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NEWS RELEASE

A.M. BEST COMPANY AFFIRMS GROUP RATING OF "A-" (EXCELLENT) OF ALL CARRIERS IN THE IHC GROUP

Stamford, Connecticut, January 29, 2009. Independence Holding Company (NYSE: IHC) today announced that A.M. Best Company affirmed the financial strength rating of "A-" (Excellent) for each of Standard Security Life Insurance Company of New York, Madison National Life Insurance Company, Inc. and Independence American Insurance Company. The outlook for all ratings has been revised to "negative" from "stable."

Roy Thung, Chief Executive Officer of The IHC Group, commented, "We are pleased that A.M. Best has affirmed our group rating of 'A-' (Excellent) and recognized the continuing strength of our diversified operations. As A.M. Best notes, we are in the midst of a 'severe downturn in invested asset values, currently endemic in the world of financial markets.' In September 2008, A.M. Best revised its ratings outlook for the U.S. life and health insurance industry to "negative" from "stable." Like many other life and health insurance companies, we are not immune from the unprecedented turmoil in worldwide capital markets, and, as a result of the uncertainty relating to this continuing financial crisis, our outlook was affected." Mr. Thung continued, "Our fixed-maturity portfolio continues to be rated, on average, 'AA.' Were we to require additional statutory capital to offset any future investment losses or additional impairments, we will generate earnings from operations in 2009 and have the ability to reinsure a portion of our acquired blocks of life and annuity business. We are confident that our insurance companies' cash flows, cash, short-term investments and readily marketable securities are more than sufficient to execute our business strategy. The underwriting results on the medical stop-loss line for 2008 is profitable and shows significant improvement over those of 2007, and our fully insured business is also performing well. We are confident that our improved operating results will continue in 2009."

About Independence Holding Company

IHC is a holding company principally engaged in the life and health insurance business and the acquisition of blocks of policies through its insurance company subsidiaries (Standard Security Life Insurance Company of New York and Madison National Life Insurance Company, Inc.), its affiliate (American Independence Corp. (NASDAQ: AMIC)), and its managing general underwriters, third-party administrators, and marketing affiliates. Standard Security Life markets medical stop-loss, small group major medical, short-term medical, major medical for individuals and families, limited medical, group long and short-term disability and life, dental, vision and managed health care products. Madison Life sells group life and disability, employer medical stop-loss, small group major medical, major medical for individuals and families, short-term medical, dental, vision, and individual life insurance. AMIC is a holding company principally engaged in the insurance and

reinsurance business through Independence American Insurance Company and its managing general underwriter division.

Forward-Looking Information

Certain statements and information contained in this press release may be considered “forward-looking statements,” such as statements relating to management’s views with respect to future events and financial performance. Such forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results to differ materially from historical experience or from future results expressed or implied by such forward-looking statements. Potential risks and uncertainties include, but are not limited to, economic conditions in the markets in which we operate, new federal or state governmental regulation, our ability effectively to operate, integrate and leverage any past or future strategic acquisition, and other factors which can be found in our news releases and filings with the Securities and Exchange Commission.