



United States Department of Agriculture  
Risk Management Agency

January 2013

## 2013 COMMODITY INSURANCE FACT SHEET

# Corn

## Missouri

### Crop Insured

Corn is insurable if:

- Grown in the county on insurable acreage;
- Premium rates are provided;
- You have a share, and
- Planted for harvest as grain under the Common Crop Insurance Policy.

Types of insurable corn:

- Yellow dent;
- White corn;
- Mixed yellow and white;
- Blue corn (certain counties);
- High-amylase (certain counties)
- Waxy; or
- High-lysine corn.

Corn is only insurable with a written agreement if it is:

- High-amylase;
- High-oil;
- Flint;
- Flour;
- Indian;
- Blue corn (in counties where the type is not specified on the Special Provisions);
- A variety genetically adapted to provide forage for wildlife;
- A variety adapted for silage use when it is reported for insurance as grain; or
- Any open pollinated corn

Corn is **not** insurable, if it is a non-irrigated crop on acreage where:

- A perennial hay crop was harvested;
- A crop (other than a cover crop) reached the headed or budded stage before termination, regardless of the percentage of plants that reach the headed or budded stage; or
- A cover crop is terminated after 50 percent of the cover crop has headed or budded.

Contact a crop insurance agent for more details.

### Counties Available

Corn is insurable in 102 Missouri counties. Coverage in other counties may also be available by written agreement if certain criteria are met, including records for at least 3 years of production history. Please contact a crop insurance agent for more information.

### Causes of Loss

Adverse weather conditions<sup>1</sup>

Failure of irrigation water supply<sup>2</sup>

Fire<sup>3</sup>

Insects<sup>4</sup>

Plant disease<sup>4</sup>

Wildlife

<sup>1</sup>Including hail, frost, freeze, excess precipitation and drought.

<sup>2</sup>If due to an insured cause of loss within the insurance period.

<sup>3</sup>If due to natural causes.

<sup>4</sup>But not damage due to insufficient or improper application of pest or disease control measures.

### Important Dates

Sales Closing/Cancellation Date .....	March 15
Earliest Planting Date <sup>1</sup> .....	April 1
Final Planting Date <sup>2</sup> .....	May 25
Acreage Report Date .....	July 15
Premium Billing .....	August 15
End of Insurance .....	December 10

<sup>1</sup>Excluding Barry, Barton, Butler, Christian, Dade, Dunklin, Greene, Jasper, Lawrence, McDonald, Mississippi, New Madrid, Newton, Pemiscot, Ripley, Scott, and Stoddard Counties, which have an earliest planting date of March 20; and excluding Adair, Andrew, Atchison, Buchanan, Caldwell, Clark, Clinton, Daviess, De Kalb, Gentry, Grundy, Harrison, Holt, Knox, Lewis, Linn, Livingston, Macon, Marion, Mercer, Nodaway, Putnam, Schuyler, Scotland, Shelby, Sullivan, and Worth Counties, which have an earliest planting date of April 5.

<sup>2</sup>Excluding Barry, Barton, Butler, Christian, Dade, Dunklin, Greene, Jasper, Lawrence, McDonald, Mississippi, New Madrid, Newton, Pemiscot, Ripley, Scott, and Stoddard Counties, which have a final planting date of May 10; and excluding Adair, Audrain, Boone, Callaway, Clark, Cole, Franklin, Gasconade, Jefferson, Knox, Lewis, Linn, Macon, Marion, Moniteau, Monroe, Montgomery, Osage, Pike, Putnam, Ralls, Randolph, St. Charles, St. Louis, Schuyler, Scotland, Shelby, Sullivan, and Warren Counties, which have a final planting date of May 31.

## Insurance Period

Insurance coverage begins on the later of:

- 1) Date we accept your application; or
- 2) Date when the corn is planted.

Insurance coverage ends at the earliest of:

- 1) Total destruction of the crop;
- 2) Harvest of the unit;
- 3) Final adjustment of a loss;
- 4) Abandonment of the crop; or
- 5) December 10.

## Reporting Requirements

**Acreage Report**—You must give a report of all your corn acreage in the county to your crop insurance agent by the acreage reporting date.

## Coverage Levels and Premium Subsidies

Corn may be insured at the coverage levels shown in the table. Crop insurance premiums are subsidized as shown. If you choose the 75-percent coverage level and enterprise units, your coverage will be 75 percent of your approved actual production history (APH) yield, the premium subsidy is 77 percent, and your premium share is 33 percent of the base premium.

Coverage Level		0.50	0.55	0.60	0.65	0.70	0.75	0.80	0.85
Subsidy Factors	Enterprise Unit	0.80	0.80	0.80	0.80	0.80	0.77	0.68	0.53
	Basic Unit	0.67	0.64	0.64	0.59	0.59	0.55	0.48	0.38
	Optional unit	0.67	0.64	0.64	0.59	0.59	0.55	0.48	0.38
	Whole Farm Unit <sup>1</sup>	0.80	0.80	0.80	0.80	0.80	0.80	0.71	0.56

<sup>1</sup>Not available for Yield Protection Plan

## Catastrophic Coverage

Catastrophic Risk Protection coverage (CAT) is available at 50 percent of your APH yield and 55 percent of the established price election. The total cost for CAT coverage is an administrative fee of \$300 per crop per county. Administrative fees and premium costs for coverage levels above CAT are \$30 per crop per county. Available for Yield Protection Plan only.

## Price Elections

Prices are calculated according to the Commodity Exchange Price Provisions. Missouri corn prices are based on the December futures market price for corn. The projected price discovery period is February 1 through February 29. The harvest price discovery period is October 1 through October 31. These prices will be released no later than 3 business days following the end of the price discovery period. Depending on the insurance plan, these prices will be used for compensation per bushel in case of loss. Contact your agent or for more information see: <http://www.rma.usda.gov/tools/pricediscovery.html>

## Insurance Units

**Basic Unit:** A basic unit includes all of your insurable corn acreage in the county by share arrangement. Premiums are reduced 10 percent for a basic unit.

**Optional Unit:** If a basic unit consists of two or more sections of land, and certain record keeping requirements are met, you may apply for optional units by section. The 10-percent premium discount will not apply.

**Enterprise Unit:** Generally, all insured crop acreage in a county. Premium discounts apply.

**Whole Farm Unit:** Generally, all the insured crops in the county that are covered by the insurance plan. Premium discounts apply (Not available with the Yield Protection Plan).

## Insurance Plans

### Common Crop Insurance Policy Basic Provisions (11br).

**Yield Protection Plan:** An insurance plan that only provides protection against a production loss and is available only for crops for which revenue protection is available.

**Revenue Protection Plan:** An insurance plan that provides protection against loss of revenue due to a production loss, price decline or increase, or a combination of both.

**Harvest Price Exclusion:** Revenue protection with the use of the harvest price excluded when determining your revenue protection guarantee. This election is continuous unless canceled by the cancellation date.

## Trend-Adjusted APH Yield Option

The Trend-Adjusted APH Yield Option adjusts yields in APH databases to reflect increases in yields through time in the county. Trend adjustments are made on each eligible yield, within a qualifying APH database, based on the county's historical yield trend that is provided in the county actuarial documents. The approved APH yield is calculated using trend-adjusted yields and any other applicable yields within the APH database. It may not be available for all practices and the factor may vary by practice. This option is not available with CAT, Group Risk Protection, and Group Risk Income Protection insurance plans.

## Replant Provisions\*

A replanting payment is allowed only if the crop is damaged by a covered cause of loss so the remaining stand will not produce at least 90 percent of your bushel guarantee and it is practical to replant. The maximum replanting payment will be the lesser of 20 percent of the bushel guarantee, or 8 bushels times your price election. No replanting payment will be made on acreage first planted before the earliest planting date.

\*Not available with Catastrophic Risk Protection, Group Risk Protection, or Group Risk Income Protection insurance plans.

\*\*Figures shown per acre; guarantees and losses are paid by unit. See policy provisions or ask your crop insurance agent for more information.

## Late and Prevented Planting

These provisions provide protection on acreage that is planted after the final planting date or that cannot be planted. The late planting period begins the day after the final planting date for the insured crop and ends 20 days after the final planting date.

## Loss Example

Under yield protection a loss occurs when the bushels of corn produced for the unit fall below the production guarantee because of damage from a covered cause of loss. Under revenue protection a loss occurs when the value of production-to-count is less than the revenue protection guarantee because of a production loss and/or a loss of revenue.

Assume a 160 bushel per acre APH yield, 75-percent coverage level, 100 percent of the price, a projected price of \$5.68, a harvest price of \$7.50, and basic unit coverage.

### Yield Protection

160	APH yield bushels/acre
x .75	Coverage level
120	Bushel guarantee
x \$5.68	Projected price
\$681.60	Insurance guarantee
50	Bushels per acre produced
x \$5.68	Projected price
\$284.00	Value of production
\$681.60	Insurance guarantee
- \$284.00	Value of production
<b>\$398.00</b>	<b>Gross indemnity**</b>

### Revenue Protection

160	APH yield bushels/acre
x .75	Coverage level
120	Bushel guarantee
x \$7.50	Price used to determine value*
\$900.00	Insurance guarantee
50	Bushels per acre produced
x \$7.50	Harvested price
\$375.00	Value of production
\$900.00	Insurance guarantee
- \$375.00	Value of production
<b>\$525.00</b>	<b>Gross indemnity**</b>

\* Higher of projected price or harvest price

## Where to Buy Crop Insurance

All multi-peril crop insurance, including CAT policies, are available from private insurance agents. A list of crop insurance agents is available at all USDA service centers and on the RMA web site at: <http://www3.rma.usda.gov/apps/agents/>

## Regional Contact

### USDA/Risk Management Agency

Topeka Regional Office  
2641 SW Wanamaker Rd., Suite 201  
Topeka, KS 66614  
Telephone: (785) 228-5512  
Fax: (785) 228-1456  
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