



United States
Department of
Agriculture

Farm and Foreign
Agricultural
Services

Risk
Management
Agency

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Independence
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20250-0801

BULLETIN NO.: MGR-12-009

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

FROM: William J. Murphy /s/ *William J. Murphy* 8/8/2012
Administrator

SUBJECT: Adjustment to the Simplified Claim Process (SCP) - Increased Dollar
Tolerance Due to 2012 Drought Situation

BACKGROUND:

Due to the severe drought situation currently affecting the United States, Approved Insurance Providers (AIPs) have expressed concern to the Risk Management Agency (RMA) about the heavy claims workload they will encounter and have asked RMA to provide some relief by increasing the dollar tolerance for the crops for which use of the SCP is allowed.

ACTION:

For the 2012 crop year only, RMA is authorizing an increase in the dollar tolerance for use of the SCP to \$20,000 for optional units and \$40,000 for Basic Units, Enterprise Units, and Whole Farm Units. All other SCP procedures outlined in paragraph 137 of the 2012 Loss Adjustment Manual (LAM) Handbook Standards (FCIC-25010) are still applicable.

DISPOSAL DATE:

December 31, 2012



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

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