

Bankers Life and Casualty Company

Rate Memorandum

Standardized Medicare Supplement Policy Form Series GR-A06

1. Purpose of Filing

We are filing the 2010 rate schedules for these forms. Adjusted rates provide, as appropriate, for poorer than anticipated experience, claim cost trend increases, and benefit cost inflation. The rate scale for Plan FH will not change for the year 2010.

2. General Description

- a. Issuer - Bankers Life and Casualty Company.
- b. Forms - GR-A06A through GR-A06G, GR-A06J through GR-A06L and GR-A06FH.
- c. Policy Type - Standardized Medicare supplement policies.
- d. Benefits - Please refer to the enclosed Exhibit I.
- e. Renewability - Guaranteed renewable for life.
- f. Issue Ages - 65 and over.
- g. Premium Basis - Attained age up to age 80; level thereafter.
- h. Actuary – Christopher J. Conforti, A.S.A., M.A.A.A.
- i. Domicile State Approval - The 2010 rates are pending approval with the Illinois Insurance Department.

3. Scope and Justification of Request

- a. Adjustments - Please refer to the enclosed Exhibit II.
- b. Variations by Cell - None.
- c. Justification of Request - Please refer to the enclosed Exhibits V and VI.

4. Rates and Rating Factors

- a. Rates - The rates are enclosed.
- b. Period Rates Apply - The proposed rates are intended to be effective for calendar year 2010.

5. Rate History

Please refer to the enclosed Exhibit III.

6. In-force Counts

Please refer to the enclosed Exhibit IV.

7. Experience

Please refer to the enclosed Exhibit V for past experience, valued as of June 30, 2009.

Projected experience, assuming approval of the proposed 2010 increases, is provided in the enclosed Exhibit VI. Exhibit VI also provides claim cost trend experience and the disclosure of all protection assumptions. Rhode Island experience is provided for Plan F since it is considered credible. Due to the lack of credible experience, even on a nationwide basis, for plans K and L, the proposed rate increases are equal to claim cost trend net of aging.

8. Loss Ratio Compliance

These forms are individual standardized Medicare supplement policies subject to a minimum lifetime loss ratio of 65%.

These forms were initially rated to meet a minimum lifetime loss ratio of 65%. With the proposed rate schedules, we anticipate meeting the 65% loss ratio standard for the lifetime of these forms.

9. Other

A comparison of actual to expected loss ratios by duration is included in the enclosed Exhibit VII.

Christopher J. Confetto, ASA, MAAA