

SERFF Tracking Number: UNAM-125885083 State: Arkansas
 Filing Company: The Pyramid Life Insurance Company State Tracking Number: 40754
 Company Tracking Number: PYR PRE 2009 AR
 TOI: MS02I Individual Medicare Supplement - Pre- Standardized Sub-TOI: MS02I.000 Medicare Supplement - Pre- Standardized
 Product Name: Individual Pre-Standardized Medicare Supplement
 Project Name/Number: /

Filing at a Glance

Company: The Pyramid Life Insurance Company

Product Name: Individual Pre-Standardized Medicare Supplement SERFF Tr Num: UNAM-125885083 State: ArkansasLH

TOI: MS02I Individual Medicare Supplement - Pre-Standardized SERFF Status: Closed State Tr Num: 40754

Sub-TOI: MS02I.000 Medicare Supplement - Pre-Standardized Co Tr Num: PYR PRE 2009 AR State Status: Approved-Closed

Filing Type: Rate Co Status: Reviewer(s): Stephanie Fowler
 Authors: Carmen Boyd, Trudi Goldenberg Disposition Date: 11/17/2008
 Date Submitted: 11/03/2008 Disposition Status: Approved

Implementation Date Requested: 03/15/2008 Implementation Date: 03/15/2009

State Filing Description:

General Information

Project Name:	Status of Filing in Domicile: Not Filed
Project Number:	Date Approved in Domicile:
Requested Filing Mode: Review & Approval	Domicile Status Comments:
Explanation for Combination/Other:	Market Type: Individual
Submission Type:	Group Market Size:
Overall Rate Impact: 10%	Group Market Type:
Filing Status Changed: 11/17/2008	Explanation for Other Group Market Type:
	State Status Changed: 11/17/2008
Deemer Date:	Corresponding Filing Tracking Number:
Filing Description:	
Pyramid Life Insurance Company, NAIC #68284	
10% rate increase for all pre-standardized Medicare Supplement forms	
G-10, G-15, G-25, G-26	

SERFF Tracking Number: UNAM-125885083 *State:* Arkansas
Filing Company: The Pyramid Life Insurance Company *State Tracking Number:* 40754
Company Tracking Number: PYR PRE 2009 AR
TOI: MS021 Individual Medicare Supplement - Pre-Standardized *Sub-TOI:* MS021.000 Medicare Supplement - Pre-Standardized
Product Name: Individual Pre-Standardized Medicare Supplement
Project Name/Number: /

Company and Contact

Filing Contact Information

Carmen Boyd, cboyd@uafc.com
 P.O. Box 958465 (407) 628-1776 [Phone]
 Lake Mary, FL 32795-8465

Filing Company Information

The Pyramid Life Insurance Company CoCode: 68284 State of Domicile: Kansas
 1001 Heathrow Park Lane Group Code: 953 Company Type:
 Suite 5001
 Lake Mary, FL 32746 Group Name: State ID Number:
 (407) 995-8000 ext. [Phone] FEIN Number: 48-0557726

Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? No
 Fee Explanation: AR Rate filing fee
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
The Pyramid Life Insurance Company	\$50.00	11/03/2008	23668049

SERFF Tracking Number: UNAM-125885083 State: Arkansas
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Company Tracking Number: PYR PRE 2009 AR
TOI: MS021 Individual Medicare Supplement - Pre- Standardized Sub-TOI: MS021.000 Medicare Supplement - Pre- Standardized
Product Name: Individual Pre-Standardized Medicare Supplement
Project Name/Number: /

Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved	Stephanie Fowler	11/17/2008	11/17/2008

SERFF Tracking Number: UNAM-125885083 State: Arkansas
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 TOI: MS021 Individual Medicare Supplement - Pre-Standardized Sub-TOI: MS021.000 Medicare Supplement - Pre-Standardized
 Product Name: Individual Pre-Standardized Medicare Supplement
 Project Name/Number: /

Disposition

Disposition Date: 11/17/2008

Implementation Date: 03/15/2009

Status: Approved

Comment: We have approved the requested 10.0% rate increase to be implemented on or after March 15, 2009. This approval is subject to the following:

Increases will not be given more frequently than once in a twelve-month period.

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
The Pyramid Life Insurance Company	10.000%	10.000%	\$20,159	66	\$201,588	10.000%	10.000%

SERFF Tracking Number: UNAM-125885083 State: Arkansas
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Item Type	Item Name	Item Status	Public Access
Supporting Document	Health - Actuarial Justification	Approved	No
Rate	Ex A Requested Rates	Approved	Yes

SERFF Tracking Number: UNAM-125885083 State: Arkansas
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 Product Name: Individual Pre-Standardized Medicare Supplement
 Project Name/Number: /

Rate Information

Rate data applies to filing.

Filing Method: SERFF
Rate Change Type: Increase
Overall Percentage of Last Rate Revision: 10.000%
Effective Date of Last Rate Revision: 03/15/2007
Filing Method of Last Filing: SERFF

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Premium:	Maximum % Change (where required):	Minimum % Change (where required):
The Pyramid Life Insurance Company	10.000%	10.000%	\$20,159	66	\$201,588	10.000%	10.000%

SERFF Tracking Number: UNAM-125885083 State: Arkansas
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 TOI: MS021 Individual Medicare Supplement - Pre- Standardized Sub-TOI: MS021.000 Medicare Supplement - Pre- Standardized
 Product Name: Individual Pre-Standardized Medicare Supplement
 Project Name/Number: /

Rate/Rule Schedule

Review Status:	Document Name:	Affected Form Numbers: (Separated with commas)	Rate Action:	Rate Action Information:	Attachments
Approved	Ex A Requested Rates	G-15, G-10, G-25, G-26	New		AR Rates.pdf

Pyramid Life Insurance Company
 Actuarial Justification for A&H Rate Increases
 Individual Pre-Standardized Medicare Supplement
 Exhibit A - Requested Premium Rates

ARKANSAS

31-Oct-08

**MEDICARE SUPPLEMENT 2008
 G-26 Annual Premiums**

Issue Age ----	Base Plan ----	Optional Part A Deductible -----	Optional 100% R&C Part B -----	Optional Nonapproved Nursing -----	Optional Private Room ----
65-100	1,978.60	950.93	1,508.14	278.61	989.30

Add the premium for any desired options to the premium for the base plan.
 Apply the area factor multiple to this premium. Then multiply by the modal
 factor (annual-1.00, semi-annual-.52, quarterly-.265, surepay-.086) and
 round to near cent.

Pyramid Life Insurance Company
Actuarial Justification for A&H Rate Increases
Individual Pre-Standardized Medicare Supplement
Exhibit A - Requested Annual Premium Rates

31-Oct-08

\$1,000

80.08

Pyramid Life Insurance Company
Actuarial Justification for A&H Rate Increases
Individual Pre-Standardized Medicare Supplement
Exhibit A - Requested Premium Rates

Oct-08

2009
Arkansas Composite Gross Annual Premiums
Medicare Supplement Policy,G-15

Base Policy	Annual Premium
All Ages	3,720.31

For Fractional Premium, Multiply Annual premium by:

.52 FOR SEMIANNUAL	.10 FOR REGULAR MONTHLY
.265 FOR QUARTERLY	.086 FOR PREAUTHORIZED CHECK

RG-15-C(09)

Pyramid Life Insurance Company
 Actuarial Justification for A&H Rate Increases
 Individual Pre-Standardized Medicare Supplement
 Exhibit A - Requested Premium Rates

ARKANSAS

31-Oct-08

**MEDICARE SUPPLEMENT 2009
 G-25 Annual Premiums**

Issue Age ----	Base Plan ----	Optional 100% R&C Part B -----	Optional Private Room ----	Optional Prescription Drugs
65-100	4,018.93	266.93	266.93	945.93

Add the premium for any desired options to the premium for the base plan.
 Apply the area factor multiple to this premium. Then multiply by the modal
 factor (annual-1.00, semi-annual-.52, quarterly-.265, surepay-.086) and
 round to nearest cent.

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Product Name: Individual Pre-Standardized Medicare Supplement
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Supporting Document Schedules

Satisfied -Name: Health - Actuarial Justification **Review Status:** Approved 11/17/2008
Comments:
Attachments:
AL & AR Act Memo, C & D.pdf
Ex B AR Rate History.pdf

Pyramid Life Insurance Company

**Actuarial Justification for A&H Rate Increase
Individual Medicare Supplement Pre-Standardized Plans**

1. PURPOSE

The purpose of this rate filing is to demonstrate the justification for, and request a rate increase of 10% for Pyramid Life's Individual Pre-Standardized Medicare Supplement plans. It is not intended to be used for any other purpose.

2. SCOPE

This filing applies to all of Pyramid Life's Individual Pre-Standardized Medicare Supplement plans.

The number of policies, annualized premium, and average premium inforce by state as of 6/30/2008 is shown in Exhibit D.

3. BENEFITS

The benefits provided by these plans supplement those benefits provided by Medicare.

4. RATE INCREASE REQUEST AND REASON FOR REQUEST

A 10% rate increase is being requested in order to bring current and lifetime loss ratios back to acceptable levels and to offset increases in Medicare Part A and Part B deductibles changes in Medicare fee schedules and other increases in cost utilization.

Exhibit A details the current and requested rate schedules.

5. RATE INCREASE HISTORY

Exhibit B details the rate increase history for these plans.

6. RATE JUSTIFICATION STANDARD

This filing demonstrates that both the lifetime loss ratio and the projected future loss ratio are in excess of required minimum loss ratio standards.

Type of Business:	Individual Standardized Medicare Supplement
Renewability:	All forms Guaranteed Renewable except forms H-94 and G-10, which are Conditionally Renewable
Required Lifetime Loss Ratio:	62%

The guideline loss ratio for these forms has generally been 60%. In a few states the guideline loss ratio from inception was 65%. For policies sold on or after 11/5/91 the guideline loss ratio is 65% in all states. The loss ratio requirements have been taken into consideration in this and prior rate filings and this gives a weighted average guideline lifetime loss ratio of 62%.

Pyramid Life Insurance Company

Actuarial Justification for A&H Rate Increase
Individual Medicare Supplement Pre-Standardized Plans

7. ASSUMPTIONS

Interest - A 4.5% interest rate has been used for accumulating past earned premiums and incurred claims and for discounting projected future earned premiums and incurred claims.

Terminations - A 15% total termination rate (lapses and deaths combined) has been assumed for purposes of projecting future earned premiums and incurred claims.

Claims - Current claim levels have been projected assuming a 9.5% annual medical trend for all years. Additionally, annual increases of 2% have been assumed to account for aging.

Premiums - The effective date for the 10% increase is assumed to be 3/15/2009, with the increase effective for any particular policy on the next policy anniversary. A factor of 0.5% is included to account for attained age increases. This factor was obtained from the weighted average of the issue age aging factor of 0% and the attained aging age factor of 2%. Approximately 75% of the business is issue age and 25% is attained age. Since this is a small block of business, issue age and attained age experience is combined and this factor is included to account for the blended experience.

Future rate increases equal to the 9.5% medical trend have been assumed to be effective annually. Of course, those future increases are not being requested at this time, filings for those increases will be made each year, as appropriate.

8. HISTORICAL EXPERIENCE

The historical Nationwide experience is shown in Exhibit C:

9. PROJECTED FUTURE AND LIFETIME LOSS RATIOS

Exhibit C details the projection of future and lifetime loss ratios based on the experience identified in Section 8 and the assumptions indicated in Section 7, including the currently requested 10% rate increase.

The results of Exhibit C are summarized below assuming accumulated and present values are calculated at an interest rate of 4.5%.

	Earned Premium	Incurred Claims	Loss Ratio
Assuming a 10% rate increase			
Historical for 1991 and later	214,785,471	137,412,710	64.0%
Projected	17,879,263	14,099,609	78.9%
Lifetime	232,664,734	151,512,318	65.1%
<hr/>			
Historical for all past years	817,020,753	513,088,590	62.8%
Projected	17,879,263	14,099,609	78.9%
Lifetime	834,900,015	527,188,199	63.1%
<hr/>			
Assuming no rate increase			
Historical for all past years	817,020,753	513,088,590	62.8%
Projected	16,382,529	14,099,609	86.1%
Lifetime	833,403,281	527,188,199	63.3%

The projected future loss ratio and the lifetime loss ratio are in excess of the required minimum loss ratio after implementation of the proposed 10% rate increase.

Pyramid Life Insurance Company

**Actuarial Justification for A&H Rate Increase
Individual Medicare Supplement Pre-Standardized Plans**

10. ACTUARIAL CERTIFICATION

I hereby certify that, to the best of my knowledge and belief, the rate filing submitted herein was prepared based on the current standards of practice as promulgated by the Actuarial Standards Board including the data quality standard of practice; the assumptions present my best judgment as to the expected value for each assumption and are consistent with the Company's business plan; the anticipated loss ratio, future loss ratio, and third year loss ratio all exceed the applicable minimum; the anticipated loss ratio submitted herein is expected to develop over the period for which rates are computed to provide coverage; and that the benefits are reasonable in relation to the proposed premiums.

Respectfully submitted,

Eric W. Perry ASA, MAAA
Assistant Vice President and Pricing Actuary
Pyramid Life Insurance Company

Attachments:

Exhibit A: Requested Premium Rates

Exhibit B: Rate Increase History

Exhibit C: Experience Projection and Lifetime Loss Ratio Calculation

Exhibit D: Premium and Policies In Force by State as of 6/30/2008

Pyramid Life Insurance Company
 Actuarial Justification for Individual A&H Rate Increase
 Medicare Supplement Pre-Standardized Forms
 Exhibit C - Nationwide Historical and Projected Future Experience with 10% Rate Increase

	Actual Earned Premium	Rate Increase	Attained Age Increase	Effective Date	Current Rate Factor	Annual Termntn Rate	Persis- tency Factor	Earned Premium at Current Rates	Actual Incurred Claims	Annual Medical Trend	Annual Aging	Current Claim Factor	Seasnity Factor	Incurred Claims at Current Claims Levels	Loss Ratio at Current Levels	Actual Loss Ratio
Historical																
1975	354,544								1,749							0.49%
1976	1,068,210							139,365								13.05%
1977	1,610,293							570,041								35.40%
1978	2,035,120							767,763								37.73%
1979	2,285,752							1,233,839								53.98%
1980	3,374,457							1,532,522								45.42%
1981	7,651,061							3,134,118								40.96%
1982	13,656,115							11,069,303								81.06%
1983	20,721,350							13,806,876								66.63%
1984	28,500,040							18,162,917								63.73%
1985	33,401,444							21,660,850								64.85%
1986	32,783,963							21,827,983								66.58%
1987	26,000,370							16,776,900								64.53%
1988	18,573,601							11,396,274								61.36%
1989	14,417,605							7,808,299								54.16%
1990	12,929,332							7,535,230								58.28%
1991	13,350,661							6,950,822								52.06%
1992	14,829,959							8,756,640								59.05%
1993	13,068,721							8,348,518								63.88%
1994	11,167,458							7,668,429								68.67%
1995	9,826,603							6,362,257								64.75%
1996	8,750,476							6,397,421								73.11%
1997	8,321,859							5,484,759								65.91%
1998	7,624,563							5,519,749								72.39%
1999	6,706,034							4,300,566								64.13%
2000	5,933,508							3,658,475								61.66%
2001	5,382,532							3,471,054								64.49%
2002	4,890,581							3,106,133								63.51%
2003	4,266,741							2,800,225								65.63%
2004	3,772,286							2,694,117								71.42%
2005	3,458,042				1.2897		4,459,720	2,530,904	8.5%		1.3009	1.0000	3,292,456	73.8%	73.19%	
2006	2,969,166				1.1983		3,557,845	2,090,425	8.5%		1.1990	1.0000	2,506,394	70.4%	70.40%	
2007	2,644,079				1.0959		2,897,742	1,904,689	10.0%		1.0975	1.0000	2,090,391	72.1%	72.04%	
2Q2008	1,127,994				1.0446		1,178,285	822,948	9.5%		1.0229	1.0623	792,481	67.3%	72.96%	

Projected Experience with Rate Increase

Total 2008	2,220,485						2,270,776	1,561,265						1,565,173	68.9%	70.3%
Rest 2008	1,092,491	0.5%			1.0000	0.1500	0.9250	1,092,491	738,318	9.5%	2.0%	0.9776	0.9341	772,691	70.7%	67.58%
2009	2,098,257	10.0%	0.5%	3/15/2009	0.9242	0.1500	0.8500	1,939,298	1,524,740	9.5%	2.0%	0.9132	1.0000	1,392,456	71.8%	72.67%
2010	1,963,809	9.5%	0.5%	3/15/2010	0.8434	0.1500	0.8500	1,656,208	1,447,535	9.5%	2.0%	0.8340	1.0000	1,207,260	72.9%	73.71%
2011	1,836,469	9.5%	0.5%	3/15/2011	0.7702	0.1500	0.8500	1,414,442	1,374,239	9.5%	2.0%	0.7617	1.0000	1,046,694	74.0%	74.83%
2012	1,717,387	9.5%	0.5%	3/15/2012	0.7034	0.1500	0.8500	1,207,968	1,304,654	9.5%	2.0%	0.6956	1.0000	907,484	75.1%	75.97%
2013	1,606,026	9.5%	0.5%	3/15/2013	0.6424	0.1500	0.8500	1,031,634	1,238,593	9.5%	2.0%	0.6352	1.0000	786,788	76.3%	77.12%
2014	1,501,886	9.5%	0.5%	3/15/2014	0.5866	0.1500	0.8500	881,041	1,175,877	9.5%	2.0%	0.5801	1.0000	682,146	77.4%	78.29%
2015	1,404,499	9.5%	0.5%	3/15/2015	0.5357	0.1500	0.8500	752,431	1,116,336	9.5%	2.0%	0.5298	1.0000	591,420	78.6%	79.48%
2016	1,313,427	9.5%	0.5%	3/15/2016	0.4893	0.1500	0.8500	642,594	1,059,811	9.5%	2.0%	0.4838	1.0000	512,761	79.8%	80.69%
2017	1,228,260	9.5%	0.5%	3/15/2017	0.4468	0.1500	0.8500	548,791	1,006,147	9.5%	2.0%	0.4418	1.0000	444,564	81.0%	81.92%
2018	1,148,616	9.5%	0.5%	3/15/2018	0.4080	0.1500	0.8500	468,681	955,201	9.5%	2.0%	0.4035	1.0000	385,437	82.2%	83.16%
2019	1,074,136	9.5%	0.5%	3/15/2019	0.3726	0.1500	0.8500	400,265	906,834	9.5%	2.0%	0.3685	1.0000	334,174	83.5%	84.42%
2020	1,004,486	9.5%	0.5%	3/15/2020	0.3403	0.1500	0.8500	341,836	860,917	9.5%	2.0%	0.3365	1.0000	289,729	84.8%	85.71%
2021	939,352	9.5%	0.5%	3/15/2021	0.3108	0.1500	0.8500	291,937	817,324	9.5%	2.0%	0.3073	1.0000	251,195	86.0%	87.01%
2022	878,441	9.5%	0.5%	3/15/2022	0.2838	0.1500	0.8500	249,321	775,939	9.5%	2.0%	0.2807	1.0000	217,786	87.4%	88.33%
2023	821,480	9.5%	0.5%	3/15/2023	0.2592	0.1500	0.8500	212,926	736,649	9.5%	2.0%	0.2563	1.0000	188,820	88.7%	89.67%
2024	768,213	9.5%	0.5%	3/15/2024	0.2367	0.1500	0.8500	181,844	699,349	9.5%	2.0%	0.2341	1.0000	163,707	90.0%	91.04%
2025	718,399	9.5%	0.5%	3/15/2025	0.2162	0.1500	0.8500	155,299	663,937	9.5%	2.0%	0.2138	1.0000	141,934	91.4%	92.42%
2026	671,816	9.5%	0.5%	3/15/2026	0.1974	0.1500	0.8500	132,629	630,319	9.5%	2.0%	0.1952	1.0000	123,057	92.8%	93.82%
2027	628,253	9.5%	0.5%	3/15/2027	0.1803	0.1500	0.8500	113,269	598,403	9.5%	2.0%	0.1783	1.0000	106,690	94.2%	95.25%

Lifetime Present Values at 4.5% with Rate Increase for experience 1991 and later

Historical	214,785,471								137,412,710							63.98%
Projected	17,879,263								14,099,609							78.86%
Total	232,664,734								151,512,318							65.12%

Lifetime Present Values at 4.5% for all experience years

Historical	817,020,753								513,088,590							62.80%
Projected	17,879,263								14,099,609							78.86%
Total	834,900,015								527,188,199							63.14%

Projected Experience without Rate Increase

Total 2008	2,220,485						2,270,776	1,561,265						1,565,173	68.9%	70.3%
Rest 2008	1,092,491	0.5%			1.0000	0.1500	0.9250	1,092,491	738,318	9.5%	2.0%	0.9776	0.9341	772,691	70.7%	67.58%
2009	1,939,298	0.0%	0.5%	3/15/2009	1.0000	0.1500	0.8500	1,939,298	1,524,740	9.5%	2.0%	0.9132	1.0000	1,392,456	71.8%	78.62%
2010	1,785,281	9.5%	0.5%	3/15/2010	0.9277	0.1500	0.8500	1,656,208	1,447,535	9.5%	2.0%	0.8340	1.0000	1,207,260	72.9%	81.08%
2011	1,669,517	9.5%	0.5%	3/15/2011	0.8472	0.1500	0.8500	1,414,442	1,374,239	9.5%	2.0%	0.7617	1.0000	1,046,694	74.0%	82.31%
2012	1,561,261	9.5%	0.5%	3/15/2012	0.7737	0.1500	0.8500	1,207,968	1,304,654	9.5%	2.0%	0.6956	1.0000	907,484	75.1%	83.56%
2013	1,460,024	9.5%	0.5%	3/15/2013	0.7066	0.1500	0.8500	1,031,634	1,238,593	9.5%	2.0%	0.6352	1.0000	786,788	76.3%	84.83%
2014	1,365,351	9.5%	0.5%	3/15/2014	0.6453	0.1500	0.8500	881,041	1,175,877	9.5%	2.0%	0.5801	1.0000	682,146	77.4%	86.12%
2015	1,276,817	9.5%	0.5%	3/15/2015	0.5893	0.1500	0.8500	752,431	1,116,336	9.5%	2.0%	0.5298	1.0000	591,420	78.6%	87.43%
2016	1,194,024	9.5%	0.5%	3/15/2016	0.5382	0.1500	0.8500	642,594	1,059,811	9.5%	2.0%	0.4838	1.0000	512,761	79.8%	88.76%
2017	1,116,600	9.5%	0.5%	3/15/2017	0.4915	0.1500	0.8500	548,791	1,006,147	9.5%	2.0%	0.4418	1.0000	444,564	81.0%	90.11%
2018	1,044,196	9.5%	0.5%	3/15/2018	0.4488	0.1500	0.8500	468,681	955,201	9.5%	2.0%	0.4035	1.0000	385,437	82.2%	91.48%
2019	976,487	9.5%	0.5%	3/15/2019	0.4099	0.1500	0.8500	400,265	906,834	9.5%	2.0%	0.3685	1.0000	334,174	83.5%	92.87%
2020	913,169	9.5%	0.5%	3/15/2020	0.3743	0.1500	0.8500	341,836	860,917	9.5%	2.0%	0.3365	1.0000	289,729	84.8%	94.28%
2021	853,956	9.5%	0.5%	3/15/2021	0.3419	0.1500	0.8500	291,937	817,324	9.5%	2.0%	0.3073	1.0000	251,195	86.0%	95.71%
2022	798,583	9.5%	0.5%	3/15/2022	0.3122	0.1500	0.8500	249,321	775,939	9.5%	2.0%	0.2807	1.0000	217,786	87.4%	97.16%
2023	746,800	9.5%	0.5%	3/15/2023	0.2851	0.1500	0.8500	212,926	736,649	9.5%	2.0%	0.2563	1.0000	188,820	88.7%	98.64%
2024	698,375	9.5%	0.5%	3/15/2024	0.2604	0.1500	0.8500	181,844	699,349	9.5%	2.0%	0.2341	1.0000	163,707	90.0%	100.14%
2025	653,090	9.5%	0.5%	3/15/2025	0.2378	0.1500	0.8500	155,								

Pyramid Life Insurance Company
Actuarial Justification for individual A&H Rate Increase
Pre-Standard Medicare Supplement Forms
Exhibit D: In Force As Of 06/30/2008

State	Annualized Premium	Policy Count	Average Size Premium	
			Before	After
AL	21,372	3	7,124	7,836
AR	201,588	66	3,054	3,360
AZ	10,929	3	3,643	4,007
CA	14,184	3	4,728	5,201
CO	21,199	7	3,028	3,331
FL	162,810	83	1,962	2,158
GA	45,644	16	2,853	3,138
IA	28,084	7	4,012	4,413
IL	27,198	6	4,533	4,986
IN	35,635	11	3,240	3,563
KS	135,905	33	4,118	4,530
KY	77,493	22	3,522	3,875
LA	43,383	11	3,944	4,338
MN	54,136	18	3,008	3,308
MO	113,055	38	2,975	3,273
MS	7,270	3	2,423	2,666
MT	3,087	1	3,087	3,396
NC	40,725	17	2,396	2,635
NE	222,179	55	4,040	4,444
NJ	4,826	1	4,826	5,309
NM	14,814	5	2,963	3,259
NV	17,511	5	3,502	3,852
NY	7,061	1	7,061	7,767
OH	106,085	30	3,536	3,890
OK	51,914	12	4,326	4,759
OR	61,101	14	4,364	4,801
SC	6,178	1	6,178	6,796
TN	390,213	127	3,073	3,380
TX	209,897	55	3,816	4,198
VA	258,826	129	2,006	2,207
WI	4,080	1	4,080	4,488
Total	2,398,380	784	3,059	3,365

**Pyramid Life Insurance Company
 Actuarial Justification for A & H Rate Increase
 Individual Pre-Standardized Medicare Supplement Plans
 Exhibit B - Rate History**

Arkansas

Year	Qrt	G-10	G-15	G-25	G-26
1977	-				
1982	2				
1983	1				
1984	1				
1985	1				
1986	1				
1987	1				
1987	2				
1988	1	5.0%			
1988	2				
1989	1	17.0%			
1989	2				
1990	1		21.0%		
1990	2				
1991	2				
1991	3				
1995	1	8.0%	12.0%	10.0%	15.0%
1996	2	12.0%	12.0%	12.0%	12.0%
1997	1	18.0%	18.0%	18.0%	18.0%
1998	1	15.0%	15.0%	15.0%	15.0%
1999	1	9.0%	9.0%	9.0%	9.0%
2000	1	9.0%	9.0%	9.0%	9.0%
2001	1	7.0%	7.0%	7.0%	7.0%
2002	1	9.0%	9.0%	9.0%	9.0%
2003	2	6.0%	6.0%	6.0%	6.0%
2004	2	6.0%	6.0%	6.0%	6.0%
2005	2	7.5%	7.5%	7.5%	7.5%
2006	2	9.5%	9.5%	9.5%	9.5%
2007	2	10.5%	10.5%	10.5%	10.5%
2008	2	10.0%	10.0%	10.0%	10.0%