United States Department of Agriculture
Risk Management Agency

February 2011

2011 COMMODITY INSURANCE FACT SHEET

Forage Production APH

Illinois

Crop Insured

The crop insured will be all the forage in the county in which you have a share and may be a stand of:

- Pure alfalfa, or alfalfa and grass in which 60 percent or more of the ground cover is alfalfa.
- Mixed alfalfa and grasses in which alfalfa comprises more than 25 percent but less than 60 percent of the ground cover.
- Pure Red clover, or a stand of red clover and grass in which 60 percent or more of the ground cover is red clover.

To be insurable, the crop must be:

- Grown after the year of establishment.
- **Year of establishment:** the calendar year of seeding if seeded prior to July 1; or, the calendar year following the year of seeding if seeded July 1 or later.

We **do not insure** any acreage that:

- Does not have an adequate stand* at the beginning of the insurance period.
- Is grown with a non-forage crop.
- Is grown for rotational grazing purposes.
- Exceeds the age limitation for forage stands contained in the Special Provisions (shown below).

*An adequate stand requires the following minimum living plants per square foot after the year of establishment:

	1st Year	2nd Year	3rd - 5th Year **
Alfalfa	9	6	4 1/2
Alfalfa-Grass Mixture	6	4	3
Red Clover	12	8	8** (Third Year only)

Counties Available

This insurance coverage is available in Jo Daviess and Stephenson Counties.

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 applicant of pest or disease control measures.
We will not insure against damage that occurs after removal from the windrow.

Insurance Period

Coverage begins October 16, following the year of establishment, on acreage that has an adequate stand and that was **fall** seeded. Insurance coverage will begin May 22, following the year of establishment, on acreage that has an adequate stand and that was **spring** seeded (seeded prior to July 1). Insurance will end at the earliest of: (1) Total destruction of the forage crop; (2) Removal from the windrow or the field for each cutting; (3) Final adjustment of a loss; (4) The date grazing commences on the forage crop (grazing is allowed during winter dormancy of the crop; see Special Provisions of Insurance); (5) Abandonment of the forage crop; or (6) October 15.

Important Dates

Sales Closing .... September 30
Acreage Report .... November 15
Premium Billing .... July 1
Production Reporting .... November 14

This fact sheet gives only a general overview of the crop insurance program and is not a complete policy. For further information and an evaluation of your risk management needs, contact a crop insurance agent.

Definitions

APH Yield - Actual Production History yield used to determine the production guarantee. The APH Yield is based on up to 10 years of actual and/or assigned yields.

Unit - The insurable acreage used to determine the APH Yield, the Production Guarantee, and any indemnity (loss payment).

Production Guarantee - Number of tons guaranteed per unit. Multiply your APH yield per acre *x* the coverage level percentage you select *x* number of acres in the unit.

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 $300 per crop per county, regardless of the acreage. All other coverage levels require a $30.00 administrative fee.

Price Elections

$110/ton

Loss Example

A loss occurs when the crop production falls below the guaranteed tonnage amount as a result of damage from a covered cause of loss. This example is based on an APH yield of 4.0 tons per acre, 65-percent coverage level, 100-percent established price, and one basic unit.

4.0	Tons per acre APH yield
x .65	Coverage level
2.6	Tons per acre guarantee*
- 1.6	Tons per acre actually produced
1.0	Tons per acre loss
x $110	Price election
$110	Gross indemnity per acre*
- $ 9	Premium per acre (varies by county)
$101	**Net indemnity per acre***

*Figures shown on a per acre basis; yield guarantees and losses are paid on a unit basis. See policy provisions.

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