

eHealth, Inc.
Form 4
June 07, 2016

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Flanders Scott N

(Last) (First) (Middle)

C/O EHEALTH, INC., 440 EAST MIDDLEFIELD RD.

(Street)

MOUNTAIN VIEW, CA 94043

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
eHealth, Inc. [EHTH]

3. Date of Earliest Transaction (Month/Day/Year)
06/03/2016

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

Chief Executive Officer

6. Individual or Joint/Group Filing(Check Applicable Line)

Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) Price | | | |
| Common Stock | 06/03/2016 | | A ⁽¹⁾ | 100,000 A \$ 0 | 145,473 ⁽²⁾ | D | |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) | Amount of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|------------------|
| Employee Stock Option (right to buy) | \$ 13.58 | 06/03/2016 | | A | 150,000 | ⁽³⁾ 06/03/2023 | Common Stock | 150,000 |
| Performance Stock Option | \$ 13.58 | 06/03/2016 | | A | 150,000 | ⁽⁴⁾ 06/03/2023 | Common Stock | 150,000 |
| Performance Stock Units | \$ 0 | 06/03/2016 | | A | 200,000 | ⁽⁵⁾ 06/03/2020 | Common Stock | 200,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Flanders Scott N C/O EHEALTH, INC. 440 EAST MIDDLEFIELD RD. MOUNTAIN VIEW, CA 94043 | X | | Cheif Executive Officer | |

Signatures

Scott Giesler as attorney-in-fact for Scott N Flanders
 Date: 06/07/2016

Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) This represents an award of restricted stock units. Each unit represents a contingent right to receive one share of the Company's common stock upon vesting. The restricted stock units vest in four equal annual installments from the vesting commencement date of May 31, 2016, subject to the individual continuing to provide services to eHealth through the applicable vesting date. Any shares underlying the restricted stock units that vest will be settled pursuant to the terms of a deferral election.

(2) Total amount of shares beneficially owned includes shares deferred upon vesting of certain restricted stock units. The deferred shares will be settled in accordance with the terms of the deferral election.

(3) The option shares become vested as to 25% of the shares 1 year after May 31, 2016, subject to the individual continuing to provide services to eHealth through the applicable vesting date and 1/48th of the shares upon completion of each month of continuous service thereafter.

(4) The performance-based stock option will be eligible to vest during a four-year performance period following the award's grant date based on the company's stock price trading at certain pre-determined price thresholds. Once a price threshold is achieved, the portion of the award related to that threshold will vest one year later, subject to the individual continuing to provide services to eHealth through the applicable vesting date.

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- The performance-based restricted stock units will be eligible to vest during a four-year performance period following the award's grant date based on the company's stock price trading at certain pre-determined price thresholds. Once a price threshold is achieved, the portion
- (5) of the award related to that threshold will vest one year later, subject to the individual continuing to provide services to eHealth through the applicable vesting date. Any shares underlying the performance-based restricted stock units that vest will be settled pursuant to the terms of a deferral election.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.