective

Tracking Consumer Trends, Costs, and Sentiments
over the Past Year

eHealth[®]

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eHealth Insights: 2020 Retrospective

Americans care a lot about health care and health coverage, but 2020 felt like a year custom-made to heighten their concerns. The global COVID-19 pandemic sickened millions and led to the deaths of hundreds of thousands of people across the country. On top of that, a contentious presidential election inspired debate on the future of the Affordable Care Act (ACA) and the Medicare program.

At eHealth, our fingers have been on the pulse of health insurance consumers since 1997, and this year was no different. During the 2020 calendar year, eHealth published twenty reports exploring consumer costs and plan selection trends in the Medicare and ACA markets, surveying more than 11,000 consumers on the big issues driving debate in the public square. In this report, eHealth answers the fundamental question:

What did we learn in 2020 about U.S. health insurance consumers and the Medicare and ACA markets?

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On COVID-19 and restrictions on social life, we learned:

- **Many feel uneasy about getting a coronavirus vaccine:** This fall, 47% of Medicare beneficiaries [said](#) they felt either “very” or “somewhat” uncomfortable getting a new coronavirus vaccine, a number that had increased from 37% in the summer. People in the ACA market felt the same: 41% [expressed](#) discomfort with getting a vaccine.
- **Seniors want everyone to wear masks:** 85% of Medicare beneficiaries (most of whom are by definition at higher risk from COVID-19) [said](#) everyone should be required to wear a mask in public.
- **Many want access to non-standard treatments:** If they personally come down with COVID-19, 40% of Medicare beneficiaries [said](#) they want access to unproven or experimental treatment methods.
- **Different politics mean different feelings about social restrictions:** 51% of Medicare beneficiaries who are likely Democratic voters [said](#) social restrictions where they live aren’t strong enough to combat COVID-19, while only 16% of likely Republican voters felt the same.
- **The lifestyles of many Medicare beneficiaries may change permanently due to coronavirus:** 68% of survey respondents [said](#) they will be less likely to go on a cruise after the coronavirus crisis is over; 53% will be less likely to visit an amusement park; 49% will be less likely to fly on an airplane.

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On the response of insurers to the COVID-19 crisis, we learned:

- **The pandemic may result in enduring changes to care utilization, with telemedicine leading the way:** In a [survey of insurance companies](#), 96% of respondents said they were seeing increased demand for telemedicine services (virtual doctor visits). A strong majority (85%) percent said they think the coronavirus crisis will drive increased demand for telemedicine benefits in the future.

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On the current state and future of the ACA market, we learned:

- **Most ACA enrollees are unhappy with the law as it stands:** 64% of ACA plan enrollees [feel](#) the health reform law needs to be reworked to better serve consumers like themselves. Surprisingly, this was true even of ACA enrollees receiving premium subsidies to make their coverage more affordable: 60% agreed that the ACA still isn't working for them.
- **Unsubsidized middle-income families are shouldering an intolerable cost burden:** eHealth's [ACA Index Report](#) for 2020 found that the average ACA plan premium for an unsubsidized family of four was \$1,437 per month, or \$17,244 per year. Add in the cost of the average family deductible (\$7,767 for a family of four) and total health insurance-related expenditures for the year could top \$25,000.
- **Premiums are going down for subsidy-eligible plans, but the unsubsidized are paying more than ever:** As [CMS reported](#), overall premiums decreased slightly heading into 2021, but during the first half of the ACA's 2021 annual open enrollment period, [eHealth tracked](#) a 6% increase in average monthly premiums for individual plans selected by consumers not receiving subsidies (from \$456 to \$484).

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On proposals to reform Medicare, we learned:

- **Most Medicare beneficiaries would support an early "buy-in" option:** 60% of Medicare beneficiaries [said](#) they would support allowing people age 60 to 64 to buy in to the Medicare program earlier than the standard Medicare eligibility age of 65.
- **Most Medicare beneficiaries feel the government should do more to lower the cost of drugs:** 63% of Medicare beneficiaries [said](#) the government is not doing enough to lower the cost of prescription drugs; a similar figure (64%) say a \$200 check from the government would make a meaningful difference in their personal drug expenses.

- **Surprise medical bills are a big concern for Medicare enrollees:** 63% of Medicare beneficiaries [said](#) they worry about getting an unexpected medical bill after receiving medical care.

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On Medicare plan selection trends and consumer behavior, we learned:

- **The popularity of \$0 premium Medicare Advantage plans continues to rise:** 83% of eHealth customers selecting Medicare Advantage plans during the Annual Enrollment Period (AEP) for 2020 coverage [chose](#) plans with a \$0 monthly premium, compared to 73% for 2019 and 63% for 2018.
- **Medicare plan premiums are stable going into 2021:** Average premiums for plans selected by beneficiaries in the first half of the AEP for 2021 coverage were [unchanged](#) this year compared to last year for Medicare Advantage plans (\$5) and stand-alone Medicare Part D prescription drug plans (\$20), and were only \$3 higher this year for Medicare Supplement plans (\$160).
- **Most beneficiaries review their Medicare plan options annually but relatively few say their needs have changed:** 75% of survey respondents [said](#) they typically review their Medicare coverage options once per year, but only 27% said their personal finances or medical needs have changed since they signed up for their current Medicare plan.
- **When it comes to picking a plan, most want a combination of online resources and personal help:** 55% of Medicare beneficiaries [said](#) they preferred to research and enroll in Medicare coverage with a combination of online tools and personal help from a licensed agent; 23% wanted to research and enroll entirely online.

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On drug costs and potential savings for Medicare beneficiaries, we learned:

- **Picking a plan based on their personal drug needs could save beneficiaries hundreds of dollars:** \$782 per year (\$65.17 per month) was the average potential savings [identified](#) for Medicare beneficiaries who used eHealth's drug coverage comparison tool, if they enrolled in the recommended plan for the drugs and location they entered.
- **Most Medicare beneficiaries could be saving money on their drug needs:** eHealth's annual review of Medicare beneficiaries using the company's drug coverage comparison tool [found](#) that only 8% were currently enrolled in the optimal Medicare Advantage or Part D prescription drug plan for their personal drug needs.

For more information about the data presented in this document, visit the linked reports or the Research tab at [eHealth's media center](#).

About eHealth

eHealth, Inc. (NASDAQ: EHTH) operates a leading health insurance marketplace at eHealth.com and eHealthMedicare.com with technology that provides consumers with health insurance enrollment solutions. Since 1997, we have connected more than 8 million members with quality, affordable health insurance, Medicare options, and ancillary plans. Our proprietary marketplace offers Medicare Advantage, Medicare Supplement, Medicare Part D prescription drug, individual, family, small business and other plans from over 180 health insurance carriers across fifty states and the District of Columbia.