



United States Department of Agriculture  
Risk Management Agency

November 2011

## 2012 COMMODITY INSURANCE FACT SHEET

# Blueberries

## Michigan

### Crop Insured

Blueberries that are grown in the county on insurable acreage and of an insurable type, on bushes that have reached the minimum insurable age, **or** which have produced the minimum of 1000 pounds per acre within the base period.

### Counties Available

Blueberry insurance is available for the 2011 crop year in the following Michigan counties: Allegan, Berrien, Muskegon, Ottawa and Van Buren, or by written agreement.

### 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\*
- Insufficient number of chilling hours to break dormancy
- 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

- Failure to install and maintain a proper drainage system
- Inability to market blueberries (due to quarantine, boycott, or refusal of any entity to accept production)
- Mechanical damage
- Untimely harvest

### Insurance Period

Coverage begins on the date we accept your application, or November 21 of the calendar year prior to the year the insured crop normally blooms, and ends the earliest of: (1) total destruction of the crop; (2) harvest of the unit; (3) final adjustment of loss; (4) September 30; or (5) agreement on appraisal of insured acreage you wish to abandon.

### 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 .....	November 20
Acreage and Production Report .....	January 15
Cancellation .....	November 20

### 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 blueberry 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

### Guarantee Options

Choice of **50 to 75** percent of your approved average yield (5 percent increments) in all counties with a program.

### 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. Price election percentage choices for this crop year are 55 percent to 100 percent of the price shown below.

#### Established Price:

\$1.00 per pound

### Insurance Units

**Basic Unit:** A basic insurance unit includes all your insurable blueberry acreage in the county in which you have 100-percent share or which is owned by one person and operated by another person on a share basis.

**Optional Units:** Optional units may be established by separate farm serial numbers or by irrigated and non-irrigated acreage. Written, verifiable records of planted acreage and harvested production for each optional unit must be available for at least the previous crop year and production reports must be filed based on those records. Acreage insured under CAT coverage cannot be divided into optional units.

### Loss Example

A loss occurs when crop production falls below the guaranteed amount of pounds as a result of damage from a covered cause of loss. This example assumes 65-percent coverage level, a 100 percent price election of \$1.00, and an approved APH yield of 4,000 pounds per acre with .667 share.

**APH yield x coverage level x unit acres x price election - production (multiply total production-to-count by price election) x share**

4,000	Pound approved APH yield
<u>x .65</u>	Coverage level
2,600	Pound per acre guarantee
<u>x 2</u>	Acres
5,200	Pound unit guarantee
<u>x \$1.00</u>	Price election
\$5,200	Unit guarantee
- \$1,090	1,000 lbs production x \$1.04
\$4,110	Unit indemnity
<u>x .667</u>	Share
<b>\$2,741</b>	<b>Final indemnity</b>

### Where to Purchase

A multi-peril crop insurance policy is available from approved participating insurance agents. A list of crop insurance agents is available on the RMA Web site:

<http://www3.rma.usda.gov/apps/agents/>

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