

Gibbs Samuel C III
 Form 4
 March 01, 2012

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 *
 Gibbs Samuel C III

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 C/O EHEALTH, INC., 440 EAST MIDDLEFIELD RD
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 02/28/2012

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Pres., eHealth Gov. Systems

MOUNTAIN VIEW, CA 94043
 (City) (State) (Zip)

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

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	(A) or (D)	Price
Common Stock	02/28/2012		A ⁽¹⁾		4,620	A	\$ 0 10,928
Common Stock	02/28/2012		F ⁽²⁾		1,053	D	\$ 15.43 9,875
Common Stock	02/29/2012		S ⁽³⁾		200	D	\$ 15.08 9,675
Common Stock	02/29/2012		S ⁽³⁾		286	D	\$ 15.09 9,389
Common Stock	02/29/2012		S ⁽³⁾		200	D	\$ 15.1 9,189

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Common Stock	02/29/2012	S ⁽³⁾	100	D	\$ 15.13	9,089	D
Common Stock	02/29/2012	S ⁽³⁾	100	D	\$ 15.14	8,989	D

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

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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)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 5)
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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

Pres., eHealth Gov. Systems

Signatures

/s/ Jennifer Cashio, as attorney-in-fact for Samuel C. Gibbs III

03/01/2012

**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).

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- (1) Represents the number of shares subject to performance-based restricted stock units granted in April 2011 that were earned and became eligible for service-based vesting on February 28, 2012. The number of shares reported that are subject to the restricted stock units vest in three equal annual installments from the vesting commencement date of February 28, 2011.
- (2) Represents the withholding of shares to satisfy tax withholding obligation.
- (3) This transaction was effected pursuant to a Rule 10b5-1 trading plan.

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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