



United States Department of Agriculture  
Risk Management Agency

February 2006

## 2006 COMMODITY INSURANCE FACT SHEET

# Cabbage

Illinois Michigan Ohio

### Crop Insured

All cabbage types grown in the county on insurable acreage and of an insurable type that are planted for harvest as marketable cabbage for fresh market and processing. (Savoy cabbage is excluded. Direct marketing is allowed under this policy.)

### Counties Available

Cabbage insurance is available in 2006 crop year pilot counties only - IL: Gallatin, Kankakee and White; MI: Bay and Macomb; OH: Lucas and Sandusky.

### Causes of Loss

Adverse weather conditions  
Earthquake  
Fire  
Failure of irrigation water supply, if applicable, due to an unavoidable cause of loss occurring within the insurance period.  
Insects\*  
Plant disease\*  
Volcanic eruption  
Wildlife

All specified causes of loss must be due to a naturally occurring event.  
\*But not damage due to insufficient or improper application of pest or disease control measures.

### Excluded Causes of Loss

Damage that occurs or becomes evident after the end of the insurance period.  
Failure to market the cabbage due to quarantine, boycott, or refusal of any entity to accept production.

### Insurance Period

Coverage begins at the time of planting and ends the earliest of: (1) total destruction of the crop, (2) harvest of the unit, (3) final adjustment of a loss, or (6) November 25.

### Reporting Requirements

**Acreage Report** - You must report to your insurance provider all acreage of the insured crop in the county in which you have a share.

### Important Dates\*

Sales Closing .....	March 15
Initial Planting .....	April 1 (Spring)
Initial Planting .....	June 1 (Summer)
Final Planting.....	May 31 (Spring)
Final Planting.....	July 20 (Summer)*
Acreage Report .....	May 31 (Spring)**
Acreage Report .....	July 25 (Summer)
Cancellation.....	March 15

\*The final planting date for Gallatin and White counties in Illinois is July 31 (summer).

\*\* The acreage reporting date for Gallatin and White counties in Illinois is August 5 (summer).

### Definitions

**Production Guarantees** - Number of hundredweight guaranteed per acre, determined by multiplying your average yield per acre times the coverage level percentage you elect. Yields are based on actual production history (APH) records reported to your insurance provider.

### Coverage Levels and Premium Subsidies

The cabbage policy guarantees a certain amount of production, depending on the level of coverage selected. Crop insurance premiums are subsidized as shown below. For example, if you select the 75-percent coverage level, the premium subsidy is 55 percent and your premium share is 45 percent of the base premium.

Item	Percent					
Coverage Level	50	55	60	65	70	75
Premium Subsidy	67	64	64	59	59	55
Your Share	33	36	36	41	41	45

The total cost for CAT coverage will be an administrative fee of \$100 per crop per county, regardless of the acreage. All other coverage levels require a \$30.00 administrative fee.

## Price Election

Price at which you are compensated per hundredweight (cwt) in the event of a loss, based on the percentage of established price you have selected. Price election percentage choices for this crop year are 55 percent to 100 percent of the prices shown below.

### Established Prices (Fresh):

Illinois:	\$8.30/cwt
Michigan:	\$8.40/cwt
Ohio:	\$8.60/cwt

## Replant Provisions

Replanting payments are allowed if the crop is damaged by an insurable cause of loss to the extent that the remaining stand will not produce at least 90 percent of the production guarantee, and it is practical to replant. Please consult your crop insurance provider for further details.

## Loss Example

A loss occurs when crop production falls below the guaranteed hundredweight amount as a result of damage from a covered cause of loss. This example assumes 100-percent share in 50 acres with 65-percent coverage level production guarantee of 300 cwt per acre, price election of \$8.40 (Michigan), and a harvest of 10,000 hundredweight.

**Production guarantee x unit acres x price election - production x price election x share**

	300	Cwt per acre
x	<u>50</u>	Acres
	15,000	Cwt guarantee
x	<u>\$8.40</u>	Price election
	\$126,000	Value of guarantee
	10,000	Cwt production
x	<u>\$8.40</u>	Price election
	\$84,000	Value of production to count
	\$126,000	Value of guarantee
-	<u>\$84,000</u>	Value of production to count
	\$42,000	Loss
x	<u>1.000</u>	Share
	<b>\$42,000</b>	<b>Final indemnity</b>

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