

eHealth, Inc.  
Form 4  
October 19, 2006

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
SCHAEPE CHRISTOPHER J

(Last) (First) (Middle)

C/O LIGHTSPEED VENTURE PARTNERS, 2200 SAND HILL ROAD

(Street)

MENLO PARK, CA 94025

(City) (State) (Zip)

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

3. Date of Earliest Transaction  
(Month/Day/Year)  
10/18/2006

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)

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
|                                 |                                      |  | Code                           | V Amount or (D) Price   |   |  |                                   |
| Common Stock                    | 10/18/2006                           |  | C                              | 104,639 (5) A \$ 0 (12)   | 699,792   | D (5)  |                                   |
| Common Stock                    | 10/18/2006                           |  | C                              | 3,629 (6) A \$ 0 (10)   | 3,782   | D (6)  |                                   |
| Common Stock                    | 10/18/2006                           |  | C                              | 950 (6) (13) A \$ 0 (11)  | 4,732   | D (6)  |                                   |
| Common Stock                    | 10/18/2006                           |  | C                              | 876 (6) A \$ 0 (12)   | 5,608   | D (6)  |                                   |
| Common Stock                    | 10/18/2006                           |  | C                              | 88,953 (7) A \$ 0 (10)  | 92,708  | D (7)  |                                   |

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|              |            |   |                    |   |              |         |       |
|--------------|------------|---|--------------------|---|--------------|---------|-------|
| Common Stock | 10/18/2006 | C | 23,289<br>(7) (13) | A | \$ 0<br>(11) | 115,997 | D (7) |
| Common Stock | 10/18/2006 | C | 21,476<br>(7)      | A | \$ 0<br>(12) | 137,473 | D (7) |
| Common Stock | 10/18/2006 | C | 9,751 (8)          | A | \$ 0<br>(10) | 10,162  | D (8) |
| Common Stock | 10/18/2006 | C | 2,553 (8)<br>(13)  | A | \$ 0<br>(11) | 12,715  | D (8) |
| Common Stock | 10/18/2006 | C | 2,354 (8)          | A | \$ 0<br>(12) | 15,069  | D (8) |
| Common Stock | 10/18/2006 | C | 6,013 (9)          | A | \$ 0<br>(10) | 6,267   | D (9) |
| Common Stock | 10/18/2006 | C | 1,573 (9)<br>(13)  | A | \$ 0<br>(11) | 7,840   | D (9) |
| Common Stock | 10/18/2006 | C | 1,452 (9)          | A | \$ 0<br>(12) | 9,292   | D (9) |

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.**

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(9-02)

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

| 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 Securities (Instr. 3 and 4) |              |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title        | Amount or Number of Shares |
| Series B Convertible Preferred Stock       | (11)   | 10/18/2006                           |  | C                              | 723   | (11)   | (11)  | Common Stock | 950 (13)                   |
| Series B Convertible Preferred Stock       | (11)   | 10/18/2006                           |  | C                              | 17,717  | (11)   | (11)  | Common Stock | 23,289 (13)                |
| Series B Convertible                       | (11)   | 10/18/2006                           |  | C                              | 1,942   | (11)   | (11)  | Common Stock | 2,553 (13)                 |

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|                                      |             |            |   |         |             |             |              |         |             |
|--------------------------------------|-------------|------------|---|---------|-------------|-------------|--------------|---------|-------------|
| Preferred Stock                      |             |            |   |         |             |             |              |         |             |
| Series B Convertible Preferred Stock | <u>(11)</u> | 10/18/2006 | C | 1,197   | <u>(11)</u> | <u>(11)</u> | Common Stock | 1,573   | <u>(13)</u> |
| Series C Convertible Preferred Stock | <u>(12)</u> | 10/18/2006 | C | 56,086  | <u>(12)</u> | <u>(12)</u> | Common Stock | 56,086  |             |
| Series C Convertible Preferred Stock | <u>(12)</u> | 10/18/2006 | C | 64,130  | <u>(12)</u> | <u>(12)</u> | Common Stock | 64,130  |             |
| Series C Convertible Preferred Stock | <u>(12)</u> | 10/18/2006 | C | 8,096   | <u>(12)</u> | <u>(12)</u> | Common Stock | 8,096   |             |
| Series C Convertible Preferred Stock | <u>(12)</u> | 10/18/2006 | C | 2,485   | <u>(12)</u> | <u>(12)</u> | Common Stock | 2,485   |             |
| Series C Convertible Preferred Stock | <u>(12)</u> | 10/18/2006 | C | 104,639 | <u>(12)</u> | <u>(12)</u> | Common Stock | 104,639 |             |
| Series C Convertible Preferred Stock | <u>(12)</u> | 10/18/2006 | C | 876     | <u>(12)</u> | <u>(12)</u> | Common Stock | 876     |             |
| Series C Convertible Preferred Stock | <u>(12)</u> | 10/18/2006 | C | 21,476  | <u>(12)</u> | <u>(12)</u> | Common Stock | 21,476  |             |
| Series C Convertible Preferred Stock | <u>(12)</u> | 10/18/2006 | C | 2,354   | <u>(12)</u> | <u>(12)</u> | Common Stock | 2,354   |             |
| Series C Convertible Preferred Stock | <u>(12)</u> | 10/18/2006 | C | 1,452   | <u>(12)</u> | <u>(12)</u> | Common Stock | 1,452   |             |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| SCHAEPE CHRISTOPHER J<br>C/O LIGHTSPEED VENTURE PARTNERS<br>2200 SAND HILL ROAD<br>MENLO PARK, CA 94025 | X             | X         |         |       |
| Weiss, Peck & Greer Venture Associates V Cayman, L.P.<br>2200 SAND HILL ROAD<br>MENLO PARK, CA 94025    |               |           | X       |       |
| WPG Information Sciences Entrepreneur Fund II, L.L.C<br>2200 SAND HILL ROAD<br>MENLO PARK, CA 94025     |               |           | X       |       |
| WPG Information Sciences Entrepreneur Fund II-A, L.L.C<br>2200 SAND HILL ROAD<br>MENLO PARK, CA 94025   |               |           | X       |       |
| WPG VC Fund Adviser, L.L.C.<br>2200 SAND HILL ROAD<br>MENLO PARK, CA 94025                              |               |           | X       |       |
| WPG VC FUND ADVISER II, L.L.C.<br>2200 SAND HILL ROAD<br>MENLO PARK, CA 94025                           |               |           | X       |       |

## Signatures

|  |            |
|--|------------|
| /s/ Christopher J. Schaepe   | 10/18/2006 |
| __Signature of Reporting Person  | Date       |
| /s/ Christopher J. Schaepe, Managing Member, WPG VC Fund Adviser, LLC, for WPGEF III, WPGVA IV, WPGVA IV Cayman, WPGISEF                   | 10/18/2006 |
| __Signature of Reporting Person  | Date       |
| /s/ Christopher J. Schaepe, Managing Member, WPG VC Fund Adviser II, LLC, for WPGVA V, WPGVA V-A, WPGVA V Cayman, WPGISEF II, WPGISEF II-A | 10/18/2006 |
| __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) Shares are held by WPG Enterprise Fund III, LLC ("WPGEF III"). Mr. Schaepe is a managing member of WPG VC Fund Adviser, LLC, which is the fund investment advisory member of WPGEF III. Mr. Schaepe disclaims beneficial ownership of any of the shares held by WPGEF III, except to the extent of his pecuniary interest therein.
- (2) Shares are held by Weiss, Peck & Greer Venture Associates IV, LLC ("WPGVA IV"). Mr. Schaepe is a managing member of WPG VC Fund Adviser, LLC, which is the fund investment advisory member of WPGVA IV. Mr. Schaepe disclaims beneficial ownership of any of the shares held by WPGVA IV, except to the extent of his pecuniary interest therein.
- (3) Shares are held by Weiss, Peck & Greer Venture Associates IV Cayman, LP ("WPGVA IV Cayman"). Mr. Schaepe is a managing member of WPG VC Fund Adviser, LLC, which is the fund investment advisory partner of WPGVA IV Cayman. Mr. Schaepe

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disclaims beneficial ownership of any of the shares held by WPGVA IV Cayman, except to the extent of his pecuniary interest therein.

- (4) Shares are held by WPG Information Sciences Entrepreneur Fund, LP ("WPGISEF"). Mr. Schaepe is a managing member of WPG VC Fund Adviser, LLC, which is the general partner of WPGISEF. Mr. Schaepe disclaims beneficial ownership of any of the shares held by WPGISEF, except to the extent of his pecuniary interest therein.
- (5) Shares are held by Weiss, Peck & Greer Venture Associates V, LLC ("WPGVA V"). Mr. Schaepe is a managing member of WPG VC Fund Adviser II, LLC, which is the fund investment advisory member of WPGVA V. Mr. Schaepe disclaims beneficial ownership of any of the shares held by WPGVA V, except to the extent of his pecuniary interest therein.
- (6) Shares are held by Weiss, Peck & Greer Venture Associates V-A, LLC ("WPGVA V-A"). Mr. Schaepe is a managing member of WPG VC Fund Adviser II, LLC, which is the fund investment advisory member of WPGVA V-A. Mr. Schaepe disclaims beneficial ownership of any of the shares held by WPGVA V-A, except to the extent of his pecuniary interest therein.
- (7) Shares are held by Weiss, Peck & Greer Venture Associates V Cayman, LP ("WPGVA V Cayman"). Mr. Schaepe is a managing member of WPG VC Fund Adviser II, LLC, which is the fund investment advisory partner of WPGVA V Cayman. Mr. Schaepe disclaims beneficial ownership of any of the shares held by WPGVA V Cayman, except to the extent of his pecuniary interest therein.
- (8) Shares are held by WPG Information Sciences Entrepreneur Fund II, LLC ("WPGISEF II"). Mr. Schaepe is a managing member of WPG VC Fund Adviser II, LLC, which is the fund investment advisory member of WPGISEF II. Mr. Schaepe disclaims beneficial ownership of any of the shares held by WPGISEF II, except to the extent of his pecuniary interest therein.
- (9) Shares are held by WPG Information Sciences Entrepreneur Fund II-A, LLC ("WPGISEF II-A"). Mr. Schaepe is a managing member of WPG VC Fund Adviser II, LLC, which is the fund investment advisory member of WPGISEF II-A. Mr. Schaepe disclaims beneficial ownership of any of the shares held by WPGISEF II-A, except to the extent of his pecuniary interest therein.
- (10) The Series A Convertible Preferred Stock converted into Issuer's common stock on a 1-for-1 basis and had no expiration date.
- (11) The Series B Convertible Preferred Stock converted into Issuer's common stock on a 1-for-1.3145 basis and had no expiration date.
- (12) The Series C Convertible Preferred Stock converted into Issuer's common stock on a 1-for-1 basis and had no expiration date.
- (13) Reflects the 1-for-1.3145 conversion ratio which became effective upon the closing of the Issuer's initial public offering.

### Remarks:

This is the fourth of four Forms 4 filed by the Reporting Person on this date to report transactions occurring on October 18, 20

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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