

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D. C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) **July 13, 2004**

INDEPENDENCE HOLDING COMPANY

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

010306
(Commission File Number)

58-1407235
(I.R.S. Employer Identification No.)

96 Cummings Point Road, Stamford, Connecticut
(Address of principal executive offices)

06902
(Zip Code)

Registrant's telephone number, including area code: **(203) 358-8000**

Item 5. Other Events and Required FD Disclosure.

"On July 13, 2004, American Independence Corp. and Independence Holding Company issued a joint press release announcing their acquisition of 75% of the limited liability company interests of a medical stop-loss managing general underwriter (the "MGU"). As a result of the transaction, a wholly-owned subsidiary of American Independence Corp. acquired a 23% interest in the MGU and wholly-owned subsidiaries of Independence Holding Company acquired a 52% interest in the MGU. A copy of the press release is attached as Exhibit 99.1"

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

INDEPENDENCE HOLDING COMPANY

/s/ Teresa A. Herbert Date: July 14, 2004
Teresa A. Herbert
Vice President and Chief Financial Officer

INDEPENDENCE HOLDING COMPANY
96 CUMMINGS POINT ROAD
STAMFORD, CONNECTICUT 06902
NASDAQ - INHO

CONTACT: TERESA A. HERBERT
(203) 358-8000
www.Independenceholding.com

AMERICAN INDEPENDENCE CORP.
485 MADISON AVENUE
NEW YORK, NEW YORK 10022

CONTACT: DAVID T. KETTIG
(212) 355-4141 Ext. 3047
www.americanindependencecorp.com

NEWS RELEASE

**INDEPENDENCE HOLDING COMPANY AND AMERICAN
INDEPENDENCE CORP. ANNOUNCE ACQUISITION
OF MANAGING GENERAL UNDERWRITER**

STAMFORD, CONNECTICUT and NEW YORK, NEW YORK July 13, 2004. Independence Holding Company ("IHC") (NASDAQ: INHO) and American Independence Corp. (NASDAQ: AMIC) today announced the acquisition of a combined 75% interest in a medical stop-loss managing general underwriter, which has a block of approximately \$41 million of annualized premium. The current senior management of the MGU will continue to own the remaining 25% interest.

Roy T.K. Thung, Chief Executive Officer, commented, "The acquisition of a 75% interest in this MGU is an integral part of IHC's plan to control the distribution of our key lines of business. As a result of this acquisition, the medical stop-loss MGUs in which IHC owns an equity interest (directly and through AMIC) have \$208 million of annualized premiums, as of June 30, 2004, which represents approximately 66% of our \$315 million block. We also anticipate that AMIC will benefit from this further expansion of its MGU division, and will be able to utilize its net operating loss carryforwards for taxable income earned by this MGU."

IHC is a holding company principally engaged in the life and health insurance business and the acquisition of blocks of policies through Standard Security Life Insurance Company of New York and Madison National Life Insurance Company, Inc. Standard Security Life sells employer medical stop-loss, long-term and short-term disability, and group life and managed health care products. Madison National Life sells group life and disability, employer medical stop-loss, credit life and disability and individual life insurance.

Some of the statements included herein may be considered to be forward looking statements which are subject to certain risks and uncertainties. Factors which could cause the actual results to differ materially from those suggested by such statements are described from time to time in IHC's filings with the Securities and Exchange Commission.

AMIC is a holding company principally engaged in the insurance and reinsurance business through Independence American Insurance Company and its employer medical stop-loss and managed care managing general underwriters.

Some of the statements included herein may be considered to be forward looking statements, which are subject to certain risks and uncertainties. Factors which could cause the actual results to differ materially from those suggested by such statements are described from time to time in AMIC's filings with the Securities and Exchange Commission.