income does not even meet the initial receivables balance booked.

Upon Including Ongoing Costs, LTVs Appear Grossly Overstated	
LTV Booked as Receivable ($)	1,013
Less Ongoing Costs over LTV Collection Period	(366)
Total Variable Income	647
Shortfall vs. LTV Booked	**(366)**
Percentage Shortfall	**(36.1%)**

We believe management's refusal to acknowledge ongoing costs is intentional, and it masks the fact that EHTH is a fundamentally value destructive business. In our view, management shows their brazenness when EHTH goes on to book further tail revenues despite failing to reach its stated MA LTV.

Flawed and Misleading Accounting Masks Economic Reality

We do not believe the Company has the data or history to justify booking sales as far away as 2040, especially as EHTH has only been serving MA members in meaningful size for four years. Rather, EHTH's adjustments are not only aggressive, as we demonstrated above, but they benefit from the confusion introduced by management's statistical model. In our view, EHTH is a stock promotion built on the back low quality (high churn) sales growth, reporting profits that do not properly match revenue to ongoing costs, and resulting in both the management and company issuing equity on the back of this short-termism and misrepresented business.