



United States Department of Agriculture  
Risk Management Agency

February 2009

## 2009 COMMODITY INSURANCE FACT SHEET

# Dry Beans Michigan

### Crop Insured

The crop insured will be beans planted for harvest as dry beans.

### Causes of Loss

Adverse weather conditions

Earthquake

Failure of irrigation water supply, if applicable, due to an unavoidable cause of loss occurring within the insurance period.

Fire

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.

### Insurance Period

Coverage begins at the time of planting and ends the earliest of: (1) total destruction of the beans; (2) combining, threshing, or removal from field; (3) final adjustment of a loss; or (4) October 31.

### 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, the practice, and your share at the time of planting.

### Important Dates

Sales Closing.....March 15  
Final Planting (Michigan)..... June 25  
Acreage Report .....July 15  
Cancellation.....March 15

### Definitions

**Production Guarantees** - Number of pounds guaranteed per acre determined by multiplying your approved 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 dry bean 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 \$300 per crop per county, regardless of the acreage. All other coverage levels require a \$30.00 administrative fee.

### Price Elections

Price at which you are compensated per pound in the event of a loss, based on the percentage of established price you have selected.

### Michigan:

Established Price: Prices vary by type. (Contact your insurance provider.)

## Replant Provisions

A replanting payment is available if we determine it is practical to replant on a unit and our appraisal does not exceed 90 percent of your guarantee, and you replant at least 20 acres or 20 percent of the unit. The replanting payment will be the lesser of 10 percent of the production guarantee for the type to be replanted or 120 pounds times your price election for the type to be replanted, multiplied by your share. Replant payments are **not available** on the catastrophic risk protection endorsement.

## Late and Prevented Planting

These provisions provide protection on eligible acreage that is planted late or that cannot be planted by the final planting date or within the 25-day late-planting period. The prevented planting coverage will be 60 percent of your production guarantee for timely planted acreage. Please consult your crop insurance provider for further details.

## Loss Example

A loss occurs when crop production falls below the guaranteed pound amount as a result of damage from a covered cause of loss. This example assumes 65-percent coverage level, a 100-percent price election of \$0.29, and an average yield of 1,100 pounds per acre with .667 share.

**APH yield x coverage level x unit acres -  
production x price election x share**

1,100	Pounds APH yield
x <u>.65</u>	Coverage level
715	Pounds per acre guarantee
x <u>100</u>	Acres
71,500	Pounds unit guarantee
- <u>32,000</u>	Pounds production
39,500	Pounds loss
x <u>\$0.29</u>	Price election
\$11,455	Unit indemnity
x <u>.667</u>	Share
<b>\$7,640</b>	<b>Final indemnity</b>

## Download Copies from the Web

Visit our online publications/fact sheets page at:  
[http://www.rma.usda.gov/aboutrma/fields/il\\_rso/](http://www.rma.usda.gov/aboutrma/fields/il_rso/)

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audio-tape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW, Washington, DC 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.