

Medicare Index Report for 2022 Coverage

April 2022

Introduction

eHealth helps Medicare beneficiaries find the health insurance coverage best suited for their personal needs and budget. As a health insurance broker licensed nationwide, eHealth offers a deep selection of brand-name Medicare products from competing insurers. The scope of our business provides us with special insights into consumer behavior in the Medicare market.

Each year, the federal government publishes detailed information about Medicare plans available to beneficiaries, and various organizations digest that data to present analyses of plans available in the total market. What differentiates eHealth's annual Medicare Index Report from these is its focus on what Medicare beneficiaries actually choose for themselves, rather than what's available to them.

In this year's Medicare Index Report for 2022 Coverage, we chart trends across five years. For 2022 coverage, we examine average costs and plan choices among Medicare beneficiaries who selected Medicare Advantage and stand-alone Part D prescription drug plans at eHealth during the Annual Enrollment Period (AEP) for 2022, which occurred between October 15 and December 7, 2021. More than 260,000 submitted applications are included in our analysis for 2022. For comparison purposes, costs and trends for Medicare Supplement plans from the same time period are also provided.

Refer to the Highlights slide for a summary of our findings, and see the Methodology note at the end for additional information.

Highlights

Medicare Advantage and Part D plan enrollees are paying more in 2022, but premiums remain low - \$6 per month is the average Medicare Advantage premium for plans selected by eHealth shoppers, up from \$5 last year; \$22 is the average Part D plan premium, up from \$20 last year.

Annual deductibles are higher for 2022 – Medicare Advantage enrollees are paying deductibles 4% higher than last year (\$121 vs. \$116) while Part D plan enrollees have deductibles 7% higher than last year (\$427 vs. \$400).

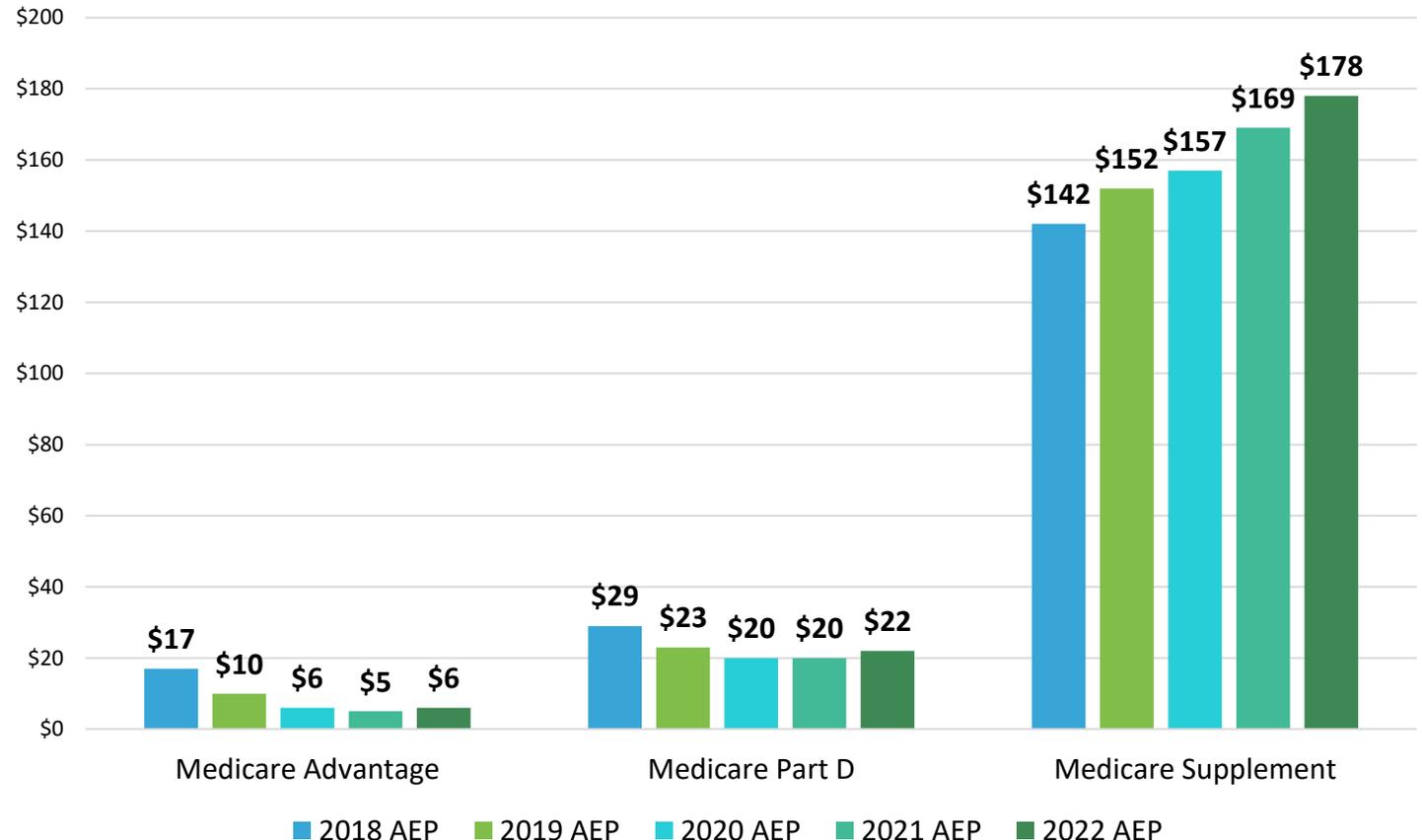
Out-of-pocket limits are lower this year – The average annual out-of-pocket limit for people selecting Medicare Advantage plans decreased 5%, from \$5,367 in 2021 to \$5,108 for 2022.

Zero-dollar Medicare Advantage plans remain popular – 87% of beneficiaries selecting Medicare Advantage products at eHealth chose plans with a \$0 monthly premium during the Annual Enrollment Period.

Average Monthly Premium by Medicare Product

Medicare Advantage and Part D plan enrollees are paying more in 2022, but premiums remain low

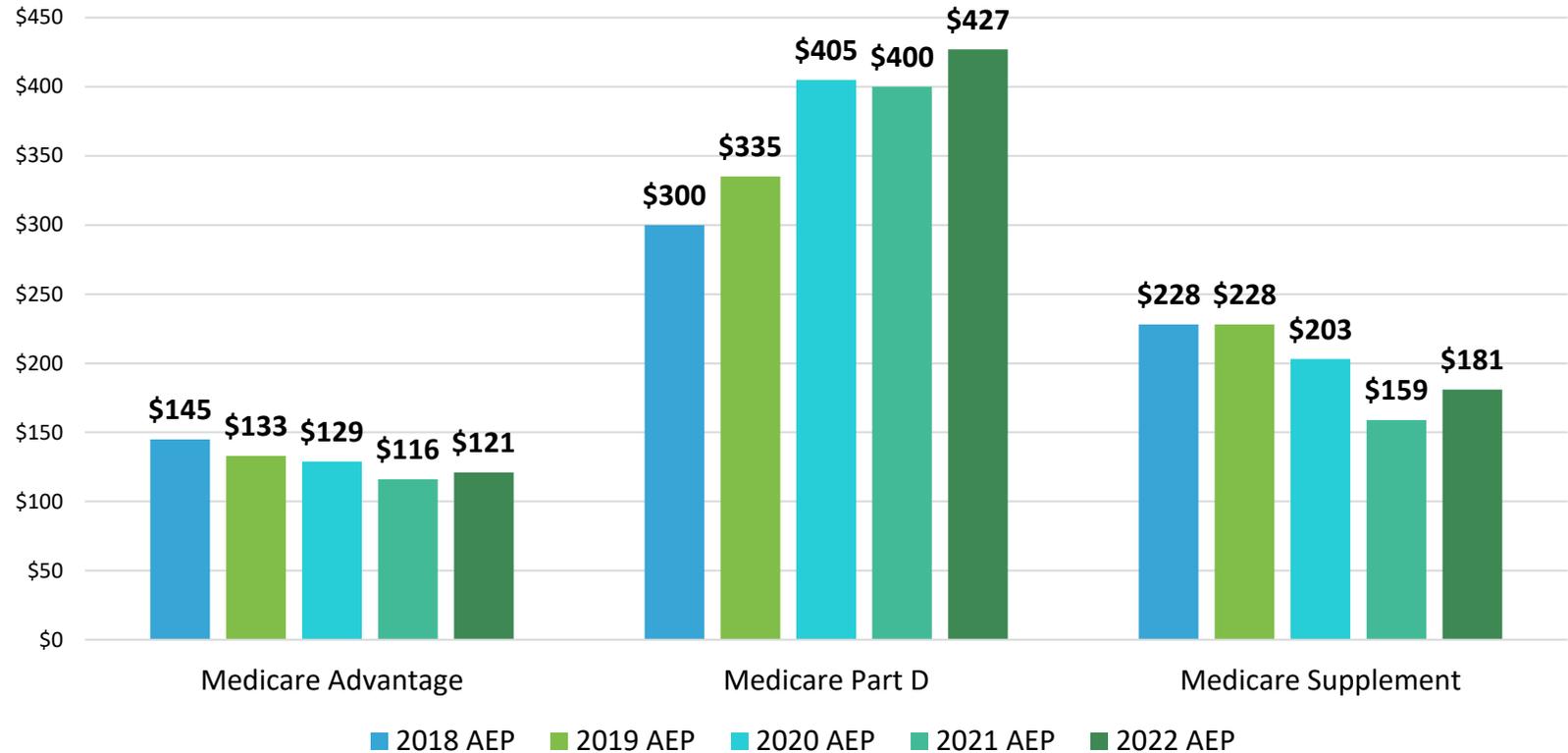
- \$6 per month was the average monthly premium for 2022 Medicare Advantage plans selected by eHealth customers, up from \$5 the prior year.
- \$22 was the average premium for stand-alone Part D plans, up from \$20 the year before.
- \$178 per month was the average premium for Medicare Supplement plans, up 5% from 2020 and 25% from 2018.



Average Deductible by Medicare Product

Average deductibles increased across the board for Medicare health plans selected during 2022 AEP

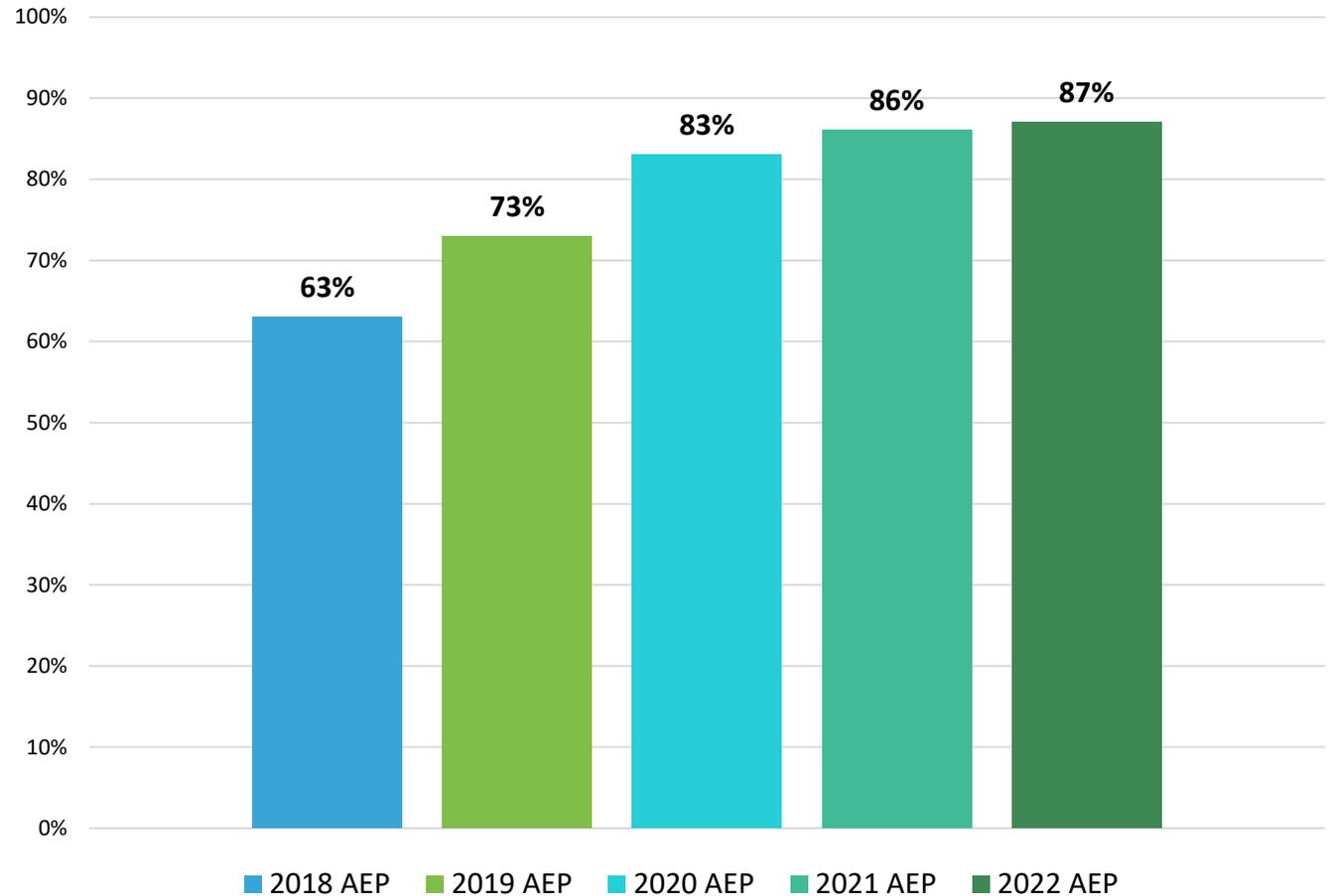
- \$121 was the average deductible for 2022 Medicare Advantage plans, up 4% from 2021 (\$116) but still well below the 2018 figure (\$145).
- \$427 was the average deductible for 2022 Part D plans, up 7% from 2021 (\$400) and up 42% from 2018 (\$300).
- \$181 was the average deductible for 2022 Medicare Supplement plans, up 14% from 2021 (\$159) but still below the 2018 figure (\$228).



Percent of Medicare Advantage Enrollees Selecting \$0 Premium Plans

Medicare Advantage plans with \$0 premiums continue to be popular with shoppers

- 87% of Medicare Advantage plans selected by eHealth customers for 2022 coverage during AEP had a \$0 monthly premium.
- By comparison, 86% of Medicare Advantage plans had a \$0 monthly premium for the year before.
- That figure was 63% for 2018.

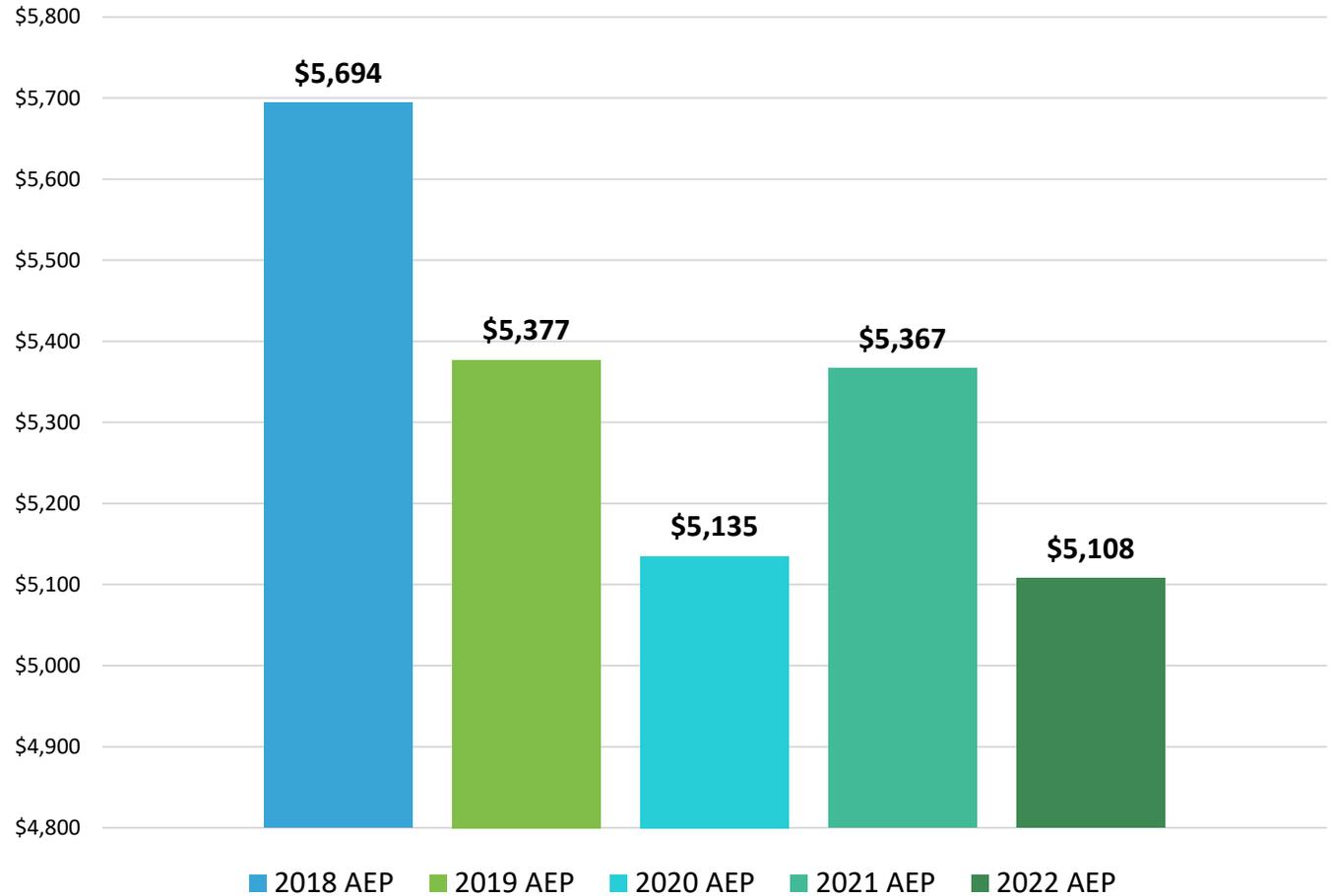


Increased enrollment in \$0 Medicare Advantage plans may be driven by increased availability of such plans as well as trends in consumer choice and other factors.

Average Medicare Advantage Out-of-pocket Limits

Maximum annual out-of-pocket limits decreased slightly among Medicare Advantage plans

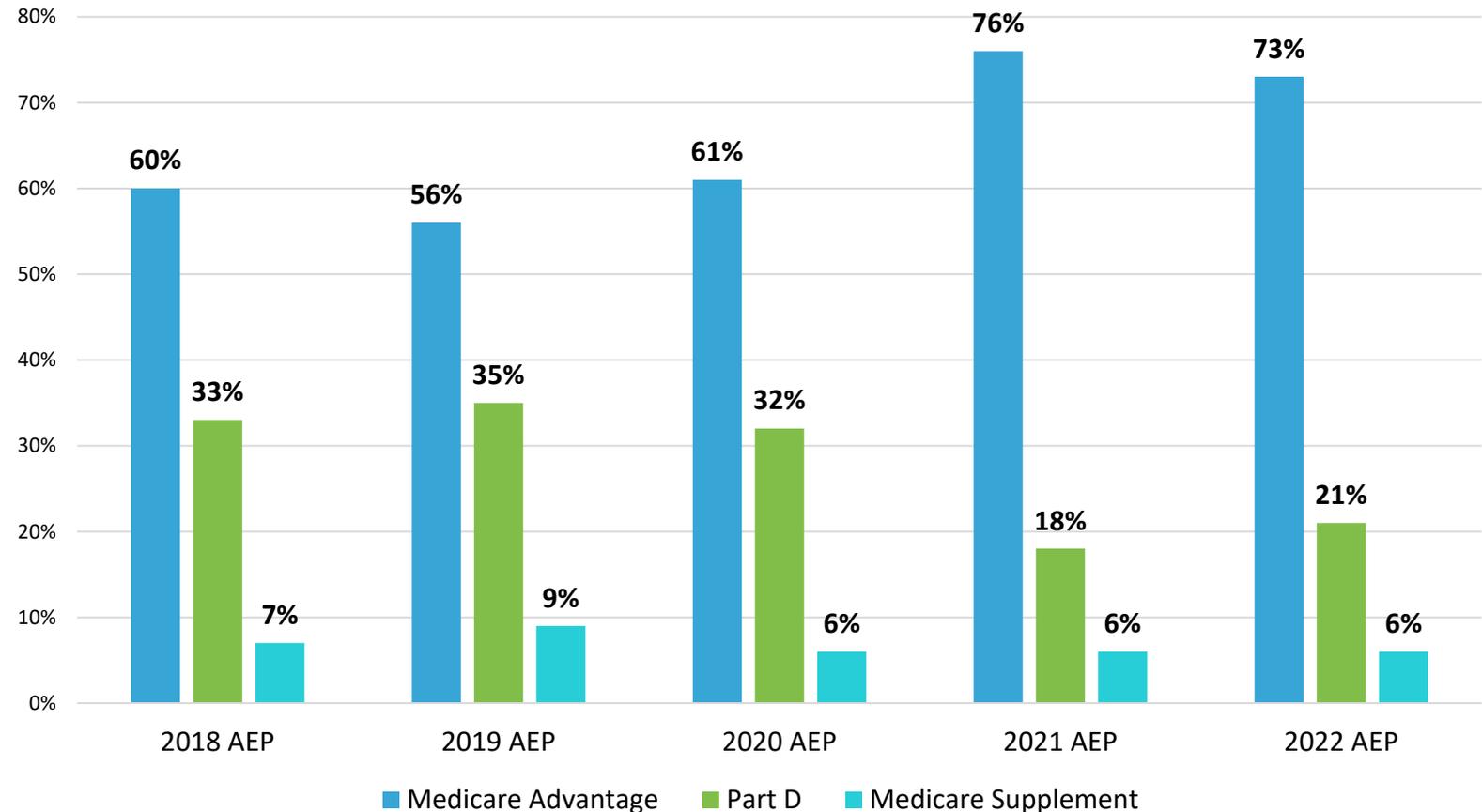
- \$5,108 was the average maximum annual out-of-pocket limit for 2022 Medicare Advantage plans chosen by eHealth customers during AEP, down 5% from 2021 (\$5,367) and down 10% from 2018 (\$5,694).
- Part D plans and Medicare Supplement plans typically do not specify out-of-pocket limits.



Medicare Product Selection Trends

The share of Medicare beneficiaries selecting Medicare Advantage plans stabilized during this AEP

- 73% of Medicare beneficiaries shopping at eHealth during the AEP for 2022 coverage selected Medicare Advantage plans, down from 76% the year before.
- 21% selected stand-alone Medicare Part D plans, up from 18% the year before.



Methodology

The findings presented in this report are based on submitted applications for Medicare insurance products received by eHealth during the Annual Enrollment Period (AEP) for 2022 coverage, which occurred between October 15 and December 7, 2021. More than 260,000 submitted applications were included in this analysis for 2022 coverage. For the purposes of this report, “Medicare Advantage” plans include both those that offer prescription drug coverage and those that do not. Only data generated by eHealth customers during the specified time period was considered in this report. Dollar values are rounded to the nearest full dollar. Percentages may add to slightly more or less than 100% due to rounding.

Although eHealth offers many Medicare insurance products from a number of insurance companies, eHealth does not offer all products available to consumers and the products available through eHealth may vary over time and by region.

No information relevant to eHealth financial performance should be drawn from this report. Like other insurance brokers, eHealth is compensated on a fixed per-member basis for Medicare Advantage and Part D plans, as regulated by the Centers for Medicare and Medicaid Services, and on a percentage of premium basis for most Medicare Supplement plans.

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 200 health insurance carriers across fifty states and the District of Columbia.