



United States  
Department of  
Agriculture

Farm and Foreign  
Agricultural  
Services

Risk  
Management  
Agency

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**INFORMATIONAL MEMORANDUM: IS-10-008**

**TO:** All Approved Insurance Providers  
All Risk Management Agency Field Offices  
All Other Interested Parties

**FROM:** Michael A. Alston /s/ *Michael A. Alston* 9/30/2010  
Deputy Administrator for Insurance Services

**SUBJECT:** Claims Advisory – Claims on Flood Damaged Crops

**BACKGROUND:**

Nearly record flooding occurred during the 2010 crop year in parts of Iowa, Minnesota and Wisconsin resulting in some cases where flood waters submerged crops. The Risk Management Agency has received several inquiries regarding how to handle crop insurance claims for crops that were submerged by flood waters which may be subject to mold or State and/or Federal warnings due to contamination.

The 2010 Loss Adjustment Manual (LAM) Section 102(C) and (D) provides the procedure for loss adjustment on flooded crops that may be contaminated.

**ACTION:**

Approved Insurance Providers (AIPs) are notified that the Food and Drug Administration has issued a notice regarding crops and other food commodities exposed to flood waters: <http://www.fda.gov/Food/FoodDefense/Emergencies/FloodsHurricanesPowerOutages/ucm112723.htm>

AIPs are reminded to follow the LAM procedures when adjusting flood damaged crops. It remains the responsibility of the policyholder to demonstrate their crop loss and each case in which the crops were subjected to flood waters must be evaluated by AIPs on a case-by-case basis.

**DISPOSAL DATE:** December 31, 2010



The Risk Management Agency Administers  
And Oversees All Programs Authorized Under  
The Federal Crop Insurance Corporation

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