



United States Department of Agriculture
Risk Management Agency

December 2012

2013 COMMODITY INSURANCE FACT SHEET

Grapes

Michigan Ohio

What crop is insurable?

You can insure grapes:

- grown for wine, juice, raisins, or canning
- that have reached the designated minimum age, and
- that have produced an average of two tons per acre during 1 of the 3 last crop years.

When am I protected by insurance?

Coverage begins November 21, except:

- for the first year, if you apply after November 1, insurance will attach 20 days after your company gets your application.

Coverage ends at the earliest of:

- total destruction of the grapes,
- harvest of the unit,
- final adjustment of a loss, or
- November 20.

What am I protected against?

Your policy covers the following causes of loss if they are due to naturally occurring events:

- Adverse weather conditions
- Earthquake
- Failure of irrigation water supply within the insurance period.
- Fire*
- Insect damage and/or plant disease**
- Wildlife

* Unless you have not controlled weeds and other undergrowth or if you have not removed pruning debris from the area.

**But not damage due to insufficient or improper application of pest or disease control measures.

What dates should I be aware of?

Sales Closing November 20
 Acreage and Production Report January 15
 Cancellation November 20

What am I required to report?

You must report all of your grape acreage, production, and losses, when evident, to your insurance agent.

How much of my premium is subsidized?

Crop insurance premiums are subsidized as shown below. For example, if you choose 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	80	85
Premium Subsidy	67	64	64	59	59	55	48	38
Your Share	33	36	36	41	41	45	52	62

Catastrophic Risk Protection Coverage (CAT):

Pays you 55 percent of the established price on losses of more than 50 percent. You pay a \$300 administrative fee for each crop insured in each county.

Is my production guaranteed?

Your production guarantee is your approved yield per acre multiplied by the coverage level percentage you choose. Yields are based on your actual production history (APH) records you report to your insurance agent.

What price will I get if I have a loss?

A price election is the price you are paid, per ton, if you have a loss. This is based on the percentage of the established price you chose. You may choose 55 percent to 100 percent of the prices shown below.

Established Prices for 2013:

	Michigan	Ohio
Group A:	\$260.00	\$260.00
Group B:	\$1,025.00	\$260.00
Niagara:	\$260.00	NA

What happens if my fruit is damaged?

You may be eligible for a quality adjustment if your grapes:

- have been damaged due to insurable causes, and
- have a value less than 75 percent of the average market price of undamaged grapes of the same variety.

What types of Grapes are insured?

- **Type (161) Group A** covers varieties:
 - Buffalo
 - Clinton
 - Concord
 - Elvira
 - Fredonia
 - Missouri Riesling
 - Steuben
- **Type (261) Group B** covers varieties:
 - Catawba
 - Delaware
 - Diamond
 - Dutchess
 - French Hybrids
 - Isabella
 - Ives
 - Niagara**

The Niagara variety is insured as **Type (199) in Michigan.

Loss Example

You have a loss when your crop production falls below your guaranteed ton amount due to damage from a covered cause of loss.

Assume a harvested loss with 75-percent coverage level, a Michigan price election for Type 161 Group A of \$260.00 per ton, and an average APH yield of 4.2 tons per acre with 100 percent share.

Unharvested losses will be calculated using your price election minus the harvest cost amount shown in the Special Provisions of Insurance. The harvest cost for Michigan and Ohio is \$35 per ton.

	4.2	Tons APH yield
x	.75	Coverage level
	3.15	Tons per acre guarantee
x	10	Acres
	31.5	Tons unit guarantee
-	25.0	Tons production
	6.5	Tons loss
x	\$260	Price election
	\$1,690	Unit indemnity
x	1.000	Share
	\$1,690	Final indemnity

Where can I get a policy?

You can buy a crop insurance policy from approved participating insurance agents. You can get a list of agents at any USDA service center or on the RMA web site: <http://www3.rma.usda.gov/apps/agents/>.

Regional Contact

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