

United States Department of Agriculture	BULLETIN NO.: MGR-14-013			
Farm and Foreign Agricultural Services	TO:	All Approved Insurance Providers All Risk Management Agency Field Offices All Other Interested Parties		
Risk Management Agency	FROM:	Brandon C. Willis Administrator	/s/ Michael Alston, for	9/11/2014
1400 Independence Avenue, SW Stop 0801 Washington, DC	SUBJECT:	Termination of the Adjusted Gross Revenue (AGR) and Adjusted Gross Revenue- Lite (AGR-Lite) Pilot Plans of Insurance		
20250-0801	BACKGROUND			

BACKGROUND:

The Agricultural Act of 2014 (Farm Bill) instructed the Risk Management Agency (RMA) to develop a whole-farm diversified risk management insurance plan. As part of this effort, RMA has combined the AGR and AGR-Lite plans of insurance including direction provided by the Farm Bill, revisions from the AGR evaluation results, program experience adjustments, and added improvements based on various stakeholder input. The Whole-Farm Revenue Protection (WFRP) pilot plan of insurance was submitted for consideration, expert review, and approved by the Federal Crop Insurance Corporation Board of Directors on May 8, 2014.

The WFRP pilot will be available for the 2015 insurance year in selected areas. The AGR and AGR-Lite pilot plans of insurance will no longer be available effective for the 2015 and subsequent insurance years. No AGR and AGR-Lite actuarial information is being released for the 2015 insurance year.

ACTION:

Any AGR or AGR-Lite policies in force for the 2014 insurance year must be cancelled by the cancellation/termination date specified in the policy for 2015. The AGR and AGR-Lite Pilot Insurance Policies state in section 3(d) that any changes to the policy provisions will be provided no later than 30 days prior to the cancellation date; however, all policies must be cancelled no later than the January 31, 2015, cancellation date. Approved Insurance Providers are encouraged to cancel these policies in a timely manner to provide producers adequate time to consider the WFRP plan.

Producers currently enrolled in the AGR or AGR-Lite pilots may be eligible for the WFRP pilot if they meet the requirements for coverage contained in the WFRP pilot policy. Qualified producers who were enrolled in the AGR or AGR-Lite pilot programs in 2014 and who enroll in the WFRP pilot for 2015 will be considered carry-over insureds and will not have a break in continuity for insurance coverage purposes.

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However, all insureds will be required to complete a new application for the 2015 crop year.

Information on the WFRP pilot program can be found on the USDA website at: <u>http://www.usda.gov/wps/portal/usda/usdahome?contentid=2014/05/0100.xml&contentid</u>only=true

Policy materials for the WFRP pilot plan of insurance will be released on RMA's website later this year in time for sales for the 2015 insurance year.

DISPOSAL DATE: December 31, 2014.