

SERFF Tracking Number: GEFA-126154710 State: Arkansas
Filing Company: Continental Life Insurance Company of Brentwood, Tennessee State Tracking Number: 42387
Company Tracking Number: MSR-CLIC
TOI: MS06 Medicare Supplement - Other Sub-TOI: MS06.000 Medicare Supplement - Other
Product Name: Med Supp
Project Name/Number: CLIC 2008 Med Supp Refund Calc Forms/MSR-CLIC

Filing at a Glance

Company: Continental Life Insurance Company of Brentwood, Tennessee

Product Name: Med Supp SERFF Tr Num: GEFA-126154710 State: ArkansasLH
TOI: MS06 Medicare Supplement - Other SERFF Status: Closed State Tr Num: 42387
Sub-TOI: MS06.000 Medicare Supplement - Other Co Tr Num: MSR-CLIC State Status: Filed-Closed
Filing Type: Form Co Status: Reviewer(s): Stephanie Fowler
Author: Cindy Petty Disposition Date: 05/21/2009
Date Submitted: 05/18/2009 Disposition Status: Accepted For Informational Purposes
Implementation Date Requested: On Approval Implementation Date:

State Filing Description:

General Information

Project Name: CLIC 2008 Med Supp Refund Calc Forms Status of Filing in Domicile: Pending
Project Number: MSR-CLIC Date Approved in Domicile:
Requested Filing Mode: Informational Domicile Status Comments:
Explanation for Combination/Other: Market Type: Individual
Submission Type: New Submission Group Market Size:
Overall Rate Impact: Group Market Type:
Filing Status Changed: 05/21/2009 Explanation for Other Group Market Type:
State Status Changed: 05/21/2009
Deemer Date: Corresponding Filing Tracking Number:

Filing Description:

Enclosed for your records are the Medicare Supplement Refund Calculation Forms for Calendar Year 2008 and the 2008 Reporting for the Calculation of Benchmark Ratio Since Inception for individual policies.

No refunds are called for under the calculations.

SERFF Tracking Number: GEFA-126154710 State: Arkansas
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 Brentwood, Tennessee
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 TOI: MS06 Medicare Supplement - Other Sub-TOI: MS06.000 Medicare Supplement - Other
 Product Name: Med Supp
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Company and Contact

Filing Contact Information

Cynthia Petty, Compliance Team Leader cindy.petty@genworth.com
 101 Continental Place (800) 264-4000 [Phone]
 Brentwood, TN 37027 (615) 373-0272[FAX]

Filing Company Information

Continental Life Insurance Company of CoCode: 68500 State of Domicile: Tennessee
 Brentwood, Tennessee
 101 Continental Place Group Code: 4011 Company Type: Life and Health
 Brentwood, TN 37027 Group Name: State ID Number:
 (615) 377-1300 ext. [Phone] FEIN Number: 62-1181209

Filing Fees

Fee Required? No
 Retaliatory? No
 Fee Explanation:
 Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Continental Life Insurance Company of Brentwood, Tennessee	\$0.00	05/18/2009	

SERFF Tracking Number: GEFA-126154710 State: Arkansas
Filing Company: Continental Life Insurance Company of State Tracking Number: 42387
Brentwood, Tennessee
Company Tracking Number: MSR-CLIC
TOI: MS06 Medicare Supplement - Other Sub-TOI: MS06.000 Medicare Supplement - Other
Product Name: Med Supp
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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Accepted For Informational Purposes	Stephanie Fowler	05/21/2009	05/21/2009

SERFF Tracking Number: GEFA-126154710 State: Arkansas
Filing Company: Continental Life Insurance Company of State Tracking Number: 42387
Brentwood, Tennessee
Company Tracking Number: MSR-CLIC
TOI: MS06 Medicare Supplement - Other Sub-TOI: MS06.000 Medicare Supplement - Other
Product Name: Med Supp
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Disposition

Disposition Date: 05/21/2009

Implementation Date:

Status: Accepted For Informational Purposes

Comment:

Rate data does NOT apply to filing.

SERFF Tracking Number: GEFA-126154710 State: Arkansas
 Filing Company: Continental Life Insurance Company of State Tracking Number: 42387
 Brentwood, Tennessee
 Company Tracking Number: MSR-CLIC
 TOI: MS06 Medicare Supplement - Other Sub-TOI: MS06.000 Medicare Supplement - Other
 Product Name: Med Supp
 Project Name/Number: CLIC 2008 Med Supp Refund Calc Forms/MSR-CLIC

Item Type	Item Name	Item Status	Public Access
Supporting Document	Flesch Certification		No
Supporting Document	Application		No
Supporting Document	Health - Actuarial Justification		No
Supporting Document	Outline of Coverage		No
Supporting Document	Med Supp Refund Calcs	Accepted for Informational Purposes	Yes

SERFF Tracking Number: GEFA-126154710 State: Arkansas
Filing Company: Continental Life Insurance Company of State Tracking Number: 42387
Brentwood, Tennessee
Company Tracking Number: MSR-CLIC
TOI: MS06 Medicare Supplement - Other Sub-TOI: MS06.000 Medicare Supplement - Other
Product Name: Med Supp
Project Name/Number: CLIC 2008 Med Supp Refund Calc Forms/MSR-CLIC

Supporting Document Schedules

Satisfied -Name: Med Supp Refund Calcs **Review Status:** Accepted for Informational 05/21/2009
Purposes

Comments:

Attachment:

CLIC - AR Med Supp Refund Calcs 2008.pdf

MEDICARE SUPPLEMENT REFUND CALCULATION FORM

FOR CALENDAR YEAR 2008

Type Individual SMSBP (w) A
 Delivered or Issued for Delivery in Arkansas
 Company Name Continental Life Insurance Company of Brentwood, Tennessee
 NAIC Group Code 000 NAIC Company Code 68500
 Address 101 Continental Place, Brentwood, Tennessee 37027
 Person Completing This Exhibit Richard Waggoner, FSA, MAAA
 Title Actuary Telephone Number (615) 377-1300 x7220

<u>Line</u>	(a) Earned Premium (x)	(b) Incurred Claims (y)
1. Current Year's Experience		
a. Total (all policy Years)	7,541	2,917
b. Current year's issues (z)	0	0
c. Net (for reporting purposes = line 1a - line 1b)	7,541	2,917
2. Past Years' Experience (All Policy Years)	216,676	137,702
3. Total Experience (Net Current Year plus Past Years' Experience)	224,217	140,619
4. Refunds Last Year (Excluding Interest)	0	
5. Previous Refunds Since Inception (Excluding Interest)	0	
6. Refunds Since Inception (Excluding Interest)	0	
7. Benchmark Ratio Since Inception (SEE WORKSHEET FOR RATIO 1)	0.648	
8. Experienced Ratio Since Inception		
	$\frac{\text{Total Actual Incurred Claims (line 3, col. b)}}{\text{Total Earned Prem. (line 3, col. a) - Refunds Since Inception (line 6)}} = \text{Ratio 2}$	$\frac{140,619}{224,217} = 0.627$
9. Life Years Exposed Since Inception	279	

If the Experience Ratio is less than the Benchmark Ratio, and there are more than 500 life years exposure, then proceed to calculation of refund.

10. Tolerance Permitted (obtained from credibility table) Not Credible

11. Adjustment to Incurred Claims for Credibility

$$\text{Ratio 3} = \text{Ratio 2} + \text{Tolerance} =$$

If Ratio 3 is more than Benchmark Ratio (Ratio 1), a refund or credit to premium is not required.

If Ratio 3 is less than the Benchmark Ratio, then proceed.

12. Adjusted Incurred Claims =

[Total Earned Premiums (line 3, col a) - Refunds Since Inception (line 6)]
x Ratio 3 (line 11)

13. Refund =

No Refund

Total Earned Premiums (line 3, col a) -
Refunds Since Inception (line 6) -
Adjusted Incurred Claims (line 12)
Benchmark Ratio (Ratio 1)

If the amount on line 13 is less than .005 times the annualized premium in force as of December 31 of the reporting year, then no refund is made. Otherwise, the amount on line 13 is to be refunded or credited, and a description of the refund and/or credit against premiums to be used must be attached to this form.

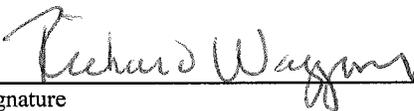
MEDICARE SUPPLEMENT CREDIBILITY TABLE

Life Years Exposed	
<u>Since Inception</u>	<u>Tolerance</u>
10,000 +	0.0%
5,000 - 9,999	5.0%
2,500 - 4,999	7.5%
1,000 - 2,499	10.0%
500 - 999	15.0%

If less than 500, no credibility.

- (w) "SMSBP" = Standard Medicare Supplement Benefit Plan.
- (x) Includes modal loadings and fees charged.
- (y) Excludes Active Life Reserves.
- (z) This is to be used as "Issue Year Earned Premium" for Year 1 of next year's "Worksheet for Calculation of Benchmark Ratios."

I certify that the above information and calculations are true and accurate to the best of my knowledge and belief.



Signature

Richard Waggoner, FSA, MAAA

Name

Actuary

Title

5/6/2009

Date

REPORTING FORM FOR THE CALCULATION
OF BENCHMARK RATIO SINCE INCEPTION FOR
INDIVIDUAL POLICIES FOR CALENDAR YEAR 2008

Type Individual SMSBP (w) A
 Delivered or Issued for Delivery in Arkansas
 Company Name Continental Life Insurance Company of Brentwood, Tennessee
 NAIC Group Code 000 NAIC Company Code 68500
 Address 101 Continental Place, Brentwood, Tennessee 37027
 Person Completing This Exhibit Richard Waggoner, FSA, MAAA
 Title Actuary Telephone Number (615) 377-1300 x7220

(a) Year	(b) Earned Premium	(c) Factor	(d) (b) x (c)	(e) Cumulative Loss Ratio	(f) (d) x (e)	(g) Factor	(h) (b) x (g)	(i) Cumulative Loss Ratio	(j) (h) x (i)	(o) Policy Year Loss Ratio
1		2.770		0.442		0.000		0.000		0.40
2		4.175		0.493		0.000		0.000		0.55
3		4.175		0.493		1.194		0.659		0.65
4		4.175		0.493		2.245		0.669		0.67
5		4.175		0.493		3.170		0.678		0.69
6		4.175		0.493		3.998		0.686		0.71
7		4.175		0.493		4.754		0.695		0.73
8		4.175		0.493		5.445		0.702		0.75
9	180	4.175	752	0.493	370	6.075	1,094	0.708	774	0.76
10		4.175		0.493		6.650		0.713		0.76
11		4.175		0.493		7.176		0.717		0.76
12		4.175		0.493		7.655		0.720		0.77
13		4.175		0.493		8.093		0.723		0.77
14	14,133	4.175	59,005	0.493	29,090	8.493	120,032	0.725	87,023	0.77
15+	2,153	4.175	8,989	0.493	4,431	8.684	18,697	0.725	13,555	0.77
TOTAL		(k):	68,746	(l):	33,892	(m):	139,822	(n):	101,352	

Benchmark Ratio Since Inception (l+n)/(k+m): **0.648**

(a): Year 1 is the current calendar year - 1
 Year 2 is the current calendar year - 2 (etc.)
 (Example: If the current year is 1991, then:
 Year 1 is 1990; Year 2 is 1989, etc.)

(b): For the calendar year on the appropriate line in column (a), the premium earned during that year for policies issued in that year.

(o): These loss ratios are not explicitly used in computing the benchmark loss ratios. They are the loss ratios, on a policy year basis, which result in the cumulative loss ratios displayed on this worksheet. They are shown here for Informational purposes only.

(p): "SMSBP" = Standard Medicare Supplement Benefit Plan.

MEDICARE SUPPLEMENT REFUND CALCULATION FORM

FOR CALENDAR YEAR 2008

Type Individual SMSBP (w) B
 Delivered or Issued for Delivery in Arkansas
 Company Name Continental Life Insurance Company of Brentwood, Tennessee
 NAIC Group Code 000 NAIC Company Code 68500
 Address 101 Continental Place, Brentwood, Tennessee 37027
 Person Completing This Exhibit Richard Waggoner, FSA, MAAA
 Title Actuary Telephone Number (615) 377-1300 x7220

Line	(a) Earned Premium (x)	(b) Incurred Claims (y)
1. Current Year's Experience		
a. Total (all policy Years)	36,571	35,777
b. Current year's issues (z)	0	0
c. Net (for reporting purposes = line 1a - line 1b)	36,571	35,777
2. Past Years' Experience (All Policy Years)	2,073,533	1,389,369
3. Total Experience (Net Current Year plus Past Years' Experience)	2,110,104	1,425,146
4. Refunds Last Year (Excluding Interest)	0	
5. Previous Refunds Since Inception (Excluding Interest)	0	
6. Refunds Since Inception (Excluding Interest)	0	
7. Benchmark Ratio Since Inception (SEE WORKSHEET FOR RATIO 1)	0.648	
8. Experienced Ratio Since Inception		
	$\frac{\text{Total Actual Incurred Claims (line 3, col. b)}}{\text{Total Earned Prem. (line 3, col. a) - Refunds Since Inception (line 6)}} = \text{Ratio 2} = \frac{1,425,146}{2,110,104} = 0.675$	
9. Life Years Exposed Since Inception	1,705	

If the Experience Ratio is less than the Benchmark Ratio, and there are more than 500 life years exposure, then proceed to calculation of refund.

10. Tolerance Permitted (obtained from credibility table) 0.100

11. Adjustment to Incurred Claims for Credibility

Ratio 3 = Ratio 2 + Tolerance = 0.775

If Ratio 3 is more than Benchmark Ratio (Ratio 1), a refund or credit to premium is not required.

If Ratio 3 is less than the Benchmark Ratio, then proceed.

12. Adjusted Incurred Claims =

[Total Earned Premiums (line 3, col a) - Refunds Since Inception (line 6)]
x Ratio 3 (line 11)

13. Refund =

No Refund

Total Earned Premiums (line 3, col a) -
Refunds Since Inception (line 6) -
Adjusted Incurred Claims (line 12)
Benchmark Ratio (Ratio 1)

If the amount on line 13 is less than .005 times the annualized premium in force as of December 31 of the reporting year, then no refund is made. Otherwise, the amount on line 13 is to be refunded or credited, and a description of the refund and/or credit against premiums to be used must be attached to this form.

MEDICARE SUPPLEMENT CREDIBILITY TABLE

Life Years Exposed	
<u>Since Inception</u>	<u>Tolerance</u>
10,000 +	0.0%
5,000 - 9,999	5.0%
2,500 - 4,999	7.5%
1,000 - 2,499	10.0%
500 - 999	15.0%

If less than 500, no credibility.

- (w) "SMSBP" = Standard Medicare Supplement Benefit Plan.
- (x) Includes modal loadings and fees charged.
- (y) Excludes Active Life Reserves.
- (z) This is to be used as "Issue Year Earned Premium" for Year 1 of next year's "Worksheet for Calculation of Benchmark Ratios."

I certify that the above information and calculations are true and accurate to the best of my knowledge and belief.



Signature

Richard Waggoner, FSA, MAAA

Name

Actuary

Title

5/6/2009

Date

REPORTING FORM FOR THE CALCULATION
OF BENCHMARK RATIO SINCE INCEPTION FOR
INDIVIDUAL POLICIES FOR CALENDAR YEAR 2008

Type Individual SMSBP (w) B
 Delivered or Issued for Delivery in Arkansas
 Company Name Continental Life Insurance Company of Brentwood, Tennessee
 NAIC Group Code 000 NAIC Company Code 68500
 Address 101 Continental Place, Brentwood, Tennessee 37027
 Person Completing This Exhibit Richard Waggoner, FSA, MAAA
 Title Actuary Telephone Number (615) 377-1300 x7220

(a) Year	(b) Earned Premium	(c) Factor	(d) (b) x (c)	(e) Cumulative Loss Ratio	(f) (d) x (e)	(g) Factor	(h) (b) x (g)	(i) Cumulative Loss Ratio	(j) (h) x (i)	(o) Policy Year Loss Ratio
1		2.770		0.442		0.000		0.000		0.40
2		4.175		0.493		0.000		0.000		0.55
3		4.175		0.493		1.194		0.659		0.65
4		4.175		0.493		2.245		0.669		0.67
5		4.175		0.493		3.170		0.678		0.69
6		4.175		0.493		3.998		0.686		0.71
7		4.175		0.493		4.754		0.695		0.73
8		4.175		0.493		5.445		0.702		0.75
9		4.175		0.493		6.075		0.708		0.76
10		4.175		0.493		6.650		0.713		0.76
11		4.175		0.493		7.176		0.717		0.76
12	5,150	4.175	21,501	0.493	10,600	7.655	39,423	0.720	28,385	0.77
13	15,540	4.175	64,880	0.493	31,986	8.093	125,765	0.723	90,928	0.77
14	59,778	4.175	249,573	0.493	123,040	8.493	507,695	0.725	368,079	0.77
15+	78,920	4.175	329,491	0.493	162,439	8.684	685,341	0.725	496,872	0.77
TOTAL		(k):	665,445	(l):	328,064	(m):	1,358,224	(n):	984,264	

Benchmark Ratio Since Inception (l+n)/(k+m): 0.648

(a): Year 1 is the current calendar year - 1
 Year 2 is the current calendar year - 2 (etc.)
 (Example: If the current year is 1991, then:
 Year 1 is 1990; Year 2 is 1989, etc.)

(b): For the calendar year on the appropriate line in column (a), the premium earned during that year for policies issued in that year.

(o): These loss ratios are not explicitly used in computing the benchmark loss ratios. They are the loss ratios, on a policy year basis, which result in the cumulative loss ratios displayed on this worksheet. They are shown here for informational purposes only.

(p): "SMSBP" = Standard Medicare Supplement Benefit Plan.

MEDICARE SUPPLEMENT REFUND CALCULATION FORM

FOR CALENDAR YEAR 2008

Type Individual SMSBP (w) C
 Delivered or Issued for Delivery in Arkansas
 Company Name Continental Life Insurance Company of Brentwood, Tennessee
 NAIC Group Code 000 NAIC Company Code 68500
 Address 101 Continental Place, Brentwood, Tennessee 37027
 Person Completing This Exhibit Richard Waggoner, FSA, MAAA
 Title Actuary Telephone Number (615) 377-1300 x7220

Line	(a) Earned Premium (x)	(b) Incurred Claims (y)
1. Current Year's Experience		
a. Total (all policy Years)	48,787	40,530
b. Current year's issues (z)	0	0
c. Net (for reporting purposes = line 1a - line 1b)	<u>48,787</u>	<u>40,530</u>
2. Past Years' Experience (All Policy Years)	<u>1,794,116</u>	<u>1,309,345</u>
3. Total Experience (Net Current Year plus Past Years' Experience)	<u>1,842,903</u>	<u>1,349,875</u>
4. Refunds Last Year (Excluding Interest)	0	
5. Previous Refunds Since Inception (Excluding Interest)	0	
6. Refunds Since Inception (Excluding Interest)	0	
7. Benchmark Ratio Since Inception (SEE WORKSHEET FOR RATIO 1)	0.643	
8. Experienced Ratio Since Inception		
$\frac{\text{Total Actual Incurred Claims (line 3, col. b)}}{\text{Total Earned Prem. (line 3, col. a) - Refunds Since Inception (line 6)}} = \text{Ratio 2}$		$\frac{1,349,875}{1,842,903} = 0.732$
9. Life Years Exposed Since Inception	<u>1,391</u>	

If the Experience Ratio is less than the Benchmark Ratio, and there are more than 500 life years exposure, then proceed to calculation of refund.

10. Tolerance Permitted (obtained from credibility table) 0.100

11. Adjustment to Incurred Claims for Credibility

Ratio 3 = Ratio 2 + Tolerance = 0.832

If Ratio 3 is more than Benchmark Ratio (Ratio 1), a refund or credit to premium is not required.

If Ratio 3 is less than the Benchmark Ratio, then proceed.

12. Adjusted Incurred Claims =

[Total Earned Premiums (line 3, col a) - Refunds Since Inception (line 6)]
x Ratio 3 (line 11)

13. Refund =

No Refund

Total Earned Premiums (line 3, col a) -
Refunds Since Inception (line 6) -
Adjusted Incurred Claims (line 12)
Benchmark Ratio (Ratio 1)

If the amount on line 13 is less than .005 times the annualized premium in force as of December 31 of the reporting year, then no refund is made. Otherwise, the amount on line 13 is to be refunded or credited, and a description of the refund and/or credit against premiums to be used must be attached to this form.

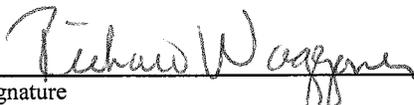
MEDICARE SUPPLEMENT CREDIBILITY TABLE

Life Years Exposed	
<u>Since Inception</u>	<u>Tolerance</u>
10,000 +	0.0%
5,000 - 9,999	5.0%
2,500 - 4,999	7.5%
1,000 - 2,499	10.0%
500 - 999	15.0%

If less than 500, no credibility.

- (w) "SMSBP" = Standard Medicare Supplement Benefit Plan.
- (x) Includes modal loadings and fees charged.
- (y) Excludes Active Life Reserves.
- (z) This is to be used as "Issue Year Earned Premium" for Year 1 of next year's "Worksheet for Calculation of Benchmark Ratios."

I certify that the above information and calculations are true and accurate to the best of my knowledge and belief.



Signature

Richard Waggoner, FSA, MAAA

Name

Actuary

Title

5/6/2009

Date

REPORTING FORM FOR THE CALCULATION
OF BENCHMARK RATIO SINCE INCEPTION FOR
INDIVIDUAL POLICIES FOR CALENDAR YEAR 2008

Type Individual SMSBP (w) C
 Delivered or Issued for Delivery in Arkansas
 Company Name Continental Life Insurance Company of Brentwood, Tennessee
 NAIC Group Code 000 NAIC Company Code 68500
 Address 101 Continental Place, Brentwood, Tennessee 37027
 Person Completing This Exhibit Richard Waggoner, FSA, MAAA
 Title Actuary Telephone Number (615) 377-1300 x7220

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(o)
Year	Earned Premium	Factor	(b) x (c)	Cumulative Loss Ratio	(d) x (e)	Factor	(b) x (g)	Cumulative Loss Ratio	(h) x (i)	Policy Year Loss Ratio
1	952	2.770	2,637	0.442	1,166	0.000	0	0.000	0	0.40
2		4.175		0.493		0.000		0.000		0.55
3		4.175		0.493		1.194		0.659		0.65
4		4.175		0.493		2.245		0.669		0.67
5		4.175		0.493		3.170		0.678		0.69
6		4.175		0.493		3.998		0.686		0.71
7	2,485	4.175	10,375	0.493	5,115	4.754	11,814	0.695	8,211	0.73
8	2,901	4.175	12,112	0.493	5,971	5.445	15,796	0.702	11,089	0.75
9	2,977	4.175	12,429	0.493	6,127	6.075	18,085	0.708	12,804	0.76
10	3,166	4.175	13,218	0.493	6,516	6.650	21,054	0.713	15,011	0.76
11	7,031	4.175	29,354	0.493	14,472	7.176	50,454	0.717	36,176	0.76
12	12,563	4.175	52,451	0.493	25,858	7.655	96,170	0.720	69,242	0.77
13	14,501	4.175	60,542	0.493	29,847	8.093	117,357	0.723	84,849	0.77
14	25,841	4.175	107,886	0.493	53,188	8.493	219,468	0.725	159,114	0.77
15+	35,188	4.175	146,910	0.493	72,427	8.684	305,573	0.725	221,540	0.77
TOTAL		(k):	447,913	(l):	220,687	(m):	855,770	(n):	618,036	

Benchmark Ratio Since Inception (l+n)/(k+m): 0.643

(a): Year 1 is the current calendar year - 1
 Year 2 is the current calendar year - 2 (etc.)
 (Example: If the current year is 1991, then:
 Year 1 is 1990; Year 2 is 1989, etc.)

(b): For the calendar year on the appropriate line in column (a), the premium earned during that year for policies issued in that year.

(o): These loss ratios are not explicitly used in computing the benchmark loss ratios. They are the loss ratios, on a policy year basis, which result in the cumulative loss ratios displayed on this worksheet. They are shown here for informational purposes only.

(p): "SMSBP" = Standard Medicare Supplement Benefit Plan.

MEDICARE SUPPLEMENT REFUND CALCULATION FORM

FOR CALENDAR YEAR 2008

Type Individual SMSBP (w) D
 Delivered or Issued for Delivery in Arkansas
 Company Name Continental Life Insurance Company of Brentwood, Tennessee
 NAIC Group Code 000 NAIC Company Code 68500
 Address 101 Continental Place, Brentwood, Tennessee 37027
 Person Completing This Exhibit Richard Waggoner, FSA, MAAA
 Title Actuary Telephone Number (615) 377-1300 x7220

<u>Line</u>	(a) Earned Premium (x)	(b) Incurred Claims (y)
1. Current Year's Experience		
a. Total (all policy Years)	6,149	4,839
b. Current year's issues (z)	0	0
c. Net (for reporting purposes = line 1a - line 1b)	6,149	4,839
2. Past Years' Experience (All Policy Years)	5,677	1,155
3. Total Experience (Net Current Year plus Past Years' Experience)	11,826	5,994
4. Refunds Last Year (Excluding Interest)	0	
5. Previous Refunds Since Inception (Excluding Interest)	0	
6. Refunds Since Inception (Excluding Interest)	0	
7. Benchmark Ratio Since Inception (SEE WORKSHEET FOR RATIO 1)	0.475	
8. Experienced Ratio Since Inception		
	$\frac{\text{Total Actual Incurred Claims (line 3, col. b)}}{\text{Total Earned Prem. (line 3, col. a) - Refunds Since Inception (line 6)}} = \text{Ratio 2}$	$\frac{5,994}{11,826} = 0.507$
9. Life Years Exposed Since Inception	8	

If the Experience Ratio is less than the Benchmark Ratio, and there are more than 500 life years exposure, then proceed to calculation of refund.

10. Tolerance Permitted (obtained from credibility table) Not Credible

11. Adjustment to Incurred Claims for Credibility

$$\text{Ratio 3} = \text{Ratio 2} + \text{Tolerance} =$$

If Ratio 3 is more than Benchmark Ratio (Ratio 1), a refund or credit to premium is not required.

If Ratio 3 is less than the Benchmark Ratio, then proceed.

12. Adjusted Incurred Claims =

[Total Earned Premiums (line 3, col a) - Refunds Since Inception (line 6)]
x Ratio 3 (line 11)

13. Refund =

No Refund

Total Earned Premiums (line 3, col a) -
Refunds Since Inception (line 6) -
Adjusted Incurred Claims (line 12)
Benchmark Ratio (Ratio 1)

If the amount on line 13 is less than .005 times the annualized premium in force as of December 31 of the reporting year, then no refund is made. Otherwise, the amount on line 13 is to be refunded or credited, and a description of the refund and/or credit against premiums to be used must be attached to this form.

MEDICARE SUPPLEMENT CREDIBILITY TABLE

Life Years Exposed	
<u>Since Inception</u>	<u>Tolerance</u>
10,000 +	0.0%
5,000 - 9,999	5.0%
2,500 - 4,999	7.5%
1,000 - 2,499	10.0%
500 - 999	15.0%

If less than 500, no credibility.

- (w) "SMSBP" = Standard Medicare Supplement Benefit Plan.
- (x) Includes modal loadings and fees charged.
- (y) Excludes Active Life Reserves.
- (z) This is to be used as "Issue Year Earned Premium" for Year 1 of next year's "Worksheet for Calculation of Benchmark Ratios."

I certify that the above information and calculations are true and accurate to the best of my knowledge and belief.



Signature

Richard Waggoner, FSA, MAAA

Name

Actuary

Title

5/6/2009

Date

REPORTING FORM FOR THE CALCULATION
OF BENCHMARK RATIO SINCE INCEPTION FOR
INDIVIDUAL POLICIES FOR CALENDAR YEAR 2008

Type Individual SMSBP (w) D
 Delivered or Issued for Delivery in Arkansas
 Company Name Continental Life Insurance Company of Brentwood, Tennessee
 NAIC Group Code 000 NAIC Company Code 68500
 Address 101 Continental Place, Brentwood, Tennessee 37027
 Person Completing This Exhibit Richard Waggoner, FSA, MAAA
 Title Actuary Telephone Number (615) 377-1300 x7220

(a) Year	(b) Earned Premium	(c) Factor	(d) (b) x (c)	(e) Cumulative Loss Ratio	(f) (d) x (e)	(g) Factor	(h) (b) x (g)	(i) Cumulative Loss Ratio	(j) (h) x (i)	(o) Policy Year Loss Ratio
1	1,212	2.770	3,357	0.442	1,484	0.000	0	0.000	0	0.40
2	1,472	4.175	6,146	0.493	3,030	0.000	0	0.000	0	0.55
3		4.175		0.493		1.194		0.659		0.65
4		4.175		0.493		2.245		0.669		0.67
5		4.175		0.493		3.170		0.678		0.69
6		4.175		0.493		3.998		0.686		0.71
7		4.175		0.493		4.754		0.695		0.73
8		4.175		0.493		5.445		0.702		0.75
9		4.175		0.493		6.075		0.708		0.76
10		4.175		0.493		6.650		0.713		0.76
11		4.175		0.493		7.176		0.717		0.76
12		4.175		0.493		7.655		0.720		0.77
13		4.175		0.493		8.093		0.723		0.77
14		4.175		0.493		8.493		0.725		0.77
15+		4.175		0.493		8.684		0.725		0.77
TOTAL		(k):	9,503	(l):	4,514	(m):	0	(n):	0	

Benchmark Ratio Since Inception (l+n)/(k+m): 0.475

(a): Year 1 is the current calendar year - 1
 Year 2 is the current calendar year - 2 (etc.)
 (Example: If the current year is 1991, then:
 Year 1 is 1990; Year 2 is 1989, etc.)

(b): For the calendar year on the appropriate line in column (a), the premium earned during that year for policies issued in that year.

(o): These loss ratios are not explicitly used in computing the benchmark loss ratios. They are the loss ratios, on a policy year basis, which result in the cumulative loss ratios displayed on this worksheet. They are shown here for Informational purposes only.

(p): "SMSBP" = Standard Medicare Supplement Benefit Plan.

MEDICARE SUPPLEMENT REFUND CALCULATION FORM

FOR CALENDAR YEAR 2008

Type Individual SMSBP (w) E
 Delivered or Issued for Delivery in Arkansas
 Company Name Continental Life Insurance Company of Brentwood, Tennessee
 NAIC Group Code 000 NAIC Company Code 68500
 Address 101 Continental Place, Brentwood, Tennessee 37027
 Person Completing This Exhibit Richard Waggoner, FSA, MAAA
 Title Actuary Telephone Number (615) 377-1300 x7220

<u>Line</u>	(a) Earned Premium (x)	(b) Incurred Claims (y)
1. Current Year's Experience		
a. Total (all policy Years)	2,945	240
b. Current year's issues (z)	0	0
c. Net (for reporting purposes = line 1a - line 1b)	2,945	240
2. Past Years' Experience (All Policy Years)	13,208	4,292
3. Total Experience (Net Current Year plus Past Years' Experience)	16,153	4,532
4. Refunds Last Year (Excluding Interest)	0	
5. Previous Refunds Since Inception (Excluding Interest)	0	
6. Refunds Since Inception (Excluding Interest)	0	
7. Benchmark Ratio Since Inception (SEE WORKSHEET FOR RATIO 1)	0.581	
8. Experienced Ratio Since Inception		
	$\frac{\text{Total Actual Incurred Claims (line 3, col. b)}}{\text{Total Earned Prem. (line 3, col. a) - Refunds Since Inception (line 6)}} = \text{Ratio 2}$	$\frac{4,532}{16,153} = 0.281$
9. Life Years Exposed Since Inception	12	

If the Experience Ratio is less than the Benchmark Ratio, and there are more than 500 life years exposure, then proceed to calculation of refund.

10. Tolerance Permitted (obtained from credibility table) Not Credible

11. Adjustment to Incurred Claims for Credibility

$$\text{Ratio 3} = \text{Ratio 2} + \text{Tolerance} =$$

If Ratio 3 is more than Benchmark Ratio (Ratio 1), a refund or credit to premium is not required.

If Ratio 3 is less than the Benchmark Ratio, then proceed.

12. Adjusted Incurred Claims =

[Total Earned Premiums (line 3, col a) - Refunds Since Inception (line 6)]
x Ratio 3 (line 11)

13. Refund =

No Refund

Total Earned Premiums (line 3, col a) -
Refunds Since Inception (line 6) -
Adjusted Incurred Claims (line 12)
Benchmark Ratio (Ratio 1)

If the amount on line 13 is less than .005 times the annualized premium in force as of December 31 of the reporting year, then no refund is made. Otherwise, the amount on line 13 is to be refunded or credited, and a description of the refund and/or credit against premiums to be used must be attached to this form.

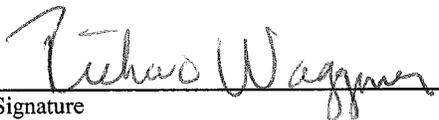
MEDICARE SUPPLEMENT CREDIBILITY TABLE

Life Years Exposed	
<u>Since Inception</u>	<u>Tolerance</u>
10,000 +	0.0%
5,000 - 9,999	5.0%
2,500 - 4,999	7.5%
1,000 - 2,499	10.0%
500 - 999	15.0%

If less than 500, no credibility.

- (w) "SMSBP" = Standard Medicare Supplement Benefit Plan.
- (x) Includes modal loadings and fees charged.
- (y) Excludes Active Life Reserves.
- (z) This is to be used as "Issue Year Earned Premium" for Year 1 of next year's "Worksheet for Calculation of Benchmark Ratios."

I certify that the above information and calculations are true and accurate to the best of my knowledge and belief.



Signature

Richard Waggoner, FSA, MAAA

Name

Actuary

Title

5/6/2009

Date

REPORTING FORM FOR THE CALCULATION
OF BENCHMARK RATIO SINCE INCEPTION FOR
INDIVIDUAL POLICIES FOR CALENDAR YEAR 2008

Type Individual SMSBP (w) E
 Delivered or Issued for Delivery in Arkansas
 Company Name Continental Life Insurance Company of Brentwood, Tennessee
 NAIC Group Code 000 NAIC Company Code 68500
 Address 101 Continental Place, Brentwood, Tennessee 37027
 Person Completing This Exhibit Richard Waggoner, FSA, MAAA
 Title Actuary Telephone Number (615) 377-1300 x7220

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(o)
Year	Earned Premium	Factor	(b) x (c)	Cumulative Loss Ratio	(d) x (e)	Factor	(b) x (g)	Cumulative Loss Ratio	(h) x (i)	Policy Year Loss Ratio
1		2.770		0.442		0.000		0.000		0.40
2	876	4.175	3,657	0.493	1,803	0.000	0	0.000	0	0.55
3		4.175		0.493		1.194		0.659		0.65
4		4.175		0.493		2.245		0.669		0.67
5		4.175		0.493		3.170		0.678		0.69
6		4.175		0.493		3.998		0.686		0.71
7		4.175		0.493		4.754		0.695		0.73
8		4.175		0.493		5.445		0.702		0.75
9	795	4.175	3,319	0.493	1,636	6.075	4,830	0.708	3,419	0.76
10		4.175		0.493		6.650		0.713		0.76
11		4.175		0.493		7.176		0.717		0.76
12		4.175		0.493		7.655		0.720		0.77
13		4.175		0.493		8.093		0.723		0.77
14		4.175		0.493		8.493		0.725		0.77
15+		4.175		0.493		8.684		0.725		0.77
TOTAL		(k):	6,976	(l):	3,439	(m):	4,830	(n):	3,419	

Benchmark Ratio Since Inception (l+n)/(k+m): 0.581

(a): Year 1 is the current calendar year - 1
 Year 2 is the current calendar year - 2 (etc.)
 (Example: If the current year is 1991, then:
 Year 1 is 1990; Year 2 is 1989, etc.)

(b): For the calendar year on the appropriate line in column (a), the premium earned during that year for policies issued in that year.

(o): These loss ratios are not explicitly used in computing the benchmark loss ratios. They are the loss ratios, on a policy year basis, which result in the cumulative loss ratios displayed on this worksheet. They are shown here for informational purposes only.

(p): "SMSBP" = Standard Medicare Supplement Benefit Plan.

MEDICARE SUPPLEMENT REFUND CALCULATION FORM

FOR CALENDAR YEAR 2008

Type Individual SMSBP (w) F
 Delivered or Issued for Delivery in Arkansas
 Company Name Continental Life Insurance Company of Brentwood, Tennessee
 NAIC Group Code 000 NAIC Company Code 68500
 Address 101 Continental Place, Brentwood, Tennessee 37027
 Person Completing This Exhibit Richard Waggoner, FSA, MAAA
 Title Actuary Telephone Number (615) 377-1300 x7220

Line	(a) Earned Premium (x)	(b) Incurred Claims (y)
1. Current Year's Experience		
a. Total (all policy Years)	412,900	411,576
b. Current year's issues (z)	0	0
c. Net (for reporting purposes = line 1a - line 1b)	412,900	411,576
2. Past Years' Experience (All Policy Years)	14,890,499	11,101,071
3. Total Experience (Net Current Year plus Past Years' Experience)	15,303,399	11,512,647
4. Refunds Last Year (Excluding Interest)	0	
5. Previous Refunds Since Inception (Excluding Interest)	0	
6. Refunds Since Inception (Excluding Interest)	0	
7. Benchmark Ratio Since Inception (SEE WORKSHEET FOR RATIO 1)	0.644	
8. Experienced Ratio Since Inception		
	$\frac{\text{Total Actual Incurred Claims (line 3, col. b)}}{\text{Total Earned Prem. (line 3, col. a) - Refunds Since Inception (line 6)}} = \text{Ratio 2} = \frac{11,512,647}{15,303,399} = 0.752$	

9. Life Years Exposed Since Inception 10,456

If the Experience Ratio is less than the Benchmark Ratio, and there are more than 500 life years exposure, then proceed to calculation of refund.

10. Tolerance Permitted (obtained from credibility table) 0.000

11. Adjustment to Incurred Claims for Credibility

Ratio 3 = Ratio 2 + Tolerance = 0.752

If Ratio 3 is more than Benchmark Ratio (Ratio 1), a refund or credit to premium is not required.

If Ratio 3 is less than the Benchmark Ratio, then proceed.

12. Adjusted Incurred Claims =

[Total Earned Premiums (line 3, col a) - Refunds Since Inception (line 6)]
x Ratio 3 (line 11)

13. Refund =

No Refund

Total Earned Premiums (line 3, col a) -
Refunds Since Inception (line 6) -
Adjusted Incurred Claims (line 12)
Benchmark Ratio (Ratio 1)

If the amount on line 13 is less than .005 times the annualized premium in force as of December 31 of the reporting year, then no refund is made. Otherwise, the amount on line 13 is to be refunded or credited, and a description of the refund and/or credit against premiums to be used must be attached to this form.

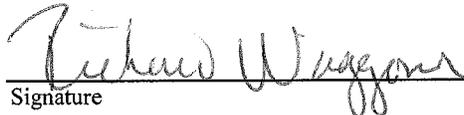
MEDICARE SUPPLEMENT CREDIBILITY TABLE

Life Years Exposed	
<u>Since Inception</u>	<u>Tolerance</u>
10,000 +	0.0%
5,000 - 9,999	5.0%
2,500 - 4,999	7.5%
1,000 - 2,499	10.0%
500 - 999	15.0%

If less than 500, no credibility.

- (w) "SMSBP" = Standard Medicare Supplement Benefit Plan.
- (x) Includes modal loadings and fees charged.
- (y) Excludes Active Life Reserves.
- (z) This is to be used as "Issue Year Earned Premium" for Year 1 of next year's "Worksheet for Calculation of Benchmark Ratios."

I certify that the above information and calculations are true and accurate to the best of my knowledge and belief.



Signature

Richard Waggoner, FSA, MAAA

Name

Actuary

Title

5/6/2009

Date

REPORTING FORM FOR THE CALCULATION
OF BENCHMARK RATIO SINCE INCEPTION FOR
INDIVIDUAL POLICIES FOR CALENDAR YEAR 2008

Type	Individual	SMSBP (w)	F
Delivered or Issued for Delivery in	Arkansas		
Company Name	Continental Life Insurance Company of Brentwood, Tennessee		
NAIC Group Code	000	NAIC Company Code	68500
Address	101 Continental Place, Brentwood, Tennessee 37027		
Person Completing This Exhibit	Richard Waggoner, FSA, MAAA		
Title	Actuary	Telephone Number	(615) 377-1300 x7220

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(o)
Year	Earned Premium	Factor	(b) x (c)	Cumulative Loss Ratio	(d) x (e)	Factor	(b) x (g)	Cumulative Loss Ratio	(h) x (i)	Policy Year Loss Ratio
1		2.770		0.442		0.000		0.000		0.40
2	333	4.175	1,390	0.493	685	0.000	0	0.000	0	0.55
3		4.175		0.493		1.194		0.659		0.65
4	2,146	4.175	8,960	0.493	4,417	2.245	4,818	0.669	3,223	0.67
5	1,665	4.175	6,951	0.493	3,427	3.170	5,278	0.678	3,579	0.69
6	333	4.175	1,390	0.493	685	3.998	1,331	0.686	913	0.71
7	1,457	4.175	6,083	0.493	2,999	4.754	6,927	0.695	4,814	0.73
8	13,880	4.175	57,949	0.493	28,569	5.445	75,577	0.702	53,055	0.75
9	50,285	4.175	209,940	0.493	103,500	6.075	305,481	0.708	216,281	0.76
10	68,883	4.175	287,587	0.493	141,780	6.650	458,072	0.713	326,605	0.76
11	25,034	4.175	104,517	0.493	51,527	7.176	179,644	0.717	128,805	0.76
12	66,085	4.175	275,905	0.493	136,021	7.655	505,881	0.720	364,234	0.77
13	128,884	4.175	538,091	0.493	265,279	8.093	1,043,058	0.723	754,131	0.77
14	217,857	4.175	909,553	0.493	448,410	8.493	1,850,260	0.725	1,341,438	0.77
15+	349,056	4.175	1,457,309	0.493	718,453	8.684	3,031,202	0.725	2,197,622	0.77
TOTAL		(k):	3,865,624	(l):	1,905,753	(m):	7,467,528	(n):	5,394,699	

Benchmark Ratio Since Inception (l+n)/(k+m): 0.644

(a): Year 1 is the current calendar year - 1
Year 2 is the current calendar year - 2 (etc.)
(Example: If the current year is 1991, then:
Year 1 is 1990; Year 2 is 1989, etc.)

(b): For the calendar year on the appropriate line in column (a), the premium earned during that year for policies issued in that year.

(o): These loss ratios are not explicitly used in computing the benchmark loss ratios. They are the loss ratios, on a policy year basis, which result in the cumulative loss ratios displayed on this worksheet. They are shown here for Informational purposes only.

(p): "SMSBP" = Standard Medicare Supplement Benefit Plan.

MEDICARE SUPPLEMENT REFUND CALCULATION FORM

FOR CALENDAR YEAR 2008

Type Individual SMSBP (w) G
 Delivered or Issued for Delivery in Arkansas
 Company Name Continental Life Insurance Company of Brentwood, Tennessee
 NAIC Group Code 000 NAIC Company Code 68500
 Address 101 Continental Place, Brentwood, Tennessee 37027
 Person Completing This Exhibit Richard Waggoner, FSA, MAAA
 Title Actuary Telephone Number (615) 377-1300 x7220

<u>Line</u>	(a) Earned Premium (x)	(b) Incurred Claims (y)
1. Current Year's Experience		
a. Total (all policy Years)	8,523	3,795
b. Current year's issues (z)	0	0
c. Net (for reporting purposes = line 1a - line 1b)	8,523	3,795
2. Past Years' Experience (All Policy Years)	12,852	5,517
3. Total Experience (Net Current Year plus Past Years' Experience)	21,375	9,312
4. Refunds Last Year (Excluding Interest)	0	
5. Previous Refunds Since Inception (Excluding Interest)	0	
6. Refunds Since Inception (Excluding Interest)	0	
7. Benchmark Ratio Since Inception (SEE WORKSHEET FOR RATIO 1)	0.491	
8. Experienced Ratio Since Inception		
	$\frac{\text{Total Actual Incurred Claims (line 3, col. b)}}{\text{Total Earned Prem. (line 3, col. a) - Refunds Since Inception (line 6)}} = \text{Ratio 2}$	
	$\frac{9,312}{21,375} =$	0.436
9. Life Years Exposed Since Inception	12	

If the Experience Ratio is less than the Benchmark Ratio, and there are more than 500 life years exposure, then proceed to calculation of refund.

10. Tolerance Permitted (obtained from credibility table) Not Credible

11. Adjustment to Incurred Claims for Credibility

Ratio 3 = Ratio 2 + Tolerance =

If Ratio 3 is more than Benchmark Ratio (Ratio 1), a refund or credit to premium is not required.

If Ratio 3 is less than the Benchmark Ratio, then proceed.

12. Adjusted Incurred Claims =

[Total Earned Premiums (line 3, col a) - Refunds Since Inception (line 6)]
x Ratio 3 (line 11)

13. Refund =

No Refund

Total Earned Premiums (line 3, col a) -
Refunds Since Inception (line 6) -
Adjusted Incurred Claims (line 12)
Benchmark Ratio (Ratio 1)

If the amount on line 13 is less than .005 times the annualized premium in force as of December 31 of the reporting year, then no refund is made. Otherwise, the amount on line 13 is to be refunded or credited, and a description of the refund and/or credit against premiums to be used must be attached to this form.

MEDICARE SUPPLEMENT CREDIBILITY TABLE

Life Years Exposed	
<u>Since Inception</u>	<u>Tolerance</u>
10,000 +	0.0%
5,000 - 9,999	5.0%
2,500 - 4,999	7.5%
1,000 - 2,499	10.0%
500 - 999	15.0%

If less than 500, no credibility.

(w) "SMSBP" = Standard Medicare Supplement Benefit Plan.

(x) Includes modal loadings and fees charged.

(y) Excludes Active Life Reserves.

(z) This is to be used as "Issue Year Earned Premium" for Year 1 of next year's "Worksheet for Calculation of Benchmark Ratios."

I certify that the above information and calculations are true and accurate to the best of my knowledge and belief.



Signature

Richard Waggoner, FSA, MAAA

Name

Actuary

Title

5/6/2009

Date

REPORTING FORM FOR THE CALCULATION
OF BENCHMARK RATIO SINCE INCEPTION FOR
INDIVIDUAL POLICIES FOR CALENDAR YEAR 2008

Type Individual SMSBP (w) G
 Delivered or Issued for Delivery in Arkansas
 Company Name Continental Life Insurance Company of Brentwood, Tennessee
 NAIC Group Code 000 NAIC Company Code 68500
 Address 101 Continental Place, Brentwood, Tennessee 37027
 Person Completing This Exhibit Richard Waggoner, FSA, MAAA
 Title Actuary Telephone Number (615) 377-1300 x7220

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(o)
Year	Earned Premium	Factor	(b) x (c)	Cumulative Loss Ratio	(d) x (e)	Factor	(b) x (g)	Cumulative Loss Ratio	(h) x (i)	Policy Year Loss Ratio
1	306	2.770	848	0.442	375	0.000	0	0.000	0	0.40
2	4,478	4.175	18,696	0.493	9,217	0.000	0	0.000	0	0.55
3		4.175		0.493		1.194		0.659		0.65
4		4.175		0.493		2.245		0.669		0.67
5		4.175		0.493		3.170		0.678		0.69
6		4.175		0.493		3.998		0.686		0.71
7		4.175		0.493		4.754		0.695		0.73
8		4.175		0.493		5.445		0.702		0.75
9		4.175		0.493		6.075		0.708		0.76
10		4.175		0.493		6.650		0.713		0.76
11		4.175		0.493		7.176		0.717		0.76
12		4.175		0.493		7.655		0.720		0.77
13		4.175		0.493		8.093		0.723		0.77
14		4.175		0.493		8.493		0.725		0.77
15+		4.175		0.493		8.684		0.725		0.77
TOTAL		(k):	19,543	(l):	9,592	(m):	0	(n):	0	

Benchmark Ratio Since Inception (l+n)/(k+m): 0.491

(a): Year 1 is the current calendar year - 1
 Year 2 is the current calendar year - 2 (etc.)
 (Example: If the current year is 1991, then:
 Year 1 is 1990; Year 2 is 1989, etc.)

(b): For the calendar year on the appropriate line in column (a), the premium earned during that year for policies issued in that year.

(o): These loss ratios are not explicitly used in computing the benchmark loss ratios. They are the loss ratios, on a policy year basis, which result in the cumulative loss ratios displayed on this worksheet. They are shown here for Informational purposes only.

(p): "SMSBP" = Standard Medicare Supplement Benefit Plan.

MEDICARE SUPPLEMENT REFUND CALCULATION FORM

FOR CALENDAR YEAR 2008

Type Individual SMSBP (w) H
 Delivered or Issued for Delivery in Arkansas
 Company Name Continental Life Insurance Company of Brentwood, Tennessee
 NAIC Group Code 000 NAIC Company Code 68500
 Address 101 Continental Place, Brentwood, Tennessee 37027
 Person Completing This Exhibit Richard Waggoner, FSA, MAAA
 Title Actuary Telephone Number (615) 377-1300 x7220

Line	(a) Earned Premium (x)	(b) Incurred Claims (y)
1. Current Year's Experience		
a. Total (all policy Years)	0	0
b. Current year's issues (z)	0	0
c. Net (for reporting purposes = line 1a - line 1b)	0	0
2. Past Years' Experience (All Policy Years)	5,850	4,814
3. Total Experience (Net Current Year plus Past Years' Experience)	5,850	4,814
4. Refunds Last Year (Excluding Interest)	0	
5. Previous Refunds Since Inception (Excluding Interest)	0	
6. Refunds Since Inception (Excluding Interest)	0	
7. Benchmark Ratio Since Inception (SEE WORKSHEET FOR RATIO 1)	0.636	
8. Experienced Ratio Since Inception		
	$\frac{\text{Total Actual Incurred Claims (line 3, col. b)}}{\text{Total Earned Prem. (line 3, col. a) - Refunds Since Inception (line 6)}} = \text{Ratio 2}$	$\frac{4,814}{5,850} = 0.823$
9. Life Years Exposed Since Inception	2	

If the Experience Ratio is less than the Benchmark Ratio, and there are more than 500 life years exposure, then proceed to calculation of refund.

10. Tolerance Permitted (obtained from credibility table) Not Credible

11. Adjustment to Incurred Claims for Credibility

Ratio 3 = Ratio 2 + Tolerance =

If Ratio 3 is more than Benchmark Ratio (Ratio 1), a refund or credit to premium is not required.

If Ratio 3 is less than the Benchmark Ratio, then proceed.

12. Adjusted Incurred Claims =

[Total Earned Premiums (line 3, col a) - Refunds Since Inception (line 6)]
x Ratio 3 (line 11)

13. Refund =

No Refund

Total Earned Premiums (line 3, col a) -
Refunds Since Inception (line 6) -
Adjusted Incurred Claims (line 12)
Benchmark Ratio (Ratio 1)

If the amount on line 13 is less than .005 times the annualized premium in force as of December 31 of the reporting year, then no refund is made. Otherwise, the amount on line 13 is to be refunded or credited, and a description of the refund and/or credit against premiums to be used must be attached to this form.

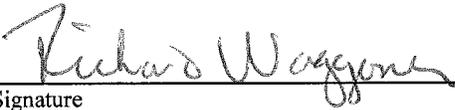
MEDICARE SUPPLEMENT CREDIBILITY TABLE

Life Years Exposed	
<u>Since Inception</u>	<u>Tolerance</u>
10,000 +	0.0%
5,000 - 9,999	5.0%
2,500 - 4,999	7.5%
1,000 - 2,499	10.0%
500 - 999	15.0%

If less than 500, no credibility.

- (w) "SMSBP" = Standard Medicare Supplement Benefit Plan.
- (x) Includes modal loadings and fees charged.
- (y) Excludes Active Life Reserves.
- (z) This is to be used as "Issue Year Earned Premium" for Year 1 of next year's "Worksheet for Calculation of Benchmark Ratios."

I certify that the above information and calculations are true and accurate to the best of my knowledge and belief.



Signature

Richard Waggoner, FSA, MAAA

Name

Actuary

Title

5/6/2009

Date

REPORTING FORM FOR THE CALCULATION
OF BENCHMARK RATIO SINCE INCEPTION FOR
INDIVIDUAL POLICIES FOR CALENDAR YEAR 2008

Type	Individual	SMSBP (w)	H
Delivered or Issued for Delivery in	Arkansas		
Company Name	Continental Life Insurance Company of Brentwood, Tennessee		
NAIC Group Code	000	NAIC Company Code	68500
Address	101 Continental Place, Brentwood, Tennessee 37027		
Person Completing This Exhibit	Richard Waggoner, FSA, MAAA		
Title	Actuary	Telephone Number	(615) 377-1300 x7220

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(o)
Year	Earned Premium	Factor	(b) x (c)	Cumulative Loss Ratio	(d) x (e)	Factor	(b) x (g)	Cumulative Loss Ratio	(h) x (i)	Policy Year Loss Ratio
1		2.770		0.442		0.000		0.000		0.40
2		4.175		0.493		0.000		0.000		0.55
3		4.175		0.493		1.194		0.659		0.65
4		4.175		0.493		2.245		0.669		0.67
5		4.175		0.493		3.170		0.678		0.69
6		4.175		0.493		3.998		0.686		0.71
7		4.175		0.493		4.754		0.695		0.73
8		4.175		0.493		5.445		0.702		0.75
9		4.175		0.493		6.075		0.708		0.76
10	1,241	4.175	5,181	0.493	2,554	6.650	8,253	0.713	5,884	0.76
11	111	4.175	463	0.493	228	7.176	797	0.717	571	0.76
12		4.175		0.493		7.655		0.720		0.77
13		4.175		0.493		8.093		0.723		0.77
14	692	4.175	2,889	0.493	1,424	8.493	5,877	0.725	4,261	0.77
15+		4.175		0.493		8.684		0.725		0.77
TOTAL		(k):	8,534	(l):	4,207	(m):	14,926	(n):	10,716	

Benchmark Ratio Since Inception (l+n)/(k+m): 0.636

(a): Year 1 is the current calendar year - 1
Year 2 is the current calendar year - 2 (etc.)
(Example: If the current year is 1991, then:
Year 1 is 1990; Year 2 is 1989, etc.)

(b): For the calendar year on the appropriate line in column (a), the premium earned during that year for policies issued in that year.

(o): These loss ratios are not explicitly used in computing the benchmark loss ratios. They are the loss ratios, on a policy year basis, which result in the cumulative loss ratios displayed on this worksheet. They are shown here for Informational purposes only.

(p): "SMSBP" = Standard Medicare Supplement Benefit Plan.

MEDICARE SUPPLEMENT REFUND CALCULATION FORM

FOR CALENDAR YEAR 2008

Type Individual SMSBP (w) P
 Delivered or Issued for Delivery in Arkansas
 Company Name Continental Life Insurance Company of Brentwood, Tennessee
 NAIC Group Code 000 NAIC Company Code 68500
 Address 101 Continental Place, Brentwood, Tennessee 37027
 Person Completing This Exhibit Richard Waggoner, FSA, MAAA
 Title Actuary Telephone Number (615) 377-1300 x7220

<u>Line</u>	(a) Earned Premium (x)	(b) Incurred Claims (y)
1. Current Year's Experience		
a. Total (all policy Years)	392,670	201,329
b. Current year's issues (z)	0	0
c. Net (for reporting purposes = line 1a - line 1b)	392,670	201,329
2. Past Years' Experience (All Policy Years)	18,961,360	12,441,125
3. Total Experience (Net Current Year plus Past Years' Experience)	19,354,030	12,642,454
4. Refunds Last Year (Excluding Interest)	0	
5. Previous Refunds Since Inception (Excluding Interest)	0	
6. Refunds Since Inception (Excluding Interest)	0	
7. Benchmark Ratio Since Inception (SEE WORKSHEET FOR RATIO 1)	0.650	
8. Experienced Ratio Since Inception		
	$\frac{\text{Total Actual Incurred Claims (line 3, col. b)}}{\text{Total Earned Prem. (line 3, col. a) - Refunds Since Inception (line 6)}} = \text{Ratio 2}$	$\frac{12,642,454}{19,354,030} = 0.653$
9. Life Years Exposed Since Inception	11,207	

If the Experience Ratio is less than the Benchmark Ratio, and there are more than 500 life years exposure, then proceed to calculation of refund.

10. Tolerance Permitted (obtained from credibility table) 0.000

11. Adjustment to Incurred Claims for Credibility

Ratio 3 = Ratio 2 + Tolerance = 0.653

If Ratio 3 is more than Benchmark Ratio (Ratio 1), a refund or credit to premium is not required.

If Ratio 3 is less than the Benchmark Ratio, then proceed.

12. Adjusted Incurred Claims =

[Total Earned Premiums (line 3, col a) - Refunds Since Inception (line 6)]
x Ratio 3 (line 11)

13. Refund =

No Refund

Total Earned Premiums (line 3, col a) -
Refunds Since Inception (line 6) -
Adjusted Incurred Claims (line 12)
Benchmark Ratio (Ratio 1)

If the amount on line 13 is less than .005 times the annualized premium in force as of December 31 of the reporting year, then no refund is made. Otherwise, the amount on line 13 is to be refunded or credited, and a description of the refund and/or credit against premiums to be used must be attached to this form.

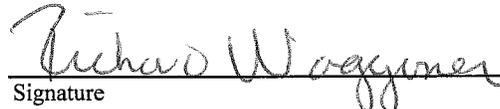
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1,000 - 2,499	10.0%
500 - 999	15.0%

If less than 500, no credibility.

- (w) "SMSBP" = Standard Medicare Supplement Benefit Plan.
- (x) Includes modal loadings and fees charged.
- (y) Excludes Active Life Reserves.
- (z) This is to be used as "Issue Year Earned Premium" for Year 1 of next year's "Worksheet for Calculation of Benchmark Ratios."

I certify that the above information and calculations are true and accurate to the best of my knowledge and belief.



Signature

Richard Waggoner, FSA, MAAA

Name

Actuary

Title

5/6/2009

Date

REPORTING FORM FOR THE CALCULATION
OF BENCHMARK RATIO SINCE INCEPTION FOR
INDIVIDUAL POLICIES FOR CALENDAR YEAR 2008

Type	Individual	SMSBP (w)	P
Delivered or Issued for Delivery in	Arkansas		
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NAIC Group Code	000	NAIC Company Code	68500
Address	101 Continental Place, Brentwood, Tennessee 37027		
Person Completing This Exhibit	Richard Waggoner, FSA, MAAA		
Title	Actuary	Telephone Number	(615) 377-1300 x7220

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(o)
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11		4.175		0.493		7.176		0.717		0.76
12		4.175		0.493		7.655		0.720		0.77
13		4.175		0.493		8.093		0.723		0.77
14		4.175		0.493		8.493		0.725		0.77
15+	1,743,704	4.175	7,279,964	0.493	3,589,022	8.684	15,142,326	0.725	10,978,186	0.77
TOTAL		(k):	7,279,964	(l):	3,589,022	(m):	15,142,326	(n):	10,978,186	

Benchmark Ratio Since Inception (l+n)/(k+m): 0.650

(a): Year 1 is the current calendar year - 1
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(b): For the calendar year on the appropriate line in column (a), the premium earned during that year for policies issued in that year.

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