



Gerber Life
Insurance Company

MARYLAND UPDATES - RATE ADJUSTMENT AND 2011 COPAY AND DEDUCTIBLES

MEDICARE SUPPLEMENT

November 24, 2010

RATE ADJUSTMENT:

Effective for **new** Modernized Medicare supplement business as of **December 2, 2010** and **inforce** Modernized business effective **January 1, 2011** for Gerber Life Insurance Company Medicare supplement in **Maryland** the following rate adjustments by plan will be effective:

GERBER LIFE MEDICARE SUPPLEMENT			
Rate Adjustment			
Plan	A	F	G
Modernized Policy #	MTG20	MTG24	MTG25
Maryland	12%	12%	12%

Rate Adjustment - Rates for 2010 Modernized Plans were filed approximately a year ago in order for these new plans to be available in December of 2009 for those aging into Medicare and already shopping for coverage 6 months prior to an effective date of June 1, 2010. This early release allowed us to be one of the first carriers to have the new product available nationally not only for those aging in but also for those looking to replace their coverage.

Although these new plans were effective as of June 1, 2010, the benefit changes were minimal and medical trend experience is relatively the same as that experienced with the older standardized plans. Therefore, making an adjustment to these 12-month old rates is necessary at this time.

For applications signed on or after December 1, 2010, the rates for the plans listed below will increase. You will find, although these rates have increased, they are **still competitive** in the marketplace. Clients buying a Medicare supplement at these rates will still have a 12-month rate guarantee from their effective date of coverage and therefore, the earliest they would receive a rate increase would be December 1, 2011.

Continue to use the existing rates for 2010 Modernized plan applications signed prior to December 1, 2010. Their rates will not increase until 12 months from their effective date of coverage making the earliest a certificateholder would receive a rate increase June 1st of next year (2011). Current certificateholders will be notified next year in the same manner we notify certificateholders today of rate adjustments.

As a reminder when calculating premium, please calculate the initial premium **based on the client's age** on the application date and not the effective date of coverage. *Rates are locked in on the signed application date but will continue for 12-months following the effective date of coverage.*

**2011 MEDICARE
DEDUCTIBLE AND
COINSURANCE:**

As always, our 2011 Medicare supplement benefits match the federal program's deductible and coinsurance increases, a distinct advantage in today's ever-changing environment.

FEATURE	2010 BENEFIT	2011 BENEFIT
Part A Inpatient Hospital Deductible	\$1,100	\$1,132
Hospital Coinsurance		
▪ 61-90 days	\$275	\$283
▪ 91-150 days (lifetime reserve)	\$550	\$566
Skilled Nursing Facility Care Coinsurance		
▪ 21-100 days	\$137.50	\$141.50
Part B Physician's Services and Supplies Deductible	\$155	\$162

**CHANGE IN THE LOOK
OF APP BOOKS:**

The content of the app books will not change, you will still receive the black and white version of the brochure, outline and app pack in one convenient booklet.

The color cover on the booklet will be replaced with a black and white wrap. This change to our printing and binding processes we allow us to print and deliver your orders in a more expedient manner and simplify the application process; all forms that are to be left with client are located in one section in the back and there is no carbon-paper to worry about.

The form numbering will be slightly changed. Rather than a series to indicate a revision to the form, a print date will be designated directly below the base form number.

MARKETING MATERIALS:

New App Book	New Outline
T03_313_MD Print Date: 11/24/10	T03_162_MD_0011

***Going Green –
Save Time and Supplies***

The outline is attached for your convenience; it can be saved and printed as needed. **Materials are available to order today; however, the website will not be updated with the new materials until Thursday, December 2, 2010.**

QUESTIONS:

Call: (877) 617-5592
E-Mail: GerberSalesSupport@medsuppservices.com