



# ACA Index Report on Unsubsidized Consumers in the 2020 Open Enrollment Period

*June 2020*

## The ACA's Forgotten Unsubsidized Consumers

Most Americans who buy health insurance for themselves under the Affordable Care Act (ACA) receive federal subsidies to make their coverage more affordable, but a significant and often overlooked number of consumers are asked to shoulder the full burden of costs without assistance.

According to government figures\*, individuals receiving federal subsidies under the ACA pay an average of about \$80 per month to keep their coverage in effect. By contrast, millions of middle-income individuals and families who may have a household income only marginally higher than their subsidized neighbors are often required to pay four to five times more for comparable coverage, adding up to thousands of dollars per year.

eHealth's ACA Index reports, published annually since the ACA's first enrollment period for 2014, track costs and shopping trends among these unsubsidized ACA plan enrollees. This year's report presents findings based on individual and family health insurance plans selected at eHealth.com by unsubsidized shoppers during the annual nationwide open enrollment period for 2020 coverage, which ran from November 1, 2019 through December 15, 2019.

\* According to data published by CMS for the first half of 2019: <https://www.cms.gov/files/document/effectuated-enrollment-first-half-2019>


## 2020 Highlights

**Year-over-year increases in average premium were moderate but the cost of coverage remains notably high for many unsubsidized enrollees:**

- \$456 was the average monthly premium for individuals, up 2% from the 2019 but 68% higher than the average premium for the ACA's first nationwide open enrollment period for 2014 coverage.
- \$1,152 was the average monthly premium for families (of two or more people), a figure essentially unchanged from 2019 but 73% higher than the average premium for 2014.
- For a family of four in 2020, the potential liability for combined average premiums and deductible over the course of the year was \$25,011.

**Plan selection trends for 2020:**

- Health Maintenance Organization (HMO) plans accounted for 49% of all plans selected by unsubsidized eHealth customers, down from 56% the year before.
- Exclusive Provider Organization (EPO) plans accounted for 33% of all plan selections, up from 26% in 2019.
- Plans eligible for use with a Health Savings Account (HSA) accounted for 22% of selections, down from 27% the year before.

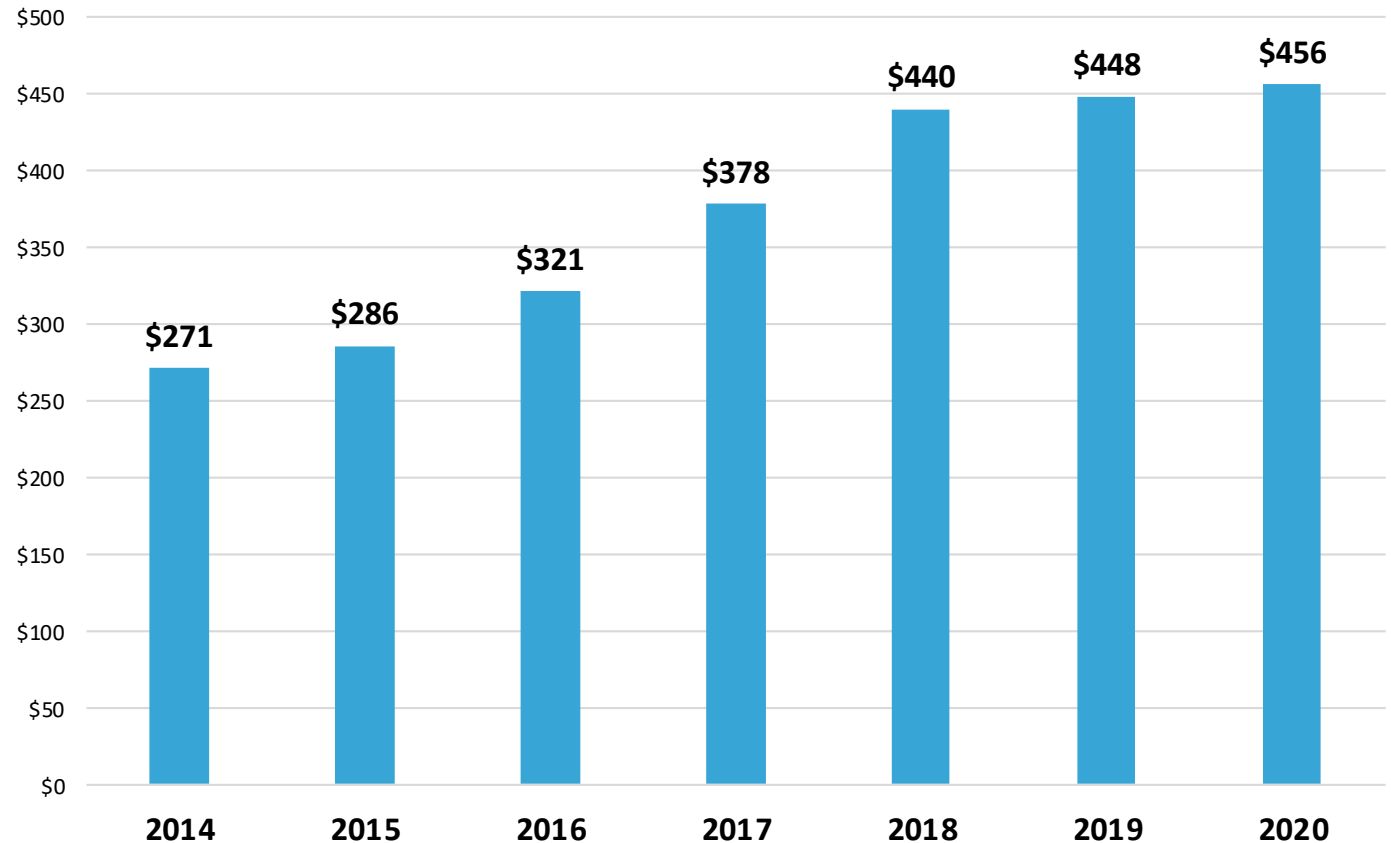


Costs and Trends for  
**Individual Coverage**

**Average premiums marked a second year of only modest increases**

- \$456 was the average monthly premium for individual plans selected by unsubsidized eHealth customers for the 2020 plan year.
- Between 2019 and 2020, the average individual premium increased 2%.
- **Since the ACA’s first open enrollment period (for 2014 coverage), the average individual premium has increased 68%.**

**Average monthly premiums for individual coverage**

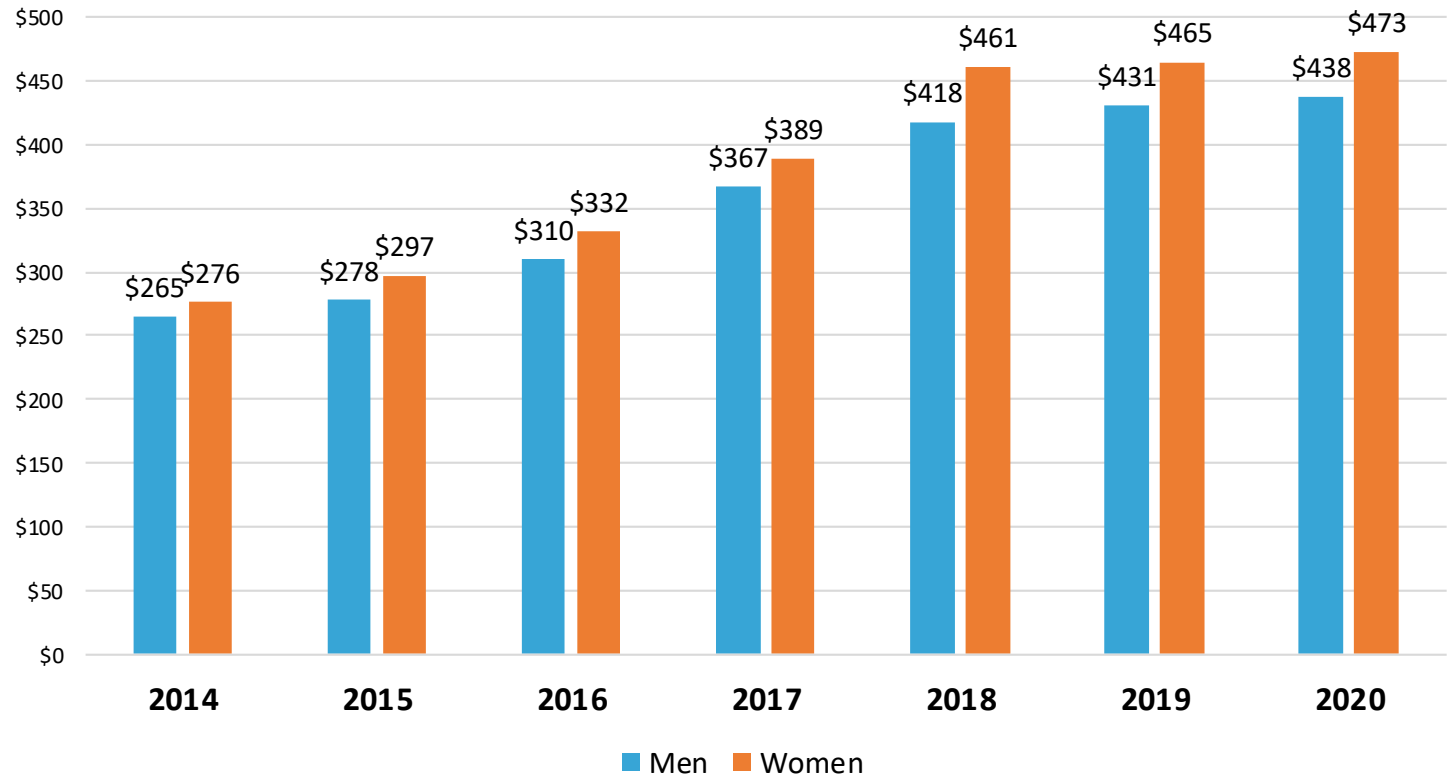




**On average, women chose 2020 plans with premiums 8% higher than men**

- \$438 was the average individual premium for 2020 for plans selected by men, an increase of 2% from the year before.
- \$473 was the average individual premium for 2020 plans selected by women, an increase of 2% from the year before.
- Since 2014, premiums for plans selected by women have averaged 7% higher than those selected by men.

**Average individual premiums by gender**

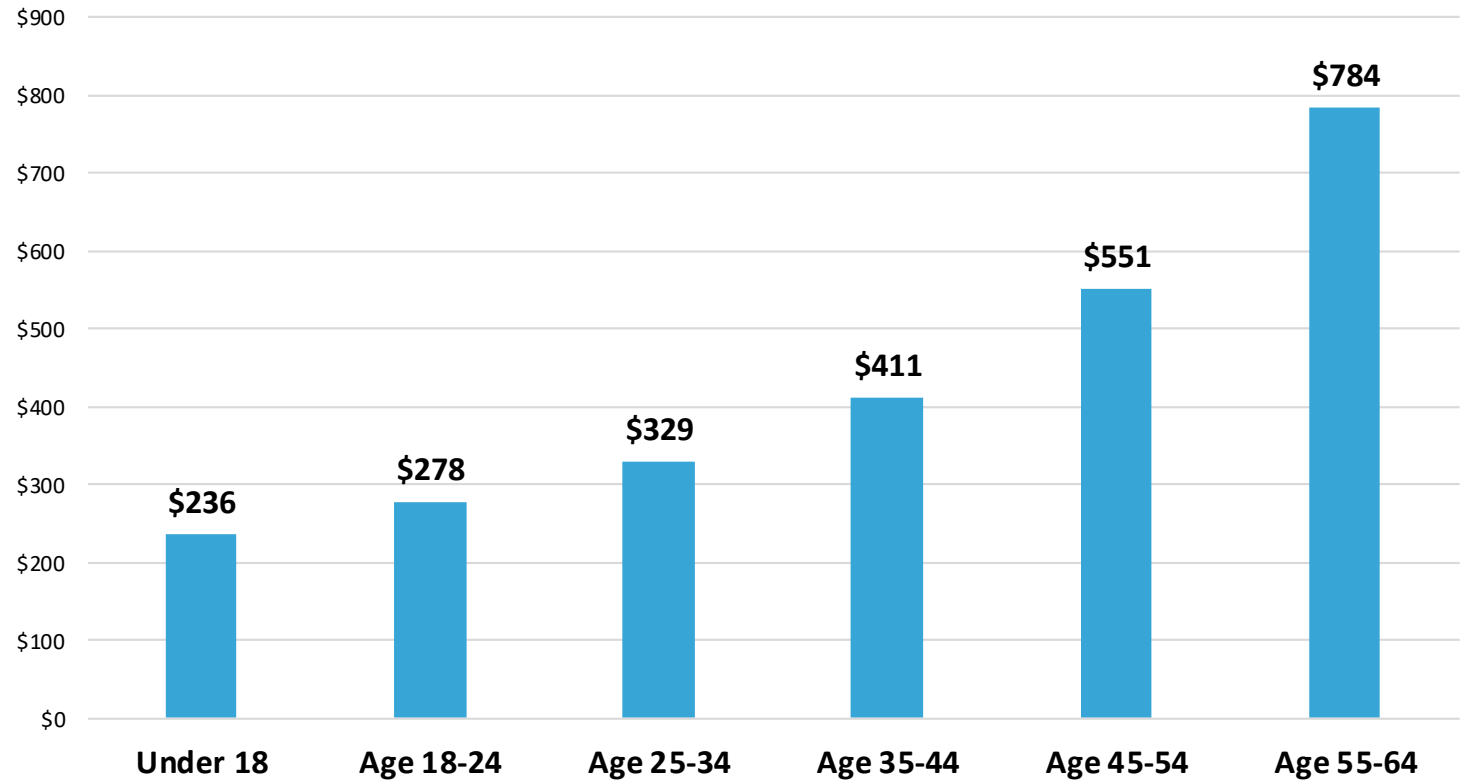


*Gender and premiums: The ACA prohibits health insurance companies from charging women more than men for coverage under the same plan. The divergence in average premiums by gender shown above reflects a tendency among women to select plans with higher monthly premiums than men. This trend has been consistent since the 2014 open enrollment period.*

For 2020, policy holders age 55 to 64 pay \$506 more per month on average than people age 18 to 24

- \$784 was the average monthly premium for individuals age 55 to 64.
- \$551 was the average premium for individuals age 45 to 54.
- \$411 was the average premium for individuals age 35 to 44.
- \$329 was the average premium for individuals age 25-34.
- \$278 was the average premium for individuals age 18 to 24.

Average individual premiums by age band (2020 only)



*Age and premiums:* ACA rules allow rating based on age (and other factors) up to a 3:1 ratio, so that older consumers may be charged up to three times the amount younger consumers are charged for the same plan.

**Only Gold plans showed a decrease in average premium for 2020**

- \$732 was the average premium for Platinum plans, up 4% from the year before.
- \$569 was the average premium for Gold plans, down 5% from the year before.
- \$483 was the average premium for Silver plans, essentially unchanged from the year before.
- \$448 was the average premium for Bronze plans, up 2% from the year before.
- \$195 was the average premium for Catastrophic plans, up 1% from the year before.

**Average individual premium by metal level**

	2014	2015	2016	2017	2018	2019	2020
Platinum	\$411	\$425	\$498	\$575	\$709	\$706	<b>\$732</b>
Gold	\$353	\$366	\$420	\$502	\$587	\$596	<b>\$569</b>
Silver	\$328	\$323	\$362	\$418	\$498	\$481	<b>\$483</b>
Bronze	\$259	\$275	\$315	\$374	\$434	\$440	<b>\$448</b>
Catastrophic	\$134	\$145	\$153	\$173	\$206	\$193	<b>\$195</b>

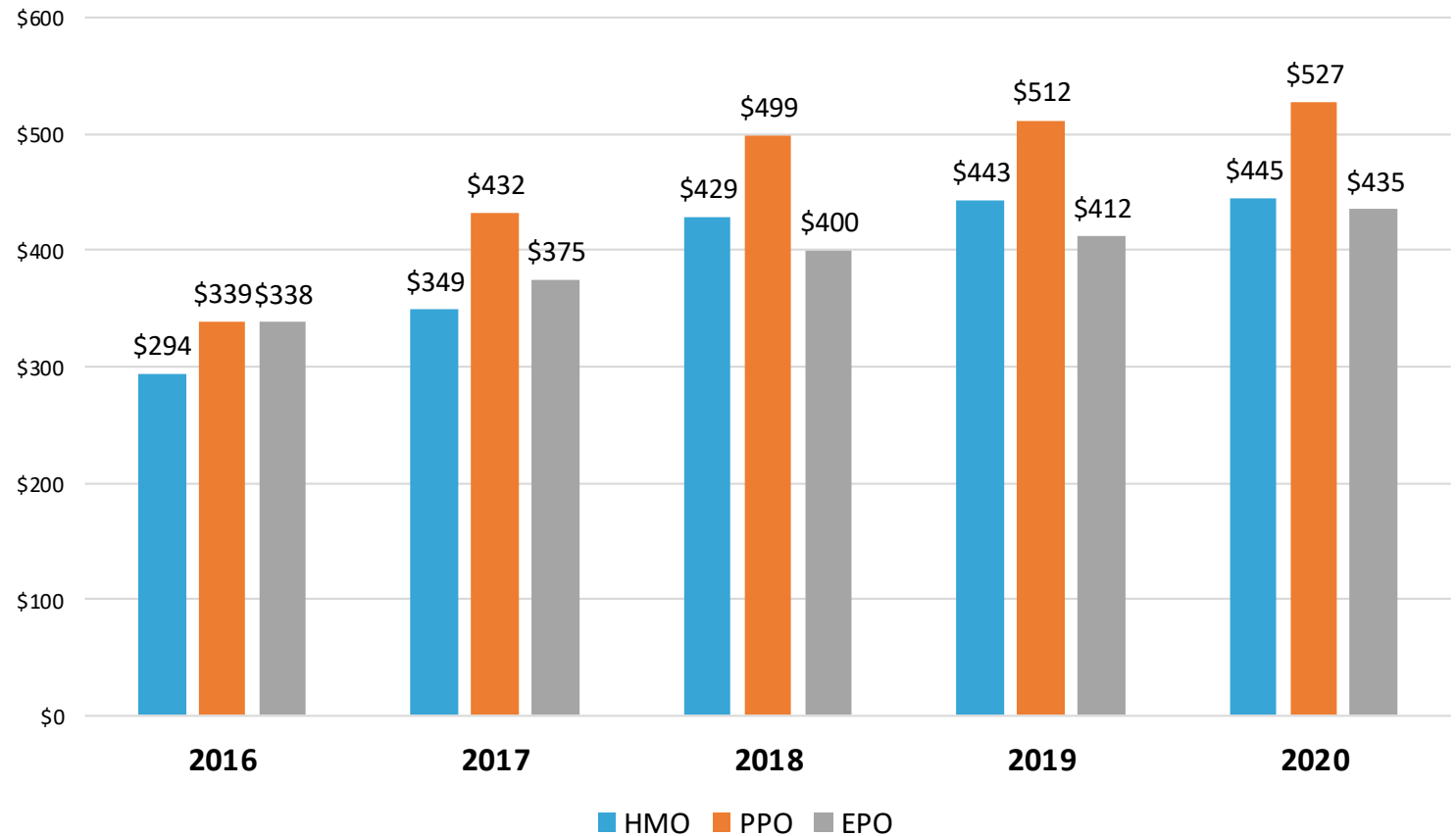
*Catastrophic plans: Under ACA rules, catastrophic plans are typically only available to people under age 30.*



**HMO and EPO plan premiums approached parity with one another for 2020**

- \$445 was the average individual monthly premium for HMO plans (the most popular plan type) in 2020, essentially unchanged from the year before.
- PPO premiums averaged \$527 per month in 2019, up 3% from the year before and 18% higher than 2020 HMO premiums.
- EPO premiums averaged \$435 per month in 2020, up 6% from the year before and 2% lower than 2020 HMO premiums.

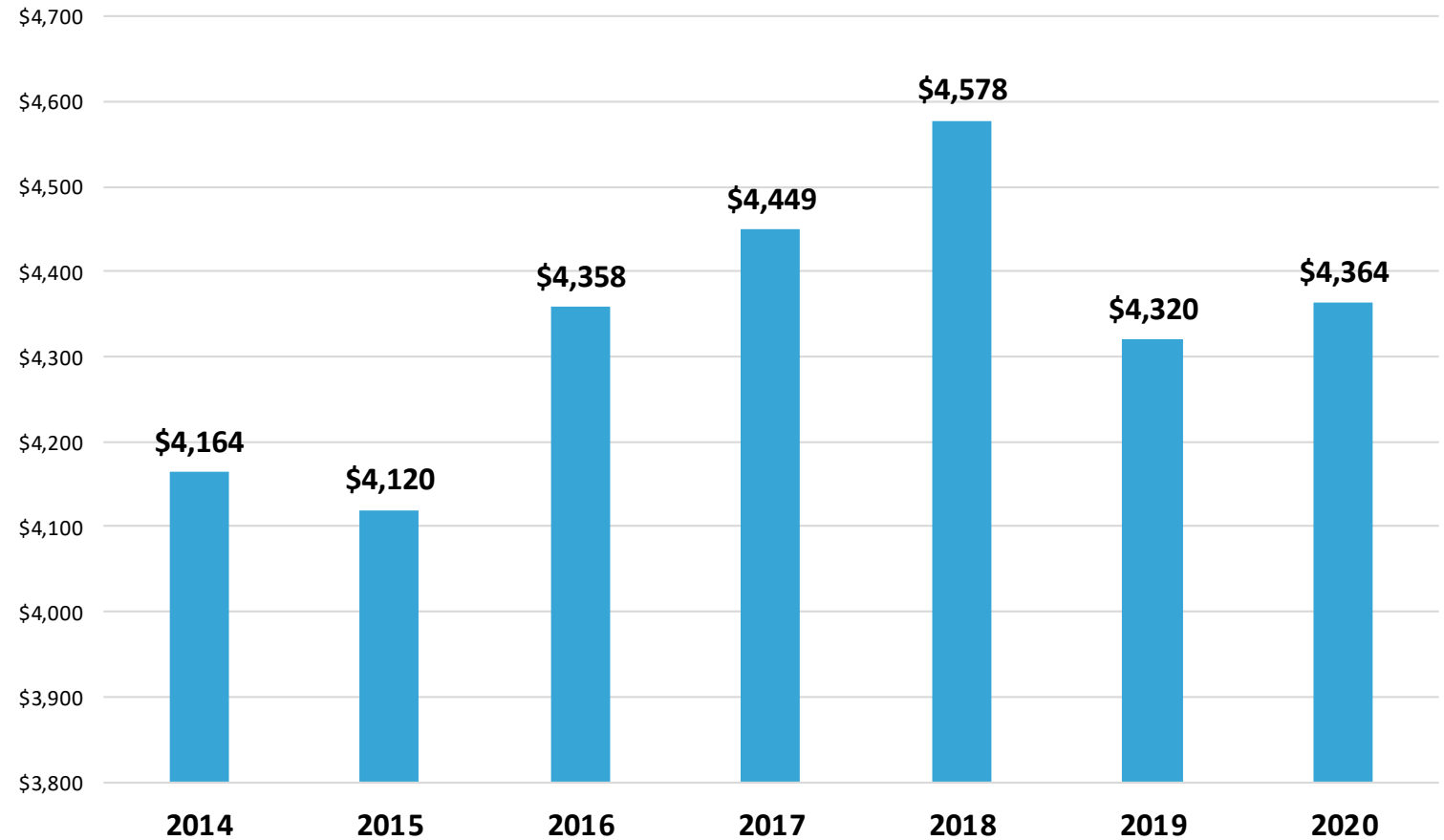
**Average individual premiums among popular plan types**



**Average deductibles for 2020 show stability after a notable drop in the previous year**

- The average annual deductible for individual plans was \$4,364, up 1% from the year before.
- The average annual deductible for 2020 is 5% higher than it was in 2014.

**Average annual deductibles for individual coverage**



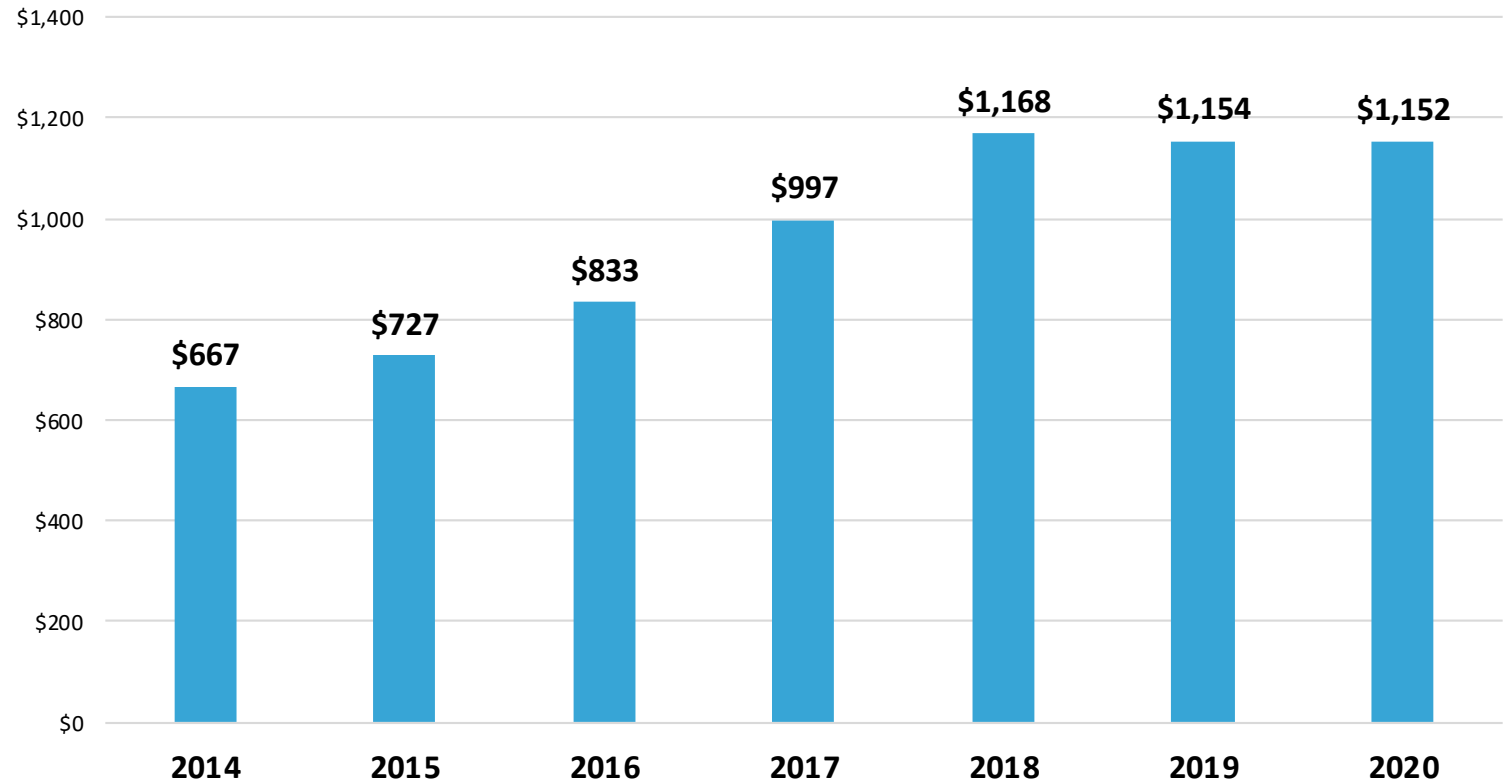


Costs and Trends for  
**Family Coverage**

**Average family premiums are stable for 2020 but still over \$1,100 per month**

- The average monthly premium for family coverage among unsubsidized eHealth customers was \$1,152, essentially unchanged from the previous year.
- **The average monthly premium for family coverage has increased 73% since the ACA’s first open enrollment period for 2014 (\$667 vs. \$1,152).**

**Average monthly premiums for family coverage**

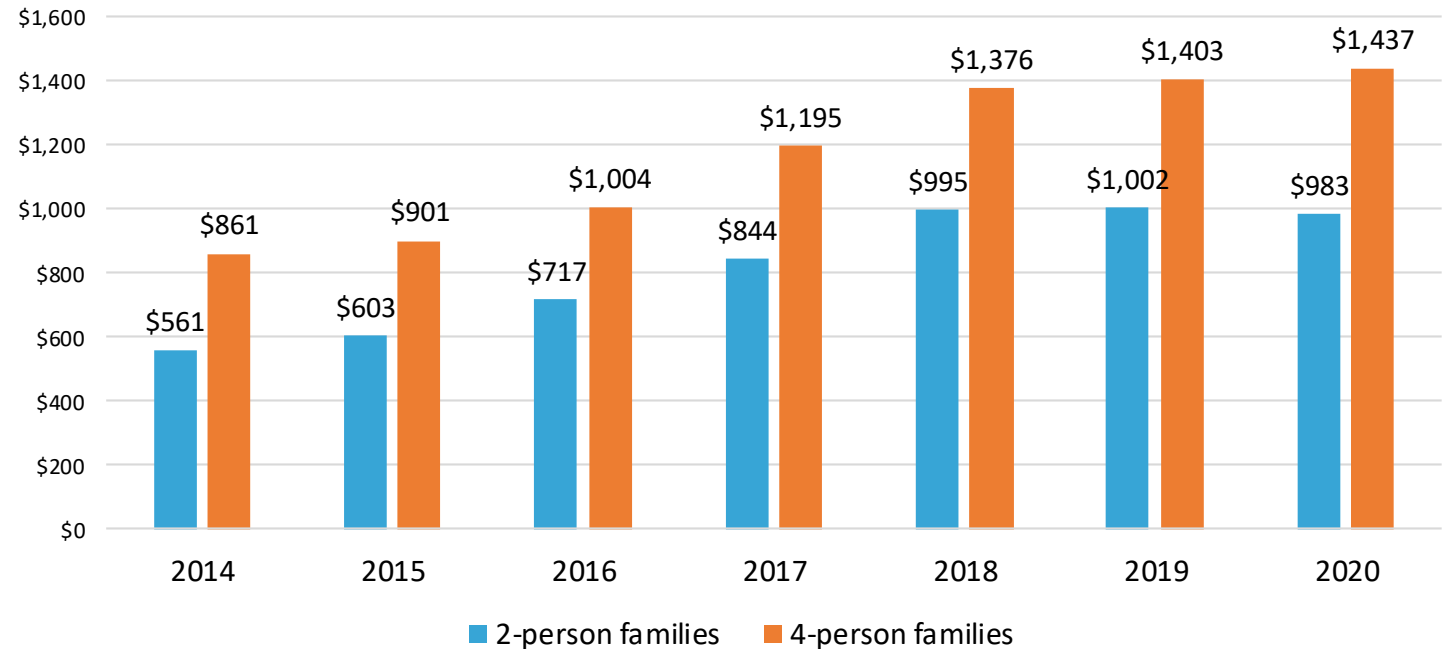


*On family coverage: Unless otherwise stated, “family coverage” in this report refers to policies covering two or more people.*

**Two-person family premiums show modest decrease while four-person family premiums show modest increase**

- Two-person families paid an average monthly premium of \$983, 2% lower than the year before.
- Four-person families paid an average monthly premium of \$1,437, 2% higher than the year before.
- **Average annual premiums for 2020 were \$11,796 for families of two and \$17,244 for families of four.**

**Average premiums: two-person families vs. four-person families**



**Deductibles by family size:** The average annual family deductible for 2020 was \$8,799 for two-person families and \$7,767 for four-person families.

**Total cost for four-person families tops \$25,000:** Over the course of a year, a four-person family that obtains medical care requiring them to meet their family deductible will pay an average of \$25,011 in combined premiums and deductible.

**Only average Bronze family plan premiums decreased between 2019 and 2020**

- Average monthly Platinum plan premiums for families increased 10% between 2019 and 2020.
- Average Gold plan premiums increased 1%.
- Average Silver plan premiums increased 3%.
- Average Bronze plan premiums decreased 4%.

**Average monthly family premium by metal level**

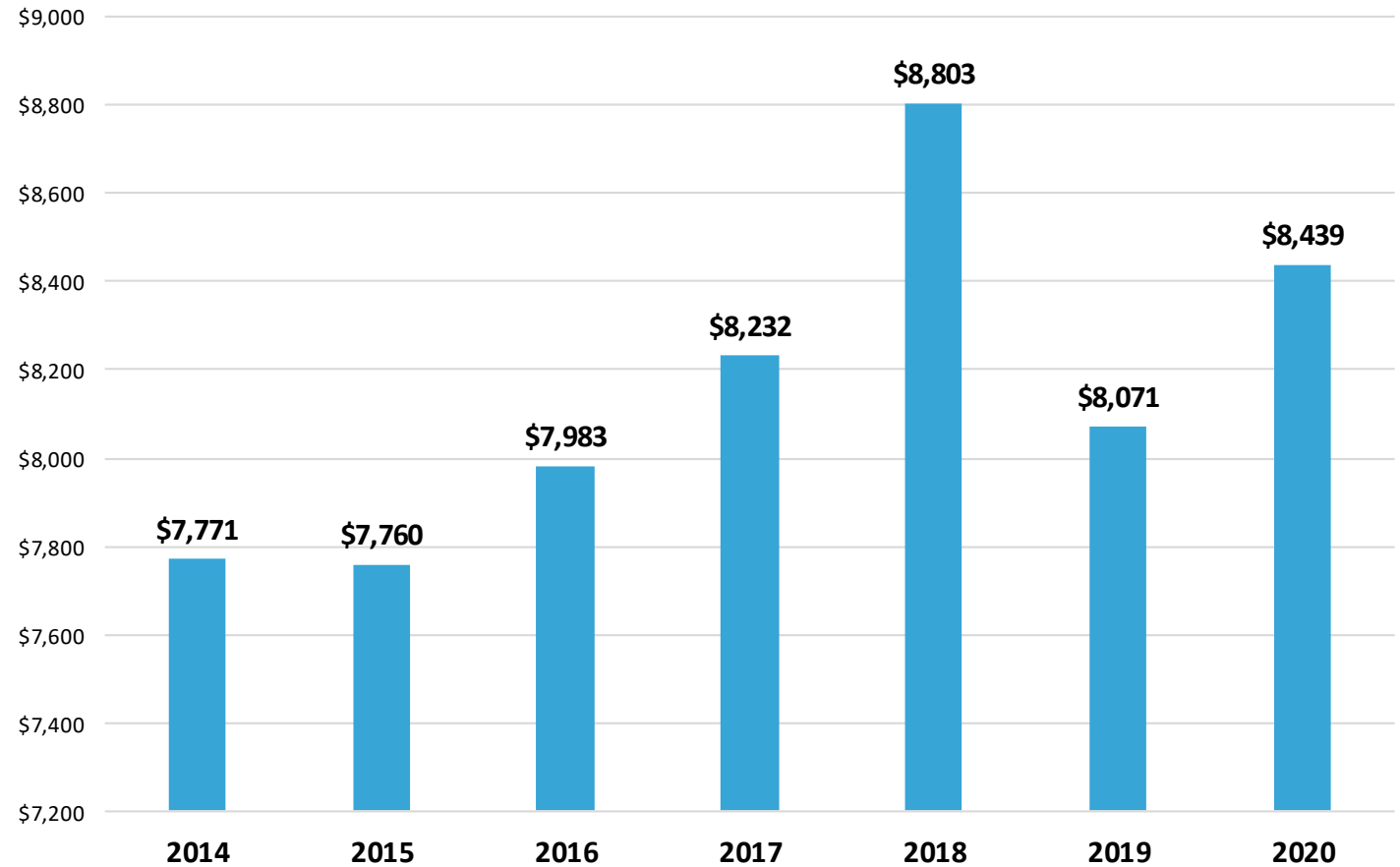
	2014	2015	2016	2017	2018	2019	2020
<b>Platinum</b>	\$997	\$1,082	\$1,268	\$1,472	\$1,707	\$1,460	<b>\$1,610</b>
<b>Gold</b>	\$864	\$910	\$1,061	\$1,252	\$1,435	\$1,426	<b>\$1,437</b>
<b>Silver</b>	\$762	\$779	\$882	\$1,061	\$1,257	\$1,179	<b>\$1,212</b>
<b>Bronze</b>	\$565	\$628	\$739	\$903	\$1,056	\$1,080	<b>\$1,041</b>



**Average family deductibles increased nearly \$400 in the past year**

- The average family plan deductible for 2020 (across all family sizes) was \$8,439, up 5% from the year before.
- The average family plan annual deductible for 2020 was 9% higher than in 2014 (\$7,771).

**Average annual deductible for family coverage**





Additional  
**Plan Selection Trends**

**Bronze and Silver plans accounted for more than 75% of all plans selected by unsubsidized eHealth customers**

- Bronze plans accounted for 42% of all plans selected during the 2020 open enrollment period.
- Silver plans accounted for 34% of all plans selected.
- Gold plans accounted for 14% of all plans selected.
- Catastrophic plans accounted for 8% while Platinum plans accounted for 2% of all plans selected.

**Plan selection percentage by metal level (individual and family combined)**

	2014	2015	2016	2017	2018	2019	2020
<b>Platinum</b>	5%	6%	3%	3%	2%	2%	2%
<b>Gold</b>	14%	13%	12%	10%	12%	13%	14%
<b>Silver</b>	21%	23%	29%	33%	30%	35%	34%
<b>Bronze</b>	47%	46%	44%	43%	43%	41%	42%
<b>Catastrophic</b>	14%	12%	12%	11%	13%	10%	8%

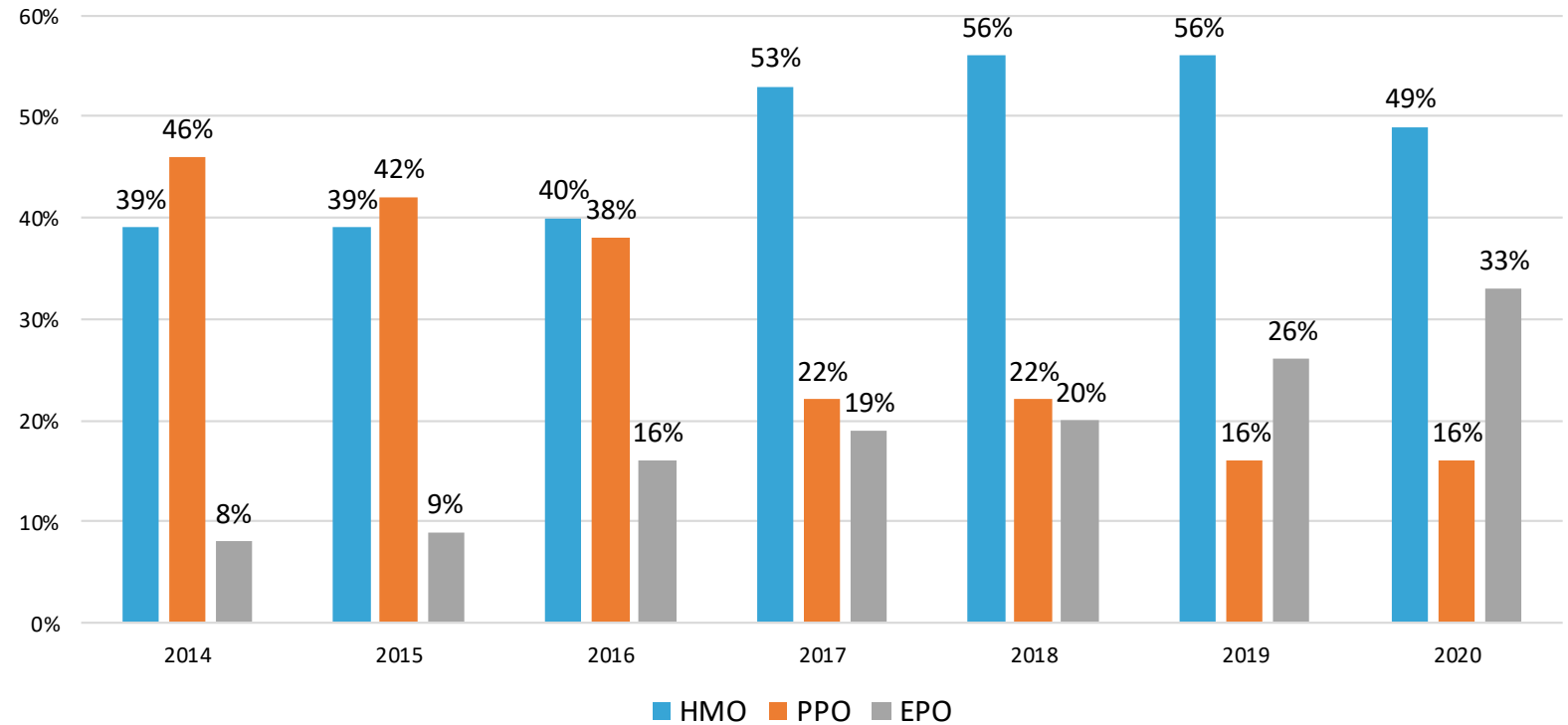
**Decline in HSA-eligible health insurance plans:** 22% of plans selected by eHealth shoppers during the 2020 open enrollment period were eligible for use with a Health Savings Account, compared to 27% in 2019.

**Premiums are 4% higher for HSA-eligible plans:** For 2020, individual HSA-eligible plans had an average monthly premium of \$471 while plans not eligible for use with an HSA had an average premium of \$452.

**HMO plans fall below 50% of plan selections while EPO plans increase market share**

- HMO plans accounted for 49% of all plans selected during the 2020 open enrollment period, down from 56% for 2019.
- PPO plans accounted for 16% of 2020 plans, unchanged from the year before.
- EPO plans accounted 33% of all 2020 plans, up from 26% from the year before.

**Percent of all plans selected by popular plan type (individual and family combined)**



*On plan type availability:* It should be understood that changes in plan type selections between the 2014 and 2019 open enrollment periods were likely driven in part by changes in the prevalence of plan types offered by insurers.

## Methodology Note

Information presented in this report is based solely on rates quoted for health insurance applications submitted by unsubsidized consumers through the company's website, eHealth.com, in the specified time period. It does not offer a comprehensive view of costs for all plans available, whether through eHealth, through government exchanges, through private exchanges other than eHealth, or directly from insurance carriers.

Data collected and presented in this report is based on over 7,000 unsubsidized individual and family health insurance applications submitted through eHealth.com between November 1, 2019 and December 15, 2019. Comparisons are drawn between consumer selections during prior open enrollment periods and plan years based on data previously published by eHealth.

Although eHealth was able to facilitate subsidy applications and enroll qualifying consumers in subsidy-eligible plans in many states during open enrollment periods between the 2014 and 2020 open enrollment periods, information from these customers is not included in this report.

Dollar figures in the report have been rounded to the nearest full dollar. Percentages have been rounded to the nearest full percentage point and may add to slightly less or more than 100% due to rounding. Premium and deductible and metal level data given in this report are based on information provided by the insurance carriers to eHealth.

Not all submitted applications result in an enrollment. It is possible for an applicant to withdraw his or her request for coverage after submitting an application, or for an application to be declined for certain reasons. In addition, some applicants may choose to cancel a plan even after their application has been approved and they have been enrolled. No financial data relevant to eHealth's business should be drawn from this report.

The average national premiums and additional data included in this report are based on individual and family health insurance applications submitted through eHealth (and not involving government exchanges) for the period noted. Certain applications missing key data fields relevant to the report may have been removed from the sample.

Average costs published in this report present a snapshot of national average health insurance premiums based solely on the behavior of eHealth's unsubsidized, off-exchange customers, and do not necessarily represent the average costs of all individual or family health insurance plans purchased across the country through all sources.

In order to provide a more representative snapshot of costs and trends, application submission data from the state of Ohio for the 2019 and 2020 plan years have been excluded from this report due to the exceptional nature of products sold in that state by eHealth.

The analysis presented in this report is based solely on health insurance plans offered by and applied for through eHealth.com. Results may not reflect the full scope of all individual and family health insurance products on a national basis. Each individual's or family's health insurance premium is based on many factors, including but not limited to geography, age, type of plan, individual plan benefits chosen, and others that may not be fully reflected in this report.

## About eHealth<sup>®</sup>

eHealth, Inc. (NASDAQ: EHTH) operates a leading health insurance marketplace at [eHealth.com](https://www.eHealth.com) and [eHealthMedicare.com](https://www.eHealthMedicare.com) with a technology and service platform that provides consumer engagement, education and health insurance enrollment solutions. Our mission is to connect every person with the highest quality, most affordable health insurance and Medicare plans for their life circumstances. Our platform integrates proprietary and third-party developed educational content regarding health insurance plans with decision support tools to aid consumers in what has traditionally been a confusing and opaque health insurance purchasing process, and to help them obtain the health insurance products that meet their individual health and economic needs. Our omni-channel consumer engagement platform is designed to meet the consumer wherever they prefer to engage with us, and enables consumers to use our services online, through interactive chat, or by telephone with a licensed insurance agent. We have created a marketplace that offers consumers a broad choice of insurance products that include thousands of Medicare Advantage, Medicare Supplement, Medicare Part D prescription drug, individual and family, small business and other ancillary health insurance products from over 180 health insurance carriers across all fifty states and the District of Columbia.