

eHealth, Inc.
Form 10-Q
May 07, 2013

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

☐ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2013

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

001-33071

(Commission File Number)

EHEALTH, INC.

(Exact name of registrant as specified in its charter)

Delaware

56-2357876

(State or other jurisdiction of (I.R.S Employer

incorporation or organization) Identification No)

440 EAST MIDDLEFIELD ROAD

MOUNTAIN VIEW, CALIFORNIA 94043

(Address of principal executive offices)

(650) 584-2700

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES x NO "

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulations S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required

to submit and post such files). YES x NO "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer " Accelerated filer x

Non-accelerated filer " Smaller reporting company "

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES " NO x

The number of shares of the registrant's common stock, par value \$0.001 per share, outstanding as of April 30, 2013 was 19,467,859 shares

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PART I

FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

EHEALTH, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands)

	December 31, 2012	March 31, 2013 (unaudited)
Assets		
Current assets:		
Cash and cash equivalents	\$ 140,849	\$ 113,610
Accounts receivable	4,468	7,364
Deferred income taxes	4,098	6,204
Prepaid expenses and other current assets	6,643	5,636
Total current assets	156,058	132,814
Property and equipment, net	6,185	7,082
Deferred income taxes	2,928	4,018
Other assets	8,123	6,467
Intangible assets, net	8,911	8,557
Goodwill	14,096	14,096
Total assets	\$ 196,301	\$ 173,034

Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 6,123	\$ 4,528
Accrued compensation and benefits	8,244	6,633
Accrued marketing expenses	3,941	4,050
Deferred revenue	926	1,358
Other current liabilities	1,575	1,831
Total current liabilities	20,809	18,400
Non-current liabilities	4,625	4,922
Stockholders' equity:		
Common stock	27	28
Additional paid-in capital	232,903	238,396
Treasury stock, at cost	(90,991)	(119,998)
Retained earnings	28,743	31,104
Accumulated other comprehensive income	185	182
Total stockholders' equity	170,867	149,712
Total liabilities and stockholders' equity	\$ 196,301	\$ 173,034

The accompanying notes are an integral part of these condensed consolidated financial statements.

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EHEALTH, INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In thousands, except per share amounts, unaudited)

	Three Months Ended	
	March 31,	
	2012	2013
Revenue		
Commission	\$ 31,464	\$ 38,251
Other	5,611	4,956
Total revenue	37,075	43,207
Operating costs and expenses:		
Cost of revenue	1,675	2,651
Marketing and advertising	12,987	14,835
Customer care and enrollment	5,971	7,166
Technology and content	5,482	6,741
General and administrative	6,604	7,519
Amortization of intangible assets	447	354
Total operating costs and expenses		