



**Farm Credit  
Services  
of America**

# **CROP INSURANCE GUIDE**

# PRODUCT COMPARISON

	Revenue Protection (RP)/Revenue Protection with Harvest Price Exclusion (RPHPE)	Yield Protection (YP)/Actual Production History (APH)	Area Revenue Protection (ARP)/Area Revenue Protection with Harvest Price Exclusion (ARPHPE)	Margin Protection (MP)/Margin Protection with Harvest Price Option (MP-HPO)	Whole-Farm Revenue Protection (WFRP)
<b>Benefits</b>	Guarantees revenue per acre with both upward and downward price protection. HPE excludes upward price protection.	Production-based coverage protects the producer against a yield loss.	Covers against loss of revenue due to a county-level production loss, price decline or combination of both, and includes upside Harvest Price protection. ARPHPE excludes upward price protection.	Covers against losses due to price, yield or increase in input costs.	Establishes a dollar guarantee based on the lesser of the Expected Revenue from the farm or the adjusted five-year historic average of allowable Schedule F income.
<b>Guarantee</b>	Approved Yield x selected level x greater of Projected or Harvest Price. If Harvest Price Exclusion, Approved Yield x selected level x Projected Price.	Approved Yield x selected level x price.	Expected County Yield x greater of the Projected or Harvest Price x coverage level = Trigger Revenue. If ARPHPE, Expected County Yield x Projected Price x coverage level = Trigger Revenue.	Expected County Yield x Price = Expected Revenue. Expected Revenue - Costs = Expected Margin. Expected Margin - Deductible = Trigger Margin. If MP-HPE, Expected Revenue uses the higher of spring or harvest price.	Approved Revenue x coverage level.
<b>Prices</b>	100% of commodity contract traded on regional commodity exchange.	YP – 55%-100% of commodity contract traded on regional commodity exchange. APH – 55%-100% of RMA-established price (for crops where there is no commodity exchange price provision).	0.8-1.2 protection factor; loss limit factors apply.	0.8-1.2 protection factor.	Based on the sum of the expected value for each commodity.
<b>Coverage Level</b>	50%, 55%, 60%, 65%, 70%, 75%, 80%, 85%.	CAT, 50%, 55%, 60%, 65%, 70%, 75%, 80%, 85%.	70%, 75%, 80%, 85%, 90% of the county revenue.	90% or 95% of the trend adjusted county yield and revenue.	50%, 55%, 60%, 65%, 70%, 75%, 80%, 85%. (Must have three commodities to qualify for 80% and 85%).
<b>Units</b>	Enterprise, basic and optional.	Enterprise, basic and optional.	One unit for each crop, type and practice within the county.	If base RP/YP policy in place, same unit structure as base policy. If no base policy, then margin units.	One unit for all the commodities on the farm.
<b>UNIT DEFINITION (Applies to RP, YP and APH only)</b>			<b>Multi-County Enterprise Unit (MCEU) – Contiguous counties may be combined to meet acreage requirements.</b>		
<b>Enterprise</b> – Consists of all insurable acreage of the insured crop in the county in which the producer has a share. Separate enterprise units by practice may be available. Must meet minimum acres per section requirement (limited availability for APH crops).			<b>Basic</b> – Consists of all acres of the crop in the county per share entity.		
<b>Margin</b> – Consists of all the planted acreage in the county in which you have a share of each type and practice identified as insurable in the actuarial documents.			<b>Optional</b> – Break basic unit down further by section and practice/type (when applicable) if production records are kept separate.		
<b>Losses</b>	Paid when Calculated Revenue, determined using Harvest Price, is less than the final Revenue Protection Guarantee.	Paid when Actual Yield is less than the Production Guarantee.	Paid when the Final County Revenue is less than the Trigger Revenue.	Paid when the Final County Margin is less than the Trigger Margin.	Paid when the revenue to count is less than the Approved Revenue x the coverage level x the expense reduction factor (if applicable).
<b>Prevented Planting</b>	Available	Available	Not available	Not available	Conditional
<b>Replant</b>	Available	Available except at CAT level	Not available	Not available	Available – annual crops only
<b>High-Risk Land Rates</b>	Available	Available	Not available	Not available	Not available
<b>Written Agreements</b>	Available	Available	Not available	Not available	Not available

Availability of policies varies by state, county and crop. See your Farm Credit Services of America crop insurance officer to compare the coverages available in your area.

# CROP INSURANCE PRODUCTS

## Revenue Protection (RP)

- Protection against production loss, price decline or increase, or a combination of both.
- RP guarantee uses the higher of the Projected Price or the Harvest Price.
  - Harvested production will be valued at the Harvest Price for loss purposes.
- Projected Price and Harvest Price are calculated using commodity exchange.
- Calculated revenue for insurance purposes is NOT determined by the price you get when you sell your crop.
- Available with a Harvest Price Exclusion (RPHPE) that allows the RP guarantee to use only the Projected Price.

## Yield Protection (YP)

- Protection against production loss.
- Stated amount of yield guarantee without revenue protection.
- Yield Protection guarantee uses the Projected Price.
- Projected Price is calculated using commodity exchange.

## Actual Production History (APH)

- Protection against production loss for crops not covered by RP or YP plans.
- Stated amount of yield guarantee without revenue protection.
- Price is announced by the Federal Crop Insurance Corporation (FCIC)/Risk Management Agency (RMA).

## Supplemental Coverage Option (SCO)

- Additional band of coverage on top of elected Multi-Peril Crop Insurance (MPCI) coverage level.
- Starts from elected MPCI coverage level up to 86% of the producer's APH-based crop value.
- Can't be purchased with ARC.
- Can be elected on RP, RPHPE, YP and APH plans.

## Enhanced Coverage Option (ECO)

- Covers a band from 86% (where SCO coverage ends) up to 90% or 95% of the expected crop value.
- SCO does not need to be elected to have ECO.
- Can be purchased with ARC or PLC.
- Can be elected on RP, RPHPE, YP and APH plans.

## Area Risk Protection Insurance (ARPI)

- Area-based protection against widespread loss of revenue, yield or a combination of both.
- Three plan options: Area Yield Protection, Area Revenue Protection and Area Revenue Protection with Harvest Price Exclusion.
- Based on final county yield or revenue.
- Individual farm revenue and yields are NOT considered when calculating losses.

## Whole-Farm Revenue Protection (WFRP)

- Risk management safety net for all commodities on the farm (crops and/or livestock) under one insurance policy.
- Liability based on insured's previous five years of farm revenue.
- Coverage levels are from 50% to 85%.
- Micro Farm program is available for operations with no more than \$350,000 in approved revenue (\$400,000 if producer had Micro Farm the previous year).
- Can also purchase federal crop insurance policies to cover individual commodities.
- Limits for qualification apply.

## Margin Protection (MP)

- Coverage against an unexpected decrease in operating margins (revenue minus input costs).
- Loss triggered by any of the following: decline in crop price (based on futures), decline in county yield, increase in county-based costs or a combination of these.
- Guarantee levels are 70%-95%.
- Harvest Price option available.
- MP is area-based coverage and may not necessarily reflect a producer's individual experience.
- Can be purchased by itself or in conjunction with YP or RP policy.
- May not be available in all locations.
- Sales closing date is September 30.

## Pasture, Rangeland, Forage (PRF)

- Applies to grazing land or perennial forages.
- Single peril: precipitation based on a rainfall index (guarantee 70%-90% of normal rainfall).
- Area-based (grid system).
- Coverage runs January to December; you choose at least two 2-month intervals and allocate dollars of protection, with a maximum of 60% of dollar coverage for any interval.
- Sales closing date is December 1.

## Crop Hail and More

- Protects against damage due to hail and/or fire.
- Other coverages available include transit, vandalism, lightning, fire department service charge and/or stored grain.
- Optional endorsements are available for wind damage, green snap and/or replant coverage.
- The dollar amount of coverage per acre is selected by the grower.
- Production Hail plans, which provide protection on the part of your yield that is left exposed with YP, APH and RP, are also available.
- Sign up at the same time as your MPCI for early storm coverage.

# CROP HAIL PLANS

		Basic	DXS5	DXS10	DDA	DDB	DDC	DD20	Comp 15/2.5	Comp 10/2	COMP2	COMP2+	COMP3
AGREED PERCENTAGE LOSS	5	5	0	0	0	0	0	0	0	0	0	5	0
	10	10	6	0	0	0	0	0	0	0	10	10	15
	15	15	13	6	5	0	0	0	0	10	20	20	30
	20	20	19	13	10	0	0	0	13	20	30	30	45
	25	25	25	19	25	5	0	5	25	30	40	40	60
	30	30	30	25	30	10	0	10	38	40	50	50	75
	35	35	35	31	35	25	5	15	50	50	60	60	90
	40	40	40	38	40	40	10	20	63	60	70	70	100
	45	45	45	44	45	45	25	35	75	70	80	80	100
	50	50	50	50	50	50	40	50	88	80	90	90	100
	55	55	55	55	55	55	55	55	100	90	100	100	100
	60	60	60	60	60	60	60	60	100	100	100	100	100
	65	65	65	65	65	65	65	65	100	100	100	100	100
	70	70	70	70	70	70	70	70	100	100	100	100	100
	75	78	78	78	78	78	78	78	100	100	100	100	100
	80	85	85	85	85	85	85	85	100	100	100	100	100
	85	93	93	93	93	93	93	93	100	100	100	100	100
	90	100	100	100	100	100	100	100	100	100	100	100	100
	95	100	100	100	100	100	100	100	100	100	100	100	100
	100	100	100	100	100	100	100	100	100	100	100	100	100

- Payment is equal to the agreed percentage loss.      ● Payment is less than the agreed percentage loss.      ● Payment is greater than the agreed percentage loss.

**Basic** – No deductible applies. Provides a loss payment for any adjusted loss on the field. When adjusted loss percentage exceeds 70%, catastrophe loss award is paid (0.5% for each 1.0% of loss). Total payable loss percentage shall not exceed 100%.

**Excess Over 5% Loss-Disappearing at 25% (DXS5)** – No loss until loss percentage per acre exceeds 5%. Percentage per acre payable will be the percentage in excess of 5% multiplied by 1.25. Once loss percentage equals or exceeds 25%, this provision no longer applies.

**Excess Over 10% Loss-Disappearing at 50% (DXS10)** – No loss until loss percentage per acre exceeds 10%. Percentage per acre payable will be the percentage in excess of 10% multiplied by 1.25. Once loss percentage equals or exceeds 50%, this provision no longer applies.

**Optional Disappearing Deductible (DDA)** – No loss until loss percentage per acre exceeds 10%. Percentage payable will be the percentage in excess of 10%. Once loss percentage exceeds 20%, an additional 2% will be paid for each percentage of loss in excess of 20%, up to 25%, at which percentage this provision no longer applies.

**Optional Disappearing Deductible (DDB)** – No loss until loss percentage per acre exceeds 20%. Percentage payable will be the percentage in excess of 20%. Once loss percentage exceeds 30%, an additional 2% will be paid for each percentage of loss in excess of 30%, up to 40%, at which percentage this provision no longer applies.

**Optional Disappearing Deductible (DDC)** – No loss until loss percentage per acre exceeds 30%. Percentage payable will be the percentage in excess of 30%, at which percentage exceeds 40%, an additional 2% will be paid for each percentage of loss in excess of 40%, up to 50%, at which percentage this provision no longer applies.

**Excess Over 20% Loss-Disappearing Deductible (DD20)** – No loss until loss percentage per acre exceeds 20%. Percentage per acre payable will be the percentage in excess of 20%. Once the loss exceeds 40%, an additional 2% will be paid for each percentage of loss in excess of 40%, up to 50%, at which percentage this provision no longer applies.

**Companion 15/2.5** – No loss until loss percentage per acre exceeds 15%. Percentage per acre payable will be the percentage in excess of 15% multiplied by 2.5. Payable percentage may not exceed 100%.

**Companion 10/2** – No loss until loss percentage per acre exceeds 10%. Percentage per acre payable will be the percentage in excess of 10% multiplied by 2. Payable percentage may not exceed 100%.

**Companion 2.0, 3.0** – No loss until loss percentage per acre exceeds 5%. Percentage per acre payable will be the percentage in excess of 5% multiplied by the increasing payment factor (2.0, 3.0). Payable percentage may not exceed 100%.

**Companion 2+** – Provides full coverage on all losses up to and including 10%. Any loss exceeding 10% will be calculated by deducting 5% from the adjusted loss and multiplying by a factor of 2.

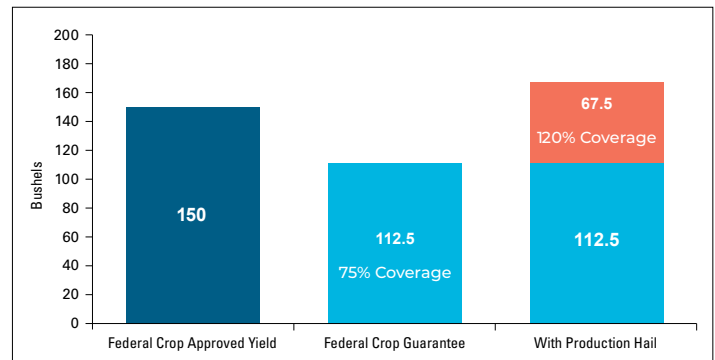
**Production Plan** – Policy that protects bushels that are not covered on the multi-peril policy. Insure all the bushels or put a specified amount of dollars on the portion not covered on the multi-peril policy (varies by insurance company); Production Plan and multi-peril must be with the same company; indemnity payment made after harvest if production loss incurred.



# PRODUCTION HAIL PLANS

Production Hail plans provide protection on the part of your yield that is left exposed with YP, APH and RP – the bushels that are often counted on for earning a profit.

- Maximizes your coverage so you do not double cover your crops.
- Available through multiple insurance companies.
- Available at 100%, 110%, 115%, 120% of the approved APH (varies by insurance company).
- Available at 1% to 100% of the MPCI Base Price (varies by insurance company).
- Different unit structures can be elected to customize your coverage, regardless of your MPCI unit structure (varies by insurance company).
- In the event of a hail loss, the company will pay the lesser of the appraised field loss or the harvested production loss.
- May pay out faster than some traditional hail and named-peril products.
- Green snap, Wind and Extra Harvest Expense are optional endorsements that can be added to the policy.



**With Production Hail coverage, insured bushels increased from 112.5 to 180.**



# PRECISION REPORTING WITH PRECISION FARMING

We can increase the accuracy and integrity of your acreage reports – plus save you time and money – by using data from your precision farming equipment.

**No matter which equipment you use, simply transfer your data to your Farm Credit Services of America (FCSAmerica) crop insurance team and we'll process the information to create the reports you need to file with your insurance company.** Then we'll send you your filled out forms to verify and sign.

It's convenient, efficient and accurate. You don't even have to come into the office – and it may save time in getting your claim approved.

## Precision Farming Technology Record-Keeping

For farmers in a reporting, claim or audit situation, the following applies to precision farming data:

- Records are acceptable if using precision farming technology from planting through harvest.
- GPS technology must be integrated with planter monitors, combine monitors and yield mapping software.
- Must have capability to produce summary records that reflect planted and harvested acres, and harvested production.
- Must provide calibration reports performed per manufacturer requirements.
- Discuss precision farming technology with your crop insurance officer.

Additional planting and harvest records may be required if the insurance company questions the precision farming technology data.

# YOUR DUTIES AS A POLICYHOLDER

## Sales Closing

- Choose plan, coverage level and options.
- Add crops and counties.
- Report entity changes.
- Apply for Beginning Farmer and Rancher or Veteran Farmer and Rancher program if applicable.

## Production Reporting

- Report accurate total production by unit.
- Production must be kept separate by unit.
- Report production for all uninsurable/uninsured acres.
- Do not commingle storage of production from different units unless federal guidelines are followed.
- Sign reporting form and Privacy Act statement.

## Acreage Reporting

- Report correct acres by crop, practice and field location ID. Errors or missed reporting could lead to lower or no loss payments at all.
- Report the acres in the unit and the date they were planted.
- Report accurate share percentage on each unit. Errors or missed reporting could lead to lower or no loss payments at all.
- Report all acres, both planted and not planted. This includes prevented planting, uninsurable/uninsured and late-planted acres.
- Identify fields enrolled in Agricultural Risk Coverage (ARC) if Supplemental Coverage Option (SCO) elected.
- Sign reporting form, Anti-Rebating Certification and Privacy Act statement.

## Production Record-Keeping

- Hard records, such as settlement sheets, bin measurements, qualifying precision farming records, etc., are used for loss purposes.
- Soft records include weigh tickets, feed records, weigh-wagon slips and yield monitors, and they can be used for yield-history purposes (but not for loss purposes).
- If bin measurements are used, call your FCSAmerica crop insurance officer for more information.
- If you feed to livestock, a field appraisal should be done, regardless of whether or not there is a loss.



# YOUR DUTIES IN THE EVENT OF A LOSS

Call your FCSAmerica office to report a loss, potential loss, replant, or before you chop or do anything other than harvest the crop.

## Claims Reporting

In case of damage, or loss of production or revenue to any insured crop, you must protect the crop from further damage by providing sufficient care.

For a planted crop, when there is damage or loss of production, you must give us notice, by unit, within 72 hours of your initial discovery of damage or loss of production (but no later than 15 days after the end of the insurance period, even if you have not harvested the crop).

For crops for which Revenue Protection is elected, if there is no damage or loss of production, you must give us notice no later than 45 days after the latest date the Harvest Price is released for any crop in the unit where there is a revenue loss.

**The end of the insurance period is defined as the earliest of the following:**

- 1) Total destruction of the crop.
- 2) Harvest of the unit.
- 3) Final adjustment of a loss on a unit.
- 4) Calendar date in the Crop Provisions for the end of the insurance period.
- 5) Abandonment of the crop on the unit.
- 6) Or as otherwise specified in the Crop Provisions.

The loss paperwork completed with the adjuster is the Claim for Indemnity. It must be submitted no later than 60 days after the end of the insurance period. Your policy requires potential aflatoxin losses to be adjusted in the field – it is too late once the crop is harvested and in the bin.

**Sign up for direct deposit for faster and safer delivery of your claim payment.**

## Prevented Planting

- Acres affected must be at least 20 acres or 20% of the unit to qualify for a payment.
- Prevented planting claims must be submitted within 72 hours of the final planting date for the crop.
- Once an acreage report is submitted, you cannot make revisions to change the prevented planting acres to a different crop.
- Other rules apply; contact your FCSAmerica office.

## Replanting

- Acres replanted must be at least 20 acres or 20% of the unit to qualify for a replant payment.
- If you qualify for a replant, your payment will be calculated as follows:
  - Corn replant = eight bushels of corn times the Projected Price multiplied by share in the crop and acres.
  - Soybean replant = three bushels of soybeans times the Projected Price multiplied by share in the crop and acres.
- Replant payments are not applied to outstanding premium.

## Appraisals

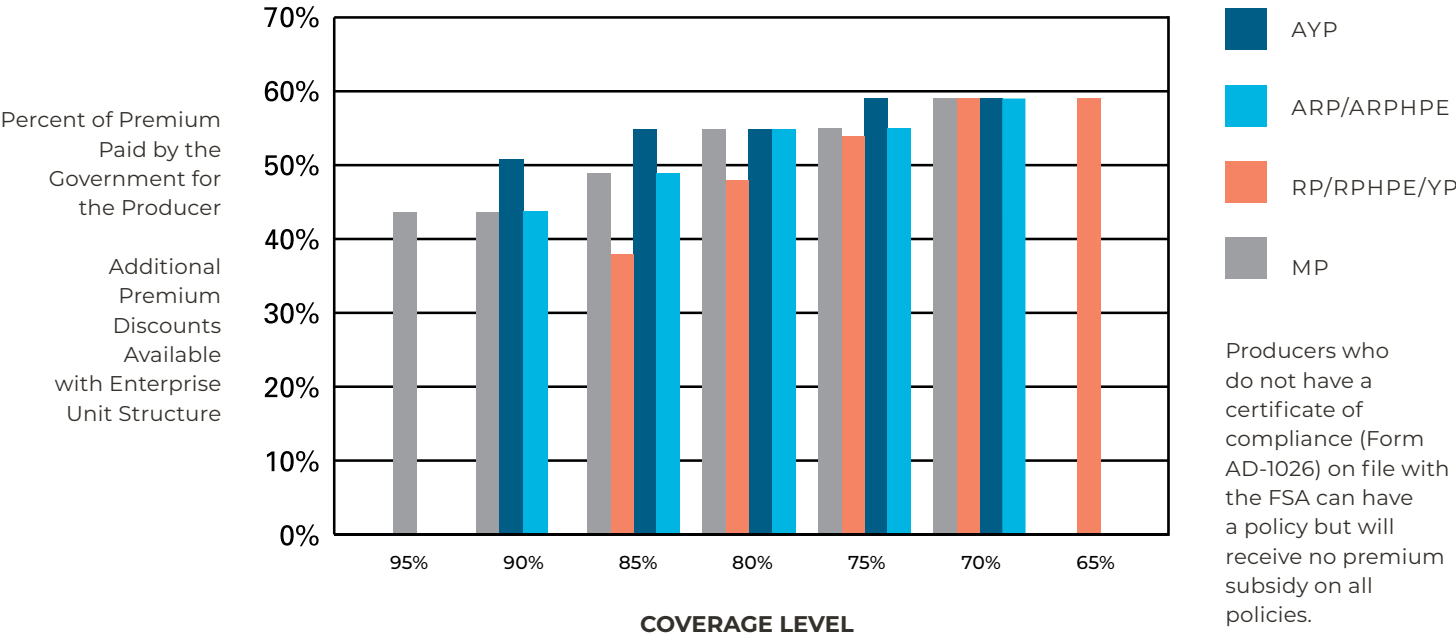
- When there is potential for a revenue loss, crops must be appraised or strips left for harvest.
- You cannot chop over 50% of your corn unit for silage until an adjuster appraises it, regardless of whether or not there is a loss.
- In a no-loss situation, if you chop less than 50% of the unit, you can convert the remaining yield to grain for APH purposes.



**For more policyholder responsibilities, scan the QR code with your smartphone camera.**



# PREMIUM SUBSIDIES



# PRICE HISTORY

With the Revenue Protection Plan, a price guarantee is set in both the spring (Projected) and the fall (Harvest). Your final Revenue Guarantee is based on the higher of the spring or fall price. This revenue price protection provides added security for marketing. With the historical price reference chart below, you can see how prices change from the time they are set before planting until harvest.

Year	Corn Projected Price	Corn Harvest Price	Soybean Projected Price	Soybean Harvest Price	Winter Wheat Projected Price*	Winter Wheat Harvest Price*
2014	\$4.62	\$3.49	\$11.36	\$9.65	\$7.11	\$6.43
2015	\$4.15	\$3.83	\$9.73	\$8.91	\$6.41	\$5.43
2016	\$3.86	\$3.49	\$8.85	\$9.75	\$5.34	\$4.15
2017	\$3.96	\$3.49	\$10.19	\$9.75	\$4.74	\$5.06
2018	\$3.96	\$3.68	\$10.16	\$8.60	\$5.06	\$5.14
2019	\$4.00	\$3.90	\$9.54	\$9.25	\$5.84	\$4.40
2020	\$3.88	\$3.99	\$9.17	\$10.55	\$4.48	\$4.45
2021	\$4.58	\$5.37	\$11.87	\$12.30	\$4.98	\$6.34
2022	\$5.90	\$6.86	\$14.33	\$13.81	\$7.10	\$8.72
2023	\$5.91	—	\$13.76	—	\$8.77	\$8.42

\*Price shown is Nebraska and South Dakota; Iowa and Wyoming winter wheat prices differ.



# IMPORTANT DATES

	Corn/ Soybeans	Winter Wheat	Spring Wheat
Sales Closing Date	3/15	9/30	3/15
Winter Wheat & Spring Wheat on Same Policy		9/30	9/30
Purchase/Cancellation/Transfer/Change Date	3/15	9/30	3/15
MP Sales Closing Date	9/30	N/A	9/30
Projected Price Announced	3/05	9/20	3/05
Initial Planting Date	†	N/A	†
Final Planting Date (for Full Guarantee)	†	†	†
Production Reporting Due Date	4/29	11/14	4/29
Winter Wheat & Spring Wheat on Same Policy			11/14
Acreage Report Deadline	7/15	11/15*	7/15
Premium Billing Date	8/15	7/01	8/15
Winter Wheat & Spring Wheat on Same Policy – IA, NE, SD, WY		8/15	8/15
Harvest Price Announced	11/05	8/05**	9/05
Crop Hail Insurance Carryover Coverage Terminates	Varies by Insurance Company		
Crop Hail Insurance Discount Date	Varies by Insurance Company		

\*Iowa Winter Wheat Acreage Reporting Deadline, 12/15.

\*\*Wyoming Winter Wheat Harvest Price Announced, 9/05.

†Consult your crop insurance officer.



For more crop insurance resources, such as a trigger yield calculator, crop insurance podcasts, insurance product-explainer videos and more important dates, scan the QR code with your smartphone camera.



# OPTIMUM: SOLVING FOR YOUR GOALS

We know your financial needs and goals are unique. That's why we use a proprietary tool called Optimum that determines crop insurance options that best help you achieve those goals.

**Optimum considers thousands of options, scenarios and outcomes, including:**



Highest net indemnity over time.



Best cash flow over time.



Most bushels to forward market.

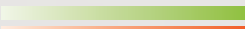


Most subsidy dollars.

**Discover the Optimum difference by calling your local office or 800-884-FARM.**

**Reduce risk.  
Optimize revenue.  
Sleep well.**

Farm Yields	121	130	138	147	156	165	175	193	201
County Yields	119	128	137	145	154	163	173	190	199
\$8.81	\$1,618	\$1,618	\$1,955	\$2,408	\$2,862	\$3,315	\$3,818	\$4,724	\$5,127
\$8.24	\$119	\$119	\$1,506	\$1,93	\$2,353	\$2,777	\$3,248	\$4,096	\$4,472
\$7.67	\$0,763	\$0,763	\$1,056	\$1,461	\$1,845	\$2,24	\$2,679	\$3,467	\$3,818
\$7.10	\$0,335	\$0,335	\$0,607	\$0,972	\$1,337	\$1,702	\$2,108	\$2,838	\$3,163
\$6.53	\$(0.093)	\$(0.093)	\$0,107	\$0,493	\$0,829	\$1,165	\$1,538	\$2,21	\$2,508
\$6.11	\$(0.093)	\$(0.093)	\$(0.093)	\$0,14	\$0,455	\$0,769	\$1,118	\$1,747	\$2,026
\$5.68	\$(0.093)	\$(0.093)	\$(0.093)	\$(0.093)	\$0,071	\$0,363	\$0,688	\$1,272	\$1,532
\$5.26	\$(0.093)	\$(0.093)	\$(0.093)	\$(0.093)	\$(0.093)	\$(0.033)	\$0,268	\$0,809	\$1,05
\$4.84	\$(0.093)	\$(0.093)	\$(0.093)	\$(0.093)	\$(0.093)	\$(0.093)	\$(0.093)	\$0,346	\$0,567

Less Likely  More Likely

**Optimum, our crop insurance tool, sorts through thousands of options to deliver a personalized plan that's right for you.**



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