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## **The IHC Group Announces Partnership with eHealth, Inc. to Bring Health Insurance Shoppers Affordable Alternatives for the Affordable Care Act's 2018 Open Enrollment Period**

STAMFORD, Conn., Oct. 23, 2017 (GLOBE NEWSWIRE) -- Independence Holding Company (NYSE:IHC) announced today that it has partnered with eHealth, Inc. (NASDAQ:EHTH) to offer medical insurance packages to shoppers unable to afford health insurance plans that meet all the benefit requirements with the Affordable Care Act (the ACA, or Obamacare). eHealth operates [eHealth.com](http://eHealth.com), a leading private online health insurance marketplace.

The IHC Group worked with eHealth to develop these medical insurance packages to provide an affordable coverage alternative for eHealth shoppers who cannot afford Obamacare-compliant major medical health insurance coverage. Based on recent studies described below, the number of consumers who cannot afford such coverage will increase. These products are available through eHealth in 37 states and the District of Columbia and provide a single point of service when policy holders need to use their benefits.

The new packages are expected to be very popular commencing November 1, 2017, when the 2018 open enrollment period is scheduled to begin. The IHC Group has provided eHealth with an exclusive distribution relationship for select packages developed through this partnership.

"We're excited to partner with eHealth on these innovative medical insurance packages," said David Kettig, President of IHC. "A lot of today's health insurance shoppers simply can't afford major medical insurance but still want protection against unforeseen medical costs. We are one of the largest and most experienced underwriters of affordable health plans in the country, and the packages we've developed in conjunction with eHealth provide that protection at a reasonable cost."

Offerings may differ by state but these medical insurance packages include varying combinations of both insurance and non-insurance products, such as short-term medical insurance, supplemental (GAP) insurance, fixed-indemnity insurance, telemedicine benefits, prescription drug discount benefits, and medical advocacy services.

Medical insurance packages do not offer coverage for pre-existing medical conditions and it is possible, with some packages, to be declined coverage based on the presence of pre-existing medical conditions. These products do not provide the same benefits as major medical plans that meet the coverage requirements of the Affordable Care Act. In particular, packages do not provide the full set of minimum essential benefits required by the Affordable Care Act. Persons going without Obamacare-compliant coverage in 2018 may be subject to a tax penalty depending on their individual circumstances.

### **Obamacare's Individual Mandate Exemption & the Affordability Gap**

A recent analysis<sup>1</sup> found that 43 percent of people who buy health insurance in the individual market (7.5 million) don't receive government assistance (advance premium tax credits, commonly referred to as Obamacare subsidies) because they earn more than 400 percent of the federal poverty level.

The ACA defines health insurance as "unaffordable" when the lowest-priced plan available costs more than 8.06 percent of an individual or family's yearly income ([MAGI](#)).

With premiums expected to rise by more than 20 percent in some markets, eHealth recently published a [report](#) examining health insurance costs for families that make too much to receive ACA premium subsidies in 50 U.S. cities and found that a projected 10 percent increase in 2018 would make their health insurance unaffordable in 47 of those cities. eHealth [also analyzed](#) ACA health insurance premiums for individuals that make too much to receive ACA premium subsidies in 25 U.S. cities and found that by age 45 health insurance would be unaffordable in the majority of those cities if premiums rise 10 percent in 2018.

*Notes:*

<sup>1</sup>As reported on [NPR](#) from [insurance industry consultant Robert Laszewski](#).

## **About The IHC Group**

Independence Holding Company (NYSE:IHC) is a holding company that is principally engaged in underwriting, administering and/or distributing group and individual specialty benefit products, including disability, supplemental health, pet, and group life insurance through its subsidiaries since 1980. The IHC Group owns three insurance companies (Standard Security Life Insurance Company of New York, Madison National Life Insurance Company, Inc. and Independence American Insurance Company), and IHC Specialty Benefits, Inc., a technology-driven insurance sales and marketing company that creates value for insurance producers, carriers and consumers (both individuals and small businesses) through a suite of proprietary tools and products (including ACA plans and small group medical stop-loss). All products are placed with highly rated carriers.

### ***Forward-looking Statements***

Certain statements and information contained in this release may be considered "forward-looking statements," such as statements relating to management's views with respect to future events and financial performance. Such forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from historical experience or from future results expressed or implied by such forward-looking statements. Potential risks and uncertainties include, but are not limited to, economic conditions in the markets in which IHC operates, new federal or state governmental regulation, IHC's ability to effectively operate, integrate and leverage any past or future strategic acquisition, and other factors which can be found in IHC's other news releases and filings with the Securities and Exchange Commission. IHC expressly disclaims any duty to update its forward-looking statements unless required by applicable law.

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