

Gibbs Samuel C III
 Form 4
 March 18, 2008

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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 *
 Gibbs Samuel C III

(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)
 03/14/2008

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)
 Senior Vice President

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 Indirect Beneficial Ownership (Instr. 4) | | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|--------|---|-----------------|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Stock | 03/14/2008 | | M ⁽¹⁾ | | 833 | A | \$ 8.8 | 13,333 | I | By Trust (3) |
| Common Stock | 03/14/2008 | | S ⁽¹⁾ | | 833 | D | \$ 22.95 | 12,500 | I | By Trust (3) |
| Common Stock | 03/18/2008 | | A ⁽²⁾ | | 8,162 | A | \$ 0 | 8,162 | D | |

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

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number.

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 Share |
| Employee Stock Option (right to buy) | \$ 8.8 | 03/14/2008 | | M ⁽¹⁾ | 189 | ⁽⁴⁾ 12/14/2015 | Common Stock 189 |
| Employee Stock Option (right to buy) | \$ 8.8 | 03/14/2008 | | M ⁽¹⁾ | 644 | ⁽⁴⁾ 12/14/2015 | Common Stock 644 |
| Employee Stock Option (right to buy) | \$ 21.16 | 03/18/2008 | | A | 10,625 | ⁽⁵⁾ 03/18/2015 | Common Stock 10,625 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Gibbs Samuel C III C/O EHEALTH, INC. 440 EAST MIDDLEFIELD RD MOUNTAIN VIEW, CA 94043 | | | Senior Vice President | |

Signatures

/s/ Jennifer Thompson, as attorney-in-fact for Samuel C. Gibbs III
 **Signature of Reporting Person
 Date 03/18/2008

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) The transactions reported on this date were effected pursuant to a Rule 10b5-1 trading plan.

(2) This represents an award of restricted stock units. Each unit represents a contingent right to receive one share of the Issuer's common stock upon vesting. The restricted stock units commence vesting in four equal annual installments beginning February 13, 2008, subject to the reporting person's continued service with the issuer.

(3) Shares are held by Samuel C Gibbs & Cynthia B Gibbs, TTEEs u/a DTD 4/27/1995 Gibbs Revocable Trust.

(4) Immediately exercisable for all option shares. The option shares become vested as to 20% of the shares 1 year after December 14, 2005 and 1/60th of the shares upon completion of each month of continuous service thereafter.

(5) The option shares become vested as to 25% of the shares one year after February 13, 2008 and 1/48th of the shares upon each month of continuous service thereafter.

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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