

# eHealth<sup>®</sup>

## Q1 2025 Financial Results

# Safe Harbor Statement

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## Forward-Looking Statements

This presentation includes forward-looking statements within the meaning of the federal securities laws. Forward-looking statements generally relate to future events or our future financial or operating performance. Forward-looking statements in this presentation include, but are not limited to, the following: our estimates regarding online and hybrid-assisted enrollment growth; our estimates regarding commissions receivable collection; our key conversion rate drivers; our expectations regarding our technological and digital capabilities; our business, industry and market trends, including market opportunity, consumer demand and our competitive advantage; our investments in technology and operational initiatives, including artificial intelligence (AI) capabilities, and the expected impact of these investments on our business; our expectations regarding call times, quality and efficiency with the AI capabilities; consumer expectation and adoption of online and other digital product and service offerings; our 2025 strategic objectives, including our business and growth strategy, branding strategy, member retention strategy, our telesales organization strategy, AI and digital technology strategy, carrier relationships strategy and diversification strategy, and our ability to achieve such strategic objectives; our ability to achieve our financial targets, including our 2025 annual guidance for total revenue, GAAP net loss, adjusted EBITDA and operating cash flow; the expected impact of positive net adjustment revenue on our 2025 annual guidance; and other statements regarding our future operations, financial condition, prospects and business strategies. Our expectations and beliefs regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected. These risks include those set forth in our filings with the Securities and Exchange Commission, including our latest Form 10-Q and 10-K. The forward-looking statements in this presentation are based on information available to us as of today, and we disclaim any obligation to update any forward-looking statements, except as required by law.

## Non-GAAP Information

This presentation includes both GAAP and non-GAAP financial measures. The presentation of non-GAAP financial information is not intended to be considered in isolation or as a substitute for results prepared in accordance with GAAP. A reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable GAAP financial measures is available in the Appendix to this presentation. Management uses both GAAP and non-GAAP information in evaluating and operating its business internally and as such has determined that it is important to provide this information to investors.

# Q1 2025 Earnings Highlights

eHealth delivered significant revenue and profitability growth year-over-year driven by strong Medicare volumes accompanied by enrollment margin expansion

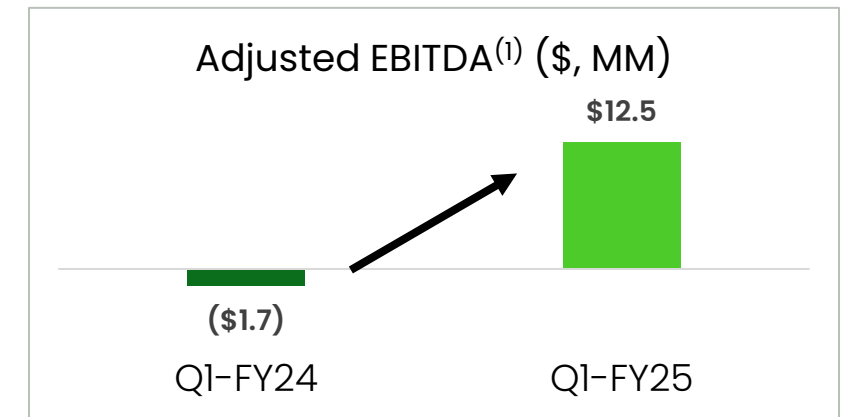
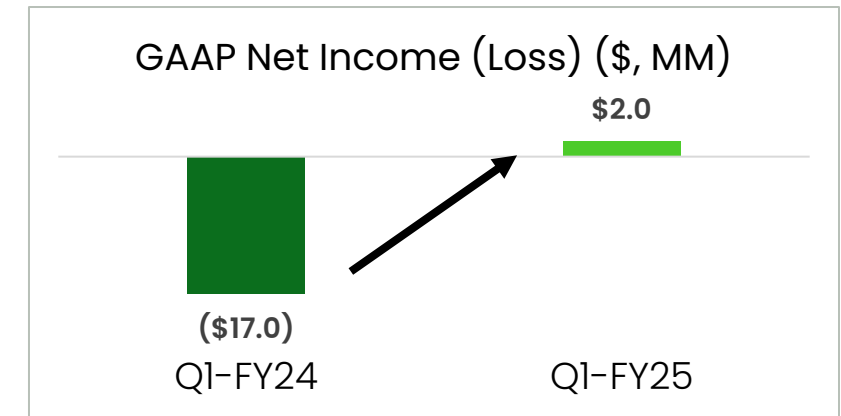
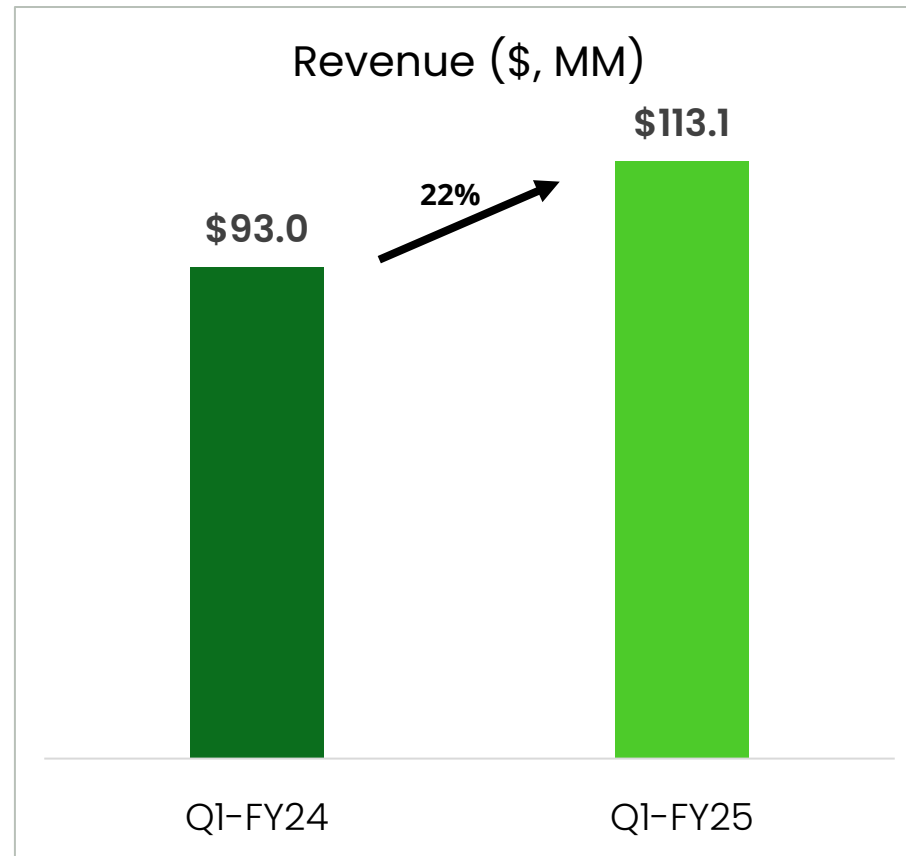
- **Q1 2025 total Medicare submissions<sup>(1)</sup>** across our core agency and carrier-dedicated Amplify platforms grew 22% compared to Q1 2024, driven primarily by Medicare Advantage (MA) submissions growth of 25% year-over-year.
- **Q1 2025 total revenue** of \$113.1 million increased 22% compared to Q1 2024 total revenue of \$93.0 million, driven primarily by meaningful Medicare segment growth and greater positive net adjustment revenue year-over-year.
- **Q1 2025 Medicare unit margin** expansion year-over-year driven primarily by a 10% decline in total acquisition cost per MA-equivalent approved member reflecting continued optimization of our sales and marketing operations.
- **Q1 2025 GAAP net income** of \$2.0 million improved significantly compared to Q1 2024 GAAP net loss of \$17.0 million.
- **Q1 2025 adjusted EBITDA<sup>(1)</sup>** of \$12.5 million improved \$14.2 million compared to adjusted EBITDA<sup>(1)</sup> of \$(1.7) million in Q1 2024.
- **Q1 2025 operating cash flow** of \$77.1 million improved 9% compared to operating cash flow of \$70.8 million in Q1 2024.
- **Favorable announcements** on 2026 Medicare Advantage reimbursement rates and the final Medicare rules, a positive for our industry.

(1) Refer to the appendix for definitions of certain metrics and our non-GAAP financial measures along with reconciliations to the most comparable GAAP measure.

# Strong Q1 2025 Total Revenue Growth Accompanied by Significant Improvement in Profitability Metrics

Q1 2025 revenue growth was driven by strong Medicare submissions and higher positive net adjustment (tail) revenue YoY.

Improved profitability driven by increased application volume, favorable member acquisition costs, and timing-related benefits to our operating expenses.



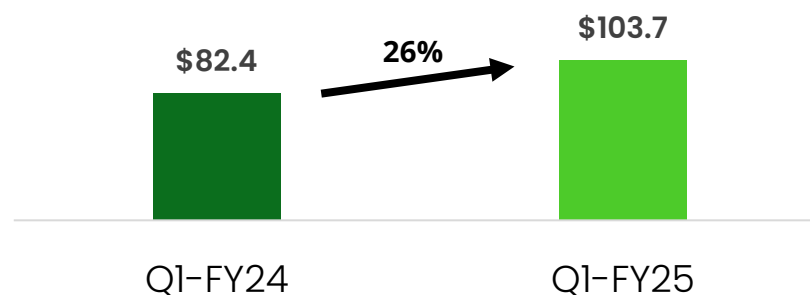
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# Q1 2025 Medicare Segment Performance

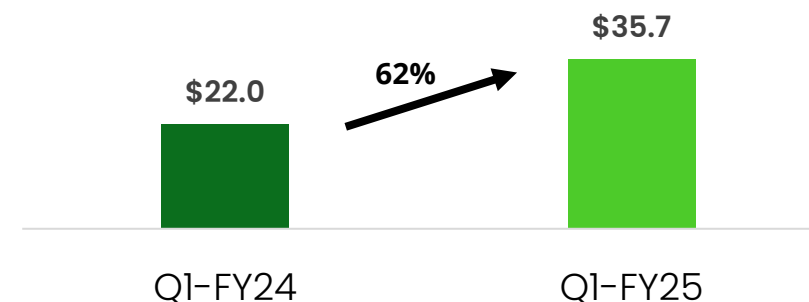
Medicare segment generated 26% YoY revenue growth while improving profitability.

This was driven by a 22% YoY growth in Medicare submissions and 10% YoY improvement in total acquisition cost per MA-equivalent approved member.

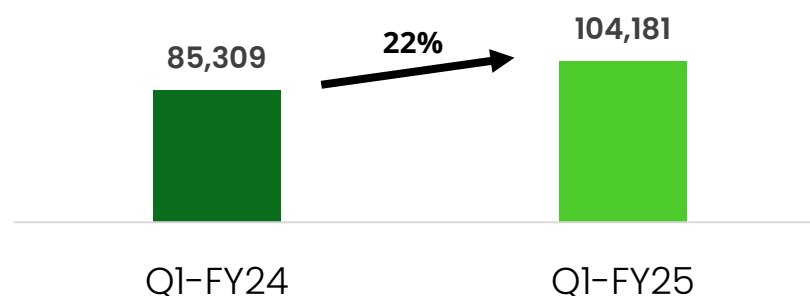
Medicare Segment Revenue (\$, MM)



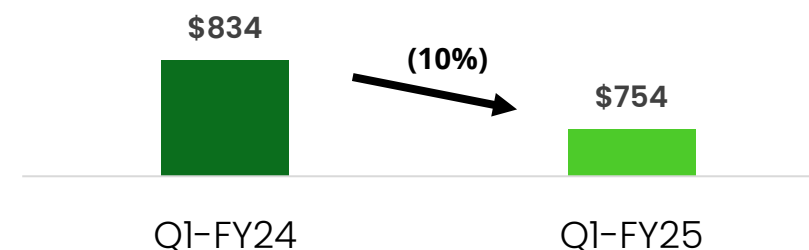
Medicare Segment Gross Profit<sup>(1)</sup> (\$, MM)



Medicare Submissions



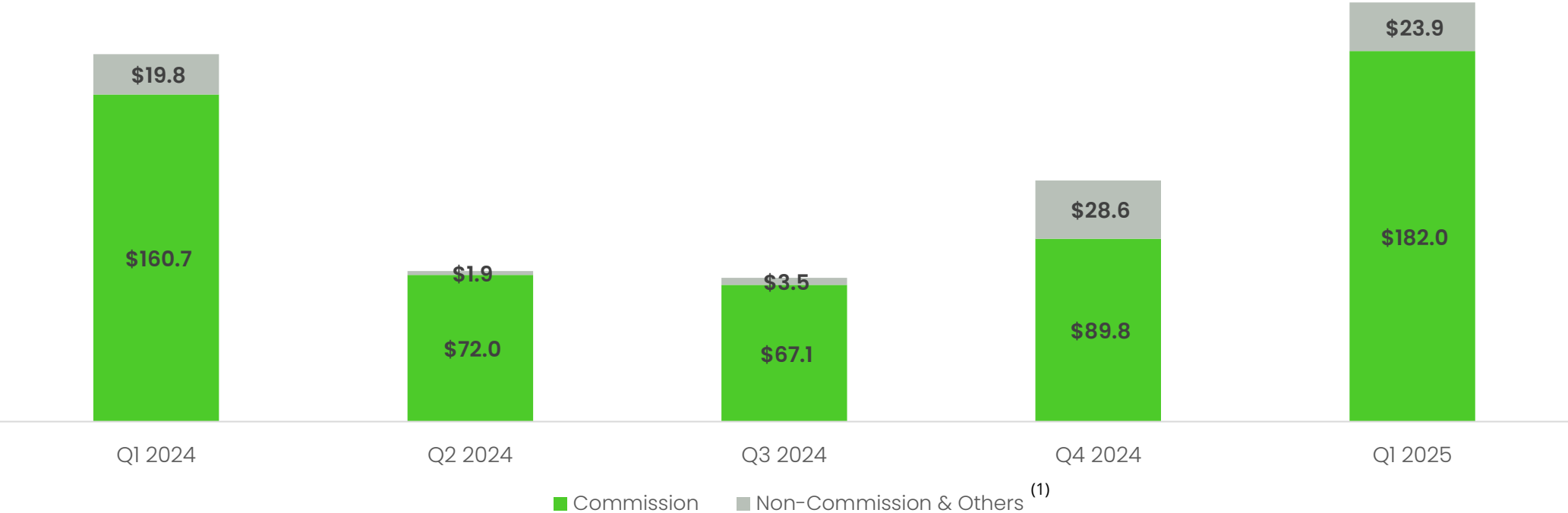
Total Acquisition Cost per MA-equiv. Approved Member



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# Total Cash Collected by Revenue Type (\$, MM)

Q1 2025 total cash collections of \$205.9 million grew 14% on a year-over-year basis, reflecting strong Medicare enrollments, increased commission payments, and an increase in non-commission revenue.

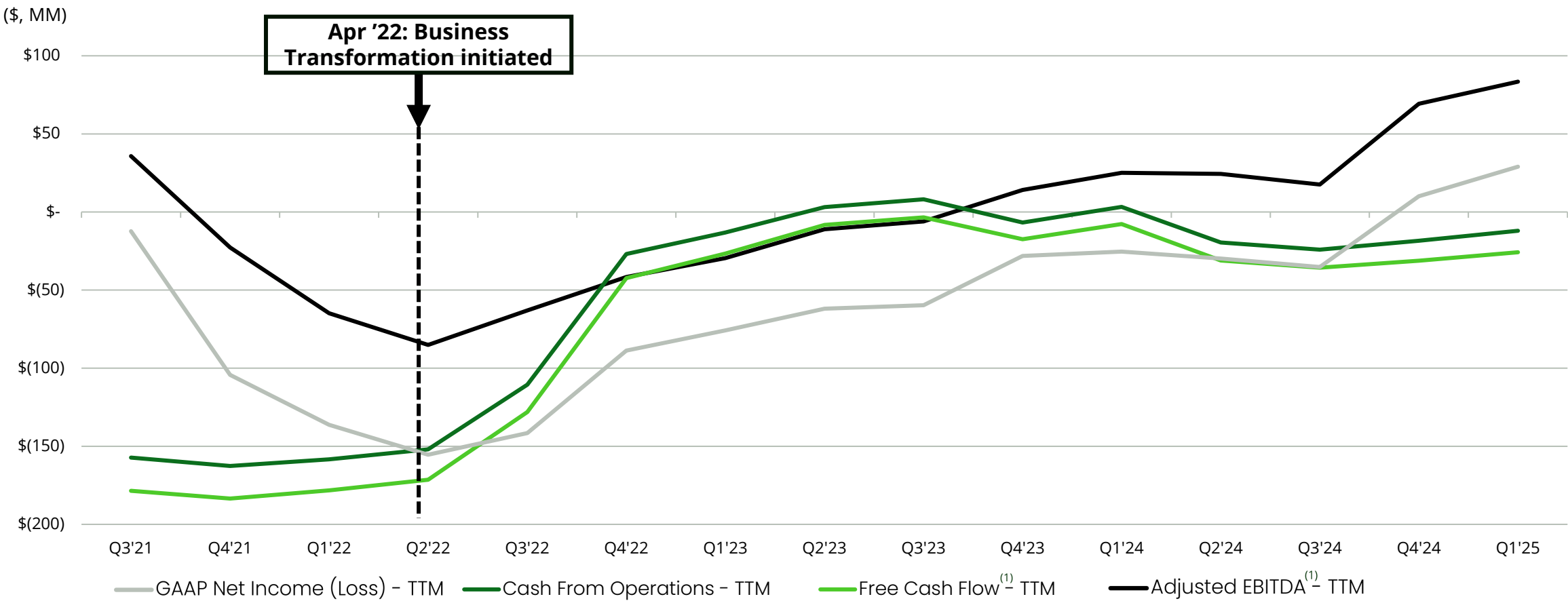


(1) We distinguish between commission and non-commission based cash collections using the same methodology we use to distinguish between commission revenue and revenue from non-commission sources, which can be found in our Annual Report on Form 10-K filed with the SEC on February 27, 2025.



# Trailing 12-Month Profitability and Cash Flows

Following the implementation of our Business Transformation in 2022, eHealth has driven consistent improvements in earnings and cash flow. Cash flow for the trailing twelve months (“TTM”) ended March 31, 2025 reflects our investment in growth and market share capture during the latest AEP/OEP cycle (Q4 ‘24 and Q1’ 25).

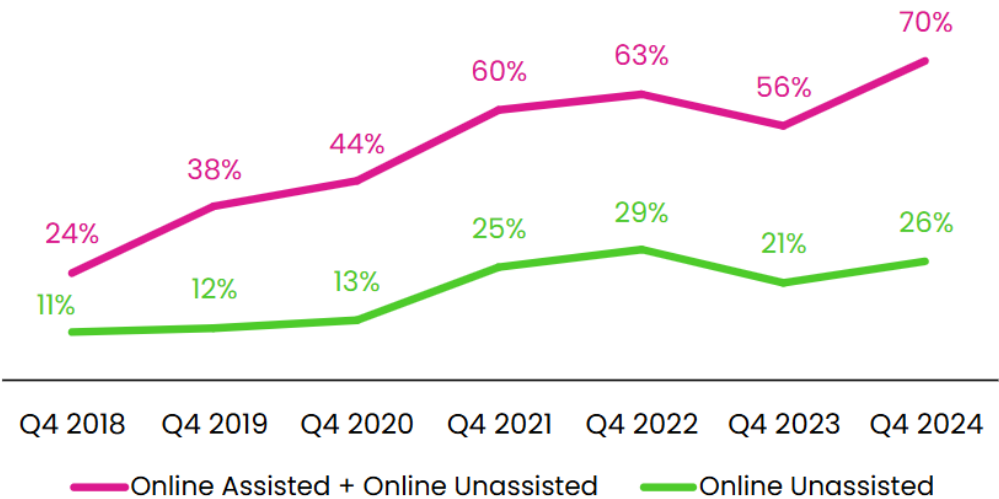


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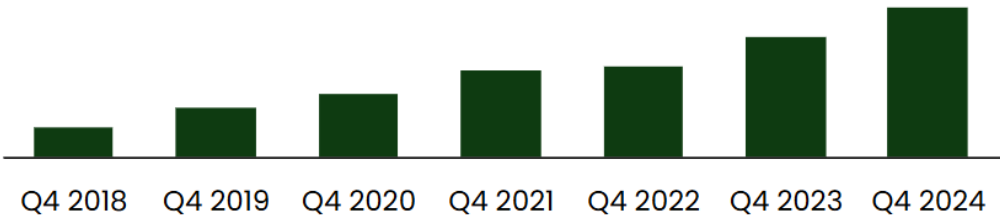
# Digital Capabilities are among Top Differentiators of eHealth Platform

Consumers are increasingly expecting online comparison-shopping experience. eHealth’s omni-channel platform is driving increases in online unassisted and hybrid online-assisted enrollments.

**% of Total MA Applications Submitted Online**



**MA Online Unassisted Conversion Rate<sup>(1)</sup>**



- Online is now the leading enrollment channel, with **70% of apps submitted electronically** in Q4 2024 and **5x improvement in conversion** from Q4 2018 to Q4 2024
- Key conversion rate drivers include **industry leading user experience** with convenient filters for drugs, doctors, and pharmacies

(1) MA online conversion rate is defined by the number of online unassisted MA sent applications divided by the number of unique unassisted visitors to eHealth Medicare domains.



# We Continue to Invest in Technology Leadership

- In April, eHealth launched a pilot using artificial intelligence to help streamline and improve how consumers comparison shop for health plans
- AI-based voice agents are now handling some incoming calls to eHealth, with the goal of supplementing our critical human sales center staff to reduce the wait time for consumers during peak hours, providing after-hours assistance, and ultimately enabling us to answer more inbound calls
- AI-powered voice agents are designed to enhance the customer experience by initiating the call process, gathering personal information, checking initial eligibility, and communicating necessary disclosures
- Another key advancement in eHealth's leading digital-enabled enrollment platform



# FY25 Strategic Objectives

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1. Continue to **grow our distinct consumer brand** across all direct marketing channels and beyond our Medicare Advantage products.
2. Evolve and optimize **consumer-centric retention efforts** from policy submission to effectuation and through subsequent renewals with a goal to improve member-level retention on the eHealth platform.
3. Continue to **optimize our telesales organization** by providing advisors with industry-leading brand support, training programs, career development opportunities, and technological tools.
4. Advance our AI and digital **technology leadership** to better serve all key eHealth stakeholders.
5. Strengthen and expand our **carrier relationships** which are critical to both our choice and dedicated models.
6. Invest in existing capabilities beyond MA agency to pursue **targeted diversification**, with a goal of building profitable scale, fully leveraging our distribution platform year-around, and mitigating risk.

# FY25 Guidance

- Guidance includes the expected impact of positive net adjustment revenue, which has been updated to be in the range of \$11 to \$20 million to reflect the Q1 2025 positive net adjustment revenue, compared to the previous range of \$0 to \$20 million.

2025 Full Year Guidance	Guidance Range (in millions)
Total Revenue	\$510 – \$550
GAAP Net Income (Loss)	(\$10) – \$15
Adjusted EBITDA <sup>(1)</sup>	\$35 – \$60
Operating Cash Flow	(\$25) – \$10

(1) Refer to the appendix for definitions of certain metrics and our non-GAAP financial measures along with reconciliations to the most comparable GAAP measure.

# Appendix



# Definitions

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**Submissions** describe applications that are submitted by individuals online through our eHealth platform or completed with the assistance of our benefit advisors where the individual provides authorization to the benefit advisor to submit the application to the insurance carrier partner. The individual may have additional actions to take before the application will be reviewed by the insurance carrier and not all submissions ultimately become approved members.

**Segment gross profit (loss)** is calculated as total revenue for the applicable segment less variable marketing and advertising expenses, segment customer care and enrollment expenses and cost of revenue for the applicable segment. Variable marketing and advertising expenses represent costs incurred in member acquisition from our direct marketing and marketing partner channels and exclude fixed overhead costs, such as personnel related costs, consulting expenses and other operating costs allocated to the marketing and advertising department. Segment CC&E expenses include expenses we incur in assisting applicants during the enrollment process and exclude operating costs allocated to the CC&E department.

**Non-GAAP financial measures** within this presentation are defined as follows:

- **Adjusted EBITDA** is calculated by excluding dividends for preferred stock and change in preferred stock redemption value (together the “impact from preferred stock”), provision for (benefit from) income taxes, depreciation and amortization, stock-based compensation expense, impairment, restructuring and other charges, interest expense, other income (expense), net, and other non-recurring charges from GAAP net income (loss) attributable to common stockholders. Other non-recurring charges to GAAP net income (loss) attributable to common stockholders may include transaction expenses in connection with capital raising transactions (whether debt, equity or equity-linked) and acquisitions, whether or not consummated, purchase price adjustments and the cumulative effect of a change in accounting principles.
- **Free cash flow** is calculated as net cash provided by (used in) operating activities reduced by capitalized internal-use software and website development costs and purchases of property and equipment and other assets.

# Reconciliation of GAAP to Non-GAAP Financial Measures

## Reconciliation of GAAP Net Income (Loss) Attributable to Common Stockholders to Adjusted EBITDA<sup>(1)</sup> (in millions):

	Trailing Twelve Months														
	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Net income (loss) attributable to common stockholders	\$ (24)	\$ (123)	\$ (162)	\$ (184)	\$ (171)	\$ (119)	\$ (108)	\$ (95)	\$ (96)	\$ (67)	\$ (66)	\$ (72)	\$ (79)	\$ (35)	\$ (17)
Preferred stock dividends	8	12	17	19	19	19	20	20	21	21	21	22	22	22	23
Change in preferred stock redemption value	4	6	9	10	11	11	12	13	15	17	20	21	22	23	24
GAAP net income (loss)	(12)	(104)	(136)	(155)	(142)	(89)	(76)	(62)	(60)	(28)	(25)	(30)	(35)	10	29
Stock-based compensation expense	28	33	27	24	24	20	20	21	22	23	24	23	21	20	18
Depreciation and amortization	16	18	19	21	21	21	22	21	21	20	19	18	17	16	16
Amortization of intangible assets	1	1	0	0	0	-	-	-	-	-	-	-	-	-	-
Impairment, restructuring and other	3	51	54	55	59	20	15	13	9	-	6	9	9	9	3
Interest expense	1	1	2	4	5	8	9	10	11	11	11	11	11	11	11
Other (income) expense, net	(1)	(2)	(1)	(2)	(3)	(4)	(6)	(8)	(9)	(9)	(10)	(9)	(8)	(7)	(6)
Provision for (benefit from) income taxes	0	(21)	(29)	(31)	(28)	(18)	(13)	(7)	1	(2)	(0)	2	3	9	12
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$ 36</b>	<b>\$ (23)</b>	<b>\$ (65)</b>	<b>\$ (85)</b>	<b>\$ (63)</b>	<b>\$ (42)</b>	<b>\$ (30)</b>	<b>\$ (11)</b>	<b>\$ (6)</b>	<b>\$ 14</b>	<b>\$ 25</b>	<b>\$ 24</b>	<b>\$ 18</b>	<b>\$ 69</b>	<b>\$ 83</b>

## Reconciliation of Net Cash Provided by (Used In) Operating Activities to Free Cash Flow<sup>(1)</sup> (in millions):

	Trailing Twelve Months														
	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Net cash provided by (used in) operating activities	\$ (157)	\$ (163)	\$ (158)	\$ (152)	\$ (111)	\$ (27)	\$ (13)	\$ 3	\$ 8	\$ (7)	\$ 3	\$ (19)	\$ (24)	\$ (18)	\$ (12)
Capitalized internal-use software and website development costs	(17)	(17)	(18)	(18)	(17)	(15)	(13)	(11)	(10)	(9)	(9)	(9)	(10)	(11)	(12)
Purchases of property and equipment and other assets	(5)	(4)	(2)	(1)	(1)	(0)	(0)	(0)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
<b>Free Cash Flow<sup>(1)</sup></b>	<b>\$ (179)</b>	<b>\$ (183)</b>	<b>\$ (178)</b>	<b>\$ (171)</b>	<b>\$ (128)</b>	<b>\$ (42)</b>	<b>\$ (27)</b>	<b>\$ (8)</b>	<b>\$ (3)</b>	<b>\$ (17)</b>	<b>\$ (8)</b>	<b>\$ (31)</b>	<b>\$ (36)</b>	<b>\$ (31)</b>	<b>\$ (26)</b>

(1) Refer to slide 13 for definitions of our non-GAAP financial measures.

# Reconciliation of GAAP to Non-GAAP Financial Measures

*Reconciliation of GAAP Net Loss Attributable to Common Stockholders to Adjusted EBITDA<sup>(1)</sup> (in thousands, unaudited):*

	Three Months Ended March 31,	
	2025	2024
GAAP net loss attributable to common stockholders	\$ (9,972)	\$ (27,711)
Preferred stock dividends	5,781	5,480
Change in preferred stock redemption value	6,141	5,247
GAAP net income (loss)	1,950	(16,984)
Stock-based compensation expense	3,789	5,540
Depreciation and amortization	3,934	4,406
Impairment, restructuring and other charges	—	6,313
Interest expense	2,648	2,809
Other income, net	(1,576)	(2,391)
Provision for (benefit from) income taxes	1,776	(1,345)
Adjusted EBITDA <sup>(1)</sup>	<u>\$ 12,521</u>	<u>\$ (1,652)</u>

(1) Refer to slide 13 for definitions of our non-GAAP financial measures.



# Guidance GAAP Net Loss Attributable to Common Stockholders to Adjusted EBITDA

	<i>(in millions)</i>	
	Full Year 2025 Guidance	
	Low	High
GAAP net loss attributable to common stockholders	\$ (60.0)	\$ (35.0)
Impact from preferred stock	50.0	50.0
GAAP net income (loss)	(10.0)	15.0
Stock-based compensation expense	15.0	12.0
Depreciation and amortization	18.0	17.0
Interest expense	11.0	10.0
Other income, net	(3.0)	(3.0)
Provision for income taxes	4.0	9.0
Adjusted EBITDA <sup>(1)</sup>	\$ 35.0	\$ 60.0

(1) Refer to slide 13 for definitions of our non-GAAP financial measures.