

## Topeka Regional Office — Topeka, KS

Revised September 2014

# Wheat

## Colorado

### Crop Insured

Wheat is insurable if:

- It is all the wheat grown in the county on insurable acreage;
- Premium rates, practices, and program dates are provided;
- You have a share; and
- It is planted for harvest as grain under the Common Crop Insurance Policy.

Wheat may not be insured if:

- It is inter-planted with another crop;
- It is planted into a grass or legume, unless excepted; or
- It is planted as a nurse crop.

### Counties Available

Winter wheat is insurable in 35 counties statewide. Spring wheat is insurable in 13 counties in the western half of the state. Coverage in other counties may also be available by individual written agreement if certain criteria are met, including records for at least the three most recent years of production history for wheat or a similar crop. Go to: [www.rma.usda.gov/fields/ks\\_rso/2015/final/](http://www.rma.usda.gov/fields/ks_rso/2015/final/) or talk to your crop insurance agent to learn if insurance coverage is available in your county.

### Causes of Loss

You are protected against the following:

- Adverse weather conditions, including natural perils such as hail, frost, freeze, wind, drought, and excess moisture;
- Failure of irrigation water supply, if caused by an insured peril during the insurance year;
- Fire if caused by an insured peril during the insurance year;
- Insect damage, but not damage due to insufficient or improper application of control measures;

- Plant disease, but not damage due to insufficient or improper application of control measures; or
- Wildlife.

### Insurance Period

Insurance coverage begins on the later of:

- Date your application is accepted; or
- Date when the wheat is planted by the final planting date designated.

Insurance coverage ends with the earliest occurrence of one of the following conditions:

- Total destruction of the crop;
- Harvest of the unit;
- Final adjustment of a loss on the unit;
- Abandonment of the crop; or
- October 31.

### Important Dates

#### Winter Wheat

Sales Closing Date.....September 30, 2014  
 Cancellation Date.....September 30, 2014  
 Final Planting Date.....Varies by County  
 Contact your agent or for more information see:  
[www.rma.usda.gov/aboutrma/fields/ks\\_rso/](http://www.rma.usda.gov/aboutrma/fields/ks_rso/).

Acreage Report Date.....November 15, 2014  
 Premium Billing.....August 15, 2015  
 End of Insurance.....October 31, 2015

#### Spring Wheat

Sales Closing Date.....March 15, 2015  
 Cancellation Date.....March 15, 2015  
 Final Planting Date.....Varies by County  
 Contact your agent or for more information see:  
[www.rma.usda.gov/aboutrma/fields/ks\\_rso/](http://www.rma.usda.gov/aboutrma/fields/ks_rso/).

Acreage Report Date.....July 15, 2015  
 Premium Billing.....August 15, 2015  
 End of Insurance.....October 31, 2015

## Reporting Requirements

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

## Special Provisions of Insurance

Insurance restrictions apply to acreage that has been planted using broadcast seeding methods. Insurance is available for wheat produced using organic farming practices.

## Definitions

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

## Coverage Levels and Premium Subsidies

Wheat may be insured at the coverage levels shown in the table. Crop insurance premiums are subsidized as shown. Whole Farm Unit is not available for Yield Protection Plan.

If you choose the 75-percent coverage level and Enterprise Units, your coverage is 75 percent of your approved actual production history yield, the premium subsidy is 77 percent, and your premium share is 23 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 | 0.800 | 0.800 | 0.800 | 0.800 | 0.800 | 0.770 | 0.680 | 0.530 |
|                 | Basic Unit      | 0.670 | 0.640 | 0.640 | 0.590 | 0.590 | 0.550 | 0.480 | 0.380 |
|                 | Optional unit   | 0.670 | 0.640 | 0.640 | 0.590 | 0.590 | 0.550 | 0.480 | 0.380 |
|                 | Whole Farm Unit | 0.800 | 0.800 | 0.800 | 0.800 | 0.800 | 0.800 | 0.710 | 0.560 |

For coverage levels above the Catastrophic Risk Protection (CAT) level, in addition to premium costs, administrative fees are \$30 per crop per county.

CAT coverage is available at 50 percent of your actual production history (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, regardless of the acreage. CAT is available for the Yield Protection Plan only.

## Price Elections

Prices are calculated in accordance with the Commodity Exchange Price Provisions. Colorado Winter wheat prices are based on the September futures market price for wheat. The projected price discovery period is August 15 through September 14. The harvest price discovery period is July 1 through July 31. Colorado Spring wheat prices are based on the September futures market price for wheat. The projected price discovery period is February 1 through February 28. The harvest price discovery period is August 1 through August 31. These prices will be released no later than three 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:

[www.rma.usda.gov/tools/pricediscovery.html](http://www.rma.usda.gov/tools/pricediscovery.html).

The contract price is only available for certified organic wheat. See the Contract Price Addendum for details.

## Insurance Units

**Basic Unit** - A basic unit includes all of your insurable wheat 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 are 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 and is available only for crops for which revenue protection is available.

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

**Harvest Price Exclusion** provides revenue protection though the use of the harvest price is

excluded when determining your revenue protection guarantee. This election is continuous unless canceled by the cancellation date.

### Area Risk Protection Insurance (ARPI) Basic Provisions

ARPI may not be available in every county. Some of the information on this fact sheet does not apply. For more information see the ARPI fact sheet at: [www.rma.usda.gov/pubs/rme/arpi.pdf](http://www.rma.usda.gov/pubs/rme/arpi.pdf).

### Winter Coverage Endorsement (not available under CAT)

Under the endorsement, the Winter Coverage Option attaches to the Small Grains Wheat Crop Provisions and provides coverage for fall seeded wheat between the time coverage begins and the spring final planting date. This is available only in counties where both a fall final planting date and spring final planting date are provided in the Special Provisions.

### Replant Provisions

A replant 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 4 bushels times your price election. Replant payments are not available with CAT. This is available only in counties where both a fall final planting date and spring final planting date are provided in the Special Provisions.

### 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 practices and the factor may vary by practice. This option is not available under CAT or with ARPI plans.

### Supplemental Coverage Option

The Supplemental Coverage Option (SCO) is a new crop insurance option that provides additional coverage for a portion of your underlying crop insurance policy deductible. The amount of SCO coverage depends on the liability, coverage level, and approved yield of your underlying policy. SCO may not be available in every county. For further information visit the SCO Fact Sheet at: [www.rma.usda.gov/news/currentissues/farmbill/2014NationalSupplementalCoverageOption.pdf](http://www.rma.usda.gov/news/currentissues/farmbill/2014NationalSupplementalCoverageOption.pdf).

### 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 15 days after the final planting date.

### Loss Example

Under yield protection a loss occurs when the bushels of wheat produced for the unit fall below the production guarantee due to 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 due to a production loss and/or a revenue loss.

Assume a 40 bushels per acre APH yield, 75-percent coverage level, \$6.41 winter projected price, \$6.10 winter harvest price, and basic unit coverage.

#### Yield Protection Example

|                 |                            |
|-----------------|----------------------------|
| 40              | APH yield bushels per acre |
| <u>x 0.75</u>   | Coverage level             |
| 30              | Bushel guarantee           |
| <u>x \$6.41</u> | Projected price            |
| <b>\$192.30</b> | <b>Insurance guarantee</b> |

|                 |                            |
|-----------------|----------------------------|
| 10              | Bushels per acre produced  |
| <u>x \$6.41</u> | Projected price            |
| <b>\$64.10</b>  | <b>Value of production</b> |

|                  |                                 |
|------------------|---------------------------------|
| \$192.30         | Insurance guarantee             |
| <u>- \$64.10</u> | Value of production             |
| <b>\$128.00</b>  | <b>Gross indemnity per acre</b> |

### Revenue Protection Example

|                 |  |
|-----------------|--|
| 40              | APH yield bushels per acre                   |
| x 0.75          | Coverage level                               |
| 30              | Bushel guarantee                             |
| x \$6.41        | (Higher of Projected Price or Harvest Price) |
| \$192.30        | Insurance guarantee                          |
| 10              | Bushels per acre produced                    |
| x \$6.10        | Harvested price                              |
| <b>\$61.00</b>  | <b>Value of production</b>                   |
| \$192.30        | Insurance guarantee                          |
| - \$ 61.00      | Value of production                          |
| <b>\$131.00</b> | <b>Gross indemnity per acre</b>              |

The price used to determine value in the revenue protection example above is the higher of the projected price or the 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 RMA's website at: [www3.rma.usda.gov/apps/agents/](http://www3.rma.usda.gov/apps/agents/).

### Contact Us

USDA/Risk Management Agency  
Topeka Regional Office  
2641 SW Wanamaker Road, Suite 201  
Topeka, KS 66614  
Telephone: (785) 228-5512  
Fax: (785) 228-1456  
E-mail: [rsoks@rma.usda.gov](mailto:rsoks@rma.usda.gov)

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