



United States Department of Agriculture
Risk Management Agency

February 2013

2013 COMMODITY INSURANCE FACT SHEET

Rice

Missouri

Crop Insured

Rice is insurable if:

- Grown in the county on insurable acreage;
- Premium rates are provided;
- You have a share;
- Planted for harvest as grain under the Common Crop Insurance Policy;
- It is flood irrigated; and
- It is **not** wild rice.

Rice planted on acreage that was planted to rice the crop year before is insurable.

Rice acreage that has been seeded to rice the 2 crop years before is **not** eligible for quality adjustment due to red rice the third and subsequent crop years.

We will **not** insure any rice acreage damaged before the final planting date so that producers in the area would not normally continue to care for the crop. Rice must be replanted unless we agree that it is not practical to replant.

Counties Available

Bollinger, Butler, Dunklin, New Madrid, Pemiscot, Ripley, Scott, and Stoddard counties.

Coverage in other counties may be available by written agreement if certain criteria are met, including records for at least 3 years of production history.

Causes of Loss

Adverse weather conditions, except drought

Earthquake

Failure of irrigation water supply¹

Fire

Insects²

Plant disease²

Volcanic eruption

Wildlife

¹If caused by an insured peril through drought or the intrusion of saline water. ²But not damage due to insufficient or improper application of recommended control measures.

Insurance Period

Coverage usually begins when the insured crop is planted and ends the earliest of:

- 1) Destruction of the crop;
- 2) Harvest of the crop;
- 3) Abandonment of the crop;
- 4) Final adjustment of a claim; or
- 5) October 31, immediately following planting.

Reporting Requirements

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

Important Dates

Sales Closing/Cancellation Date	February 28
Earliest Planting Date	April 1
Final Planting Date	May 25
Acreage Report Date	July 15
Premium Billing	August 15
End of Insurance	October 31

Coverage Levels and Premium Subsidies

Rice may be insured at the coverage levels shown in the table below. Crop insurance premiums are subsidized as shown.

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 ¹	0.80	0.80	0.80	0.80	0.80	0.80	0.71	0.56

¹Not available for Yield Protection Plan

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 23 percent of the base premium.

Catastrophic Coverage

Catastrophic Risk Protection (CAT) coverage is available at 50 percent of your APH yield and 55 percent of the projected price. 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

Missouri rice prices are based on the November futures market price for rice. The projected price discovery period is January 15 through February 14. The harvest price discovery period is October 1 through October 31. 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 rice 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 recordkeeping 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 under the Yield Protection Plan).

Insurance Plans

Common Crop Insurance Policy Basic Provisions Yield Protection Plan is an insurance plan that only provides protection against a production loss.

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

Revenue Protection with Harvest Price Exclusion is a revenue protection insurance plan with the use of the harvest price excluded when determining your revenue protection guarantee.

Replant Provisions*

A replanting payment is allowed only if the crop is damaged by a covered cause of loss so that the remaining stand produces less than 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 production guarantee or 400 pounds, multiplied by your price election. No replanting

payment will be made on acreage first planted before the earliest planting date.

*Replant payments are not available with CAT insurance.

Late and Prevented Planting

These provisions provide protection on acreage that is planted after the final planting date or that cannot be planted.

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, which 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 counties. This option is not available with CAT, Group Risk Protection, and Group Risk Income Protection insurance plans.

Downed Rice Endorsement

This endorsement is an option for 2013 that attaches to the Rice Crop Provisions Policy. If chosen, the endorsement compensates rice producers for the additional costs from harvesting downed rice. The definition of downed rice is, "Rice that falls over due to wind or rain such that the rice is flattened or leaning and requiring the rice to be harvested at an approximate plant height of six inches or less unless a different height is allowed in the special provisions."

Loss Example

Under yield protection a loss occurs when the total production-to-count (in pounds) of rice 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 revenue loss.

Assume a 5,000 pound per acre APH yield, 75-percent coverage level, 100-percent price election, \$0.147 projected price, \$0.15 harvest price, and basic unit coverage.

Yield Protection

5,000	APH yield pounds/acre
x .75	Coverage level
3,750	Pound guarantee
x \$0.147	Projected price
\$551.25	Insurance guarantee

2,000	Pounds per acre produced
x \$0.147	Projected Price
\$294	Value of production

\$551.25	Insurance guarantee
- \$294.00	Value of production
\$257.00	Gross indemnity**

Revenue Protection

5,000	APH yield pounds/acre
x .75	Coverage level
3,750	Pound guarantee
x \$0.15	Price used to determine value*
\$562.20	Insurance guarantee

2,000	Pounds per acre produced
x \$0.15	Harvested Price
\$300.00	Value of production

\$562.20	Insurance guarantee
- \$300.00	Value of production
\$262.00	Gross indemnity**

* Higher of Projected Price or Harvest Price

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

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

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