Grain Sorghum

Colorado

Crop Insured

Grain sorghum is insurable if:

- It is grown in the county on insurable acreage;
- Premium rates are provided;
- You have a share;
- It is adapted to the area based on days to maturity and is compatible with agronomic and weather conditions in the area;
- It is a combine-type hybrid grain sorghum (grown from hybrid seed);
- It is not a dual-purpose type of grain sorghum (a type used for both grain and forage), unless a written agreement allows insurance of such grain sorghum; and
- It is planted for harvest as grain under the Common Crop Insurance Policy.

Grain Sorghum is not insurable if it is on acreage where:

- It is interplanted with another crop (unless allowed by written agreement);
- It is planted into a grass or legume, unless excepted; or
- It follows a cover crop that does not meet the criteria outlined in the Insurance Availability section of the special provisions.

Grain Sorghum is not insurable if it is on non-irrigated acreage where:

- A perennial hay crop was harvested; or
- A crop (other than a cover crop) reached the headed or budded stage prior to termination, regardless of the percentage of plants that reach the headed or budded stage.

Contact a crop insurance agent for more details.

Counties Available

Grain Sorghum is insurable in 92 Missouri counties. See the actuarial documents at http://webapp.rma.usda.gov/apps/actuarialinformationbrowser/. 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 talk to a crop insurance agent for more information.

Causes of Loss

You are protected against the following:

- Adverse weather conditions;
- Earthquake;
- Failure of the irrigation water supply, due to a covered cause of loss during the insurance period;
- Fire;
- Insects, but not damage due to insufficient or improper application of pest control measures;
- Plant disease, but not damage due to insufficient or improper application of disease control measures;
- Volcanic eruption; or
- Wildlife.

Insurance Period

Insurance coverage begins on the later of:

- Date your application is accepted; or
- Date when the grain sorghum is planted.

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

- Total destruction of the crop;
- Harvest of the unit;
- Final adjustment of a loss;
- Abandonment of the crop; or
- December 10.

Important Dates

Sales Closing/Cancellation Date …. March 15, 2016
Earliest Planting Date …………... Varies by County
Final Planting Date ……………... Varies by County
Acreage Report Date ……………….. July 15, 2016
Premium Billing ……...……..…… August 15, 2016
End of Insurance ……..…..…… December 10, 2016

Reporting Requirements

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

Coverage Levels and Premium Subsidies

Grain sorghum may be insured at the coverage levels shown in the table. Crop insurance premiums are subsidized as shown in the table. If you choose the 75-percent coverage level and enterprise units, your coverage is 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.

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. The Whole-Farm Unit is not available for the Yield Protection Plan.

Catastrophic Coverage

CAT 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. Available for the Yield Protection Plan only.

Price Elections

Prices are calculated according to the Commodity Exchange Price Provisions. Colorado grain sorghum prices are based on the December futures market price for corn. The projected price discovery period is February 1 through February 28. The harvest price discovery period is October 1 through October 31. The price percentage relationship between grain sorghum and corn, as determined by RMA, and rounded to the nearest whole cent, is available in the Price Discovery Reporting application on RMA's website. These prices are released no later than 3 business days following the end of the price discovery period. Depending on the insurance plan, these prices are used for compensation per bushel in case of loss. Contact your crop insurance agent, or for more information see http://prodwebnlb.rma.usda.gov/apps/PriceDiscovery/.

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

Insurance Units

Basic Unit - A basic unit includes all of your insurable grain sorghum 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 does not apply.
Enterprise Unit (EU) - Generally, all insured crop acreage in a county. Separate EUs for irrigated and non-irrigated acreage are allowed in counties where irrigated and non-irrigated practices are insurable and EUs are available. 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.
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 - is 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 - is a revenue protection plan 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, 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 with CAT.

Coverage Level by Practice

If you produce a crop on both irrigated and non-irrigated land, you can choose a different coverage level for each production practice. The election is available for additional coverage policies only when the actuarial documents provide separate coverage by irrigated and non-irrigated practices. Even if you have an additional coverage level policy, purchasing the CAT endorsement is not allowed as one of the separate coverage levels.

Supplemental Coverage Option (SCO)

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 more information, visit the SCO fact sheet at www.rma.usda.gov/pubs/rme/2016sco.pdf.

APH Yield Exclusion

The Yield Exclusion option, when elected, allows you to exclude yields from your actual production history when the actuarial documents provide that the county average yield for that crop year is at least 50 percent below the 10 previous consecutive crop years' average yield. A crop year that has been determined eligible for exclusion in a county is also eligible for exclusion in contiguous counties. Producers who have either CAT or buy-up insurance policies can use this program. For more information, visit the APH Yield Exclusion fact sheet at www.rma.usda.gov/pubs/rme/aphye.pdf.

Replant Provisions

A replanting payment is allowed only if the crop is damaged by a covered cause of loss so the remaining stand does not produce at least 90 percent of your bushel guarantee and it is practical to replant. The maximum replanting payment is the lesser of 20 percent of the bushel guarantee, or 7 bushels times your price election. No replanting payment is made on acreage first planted before the earliest planting date. Not available with the CAT insurance plan.

Late Planting

These provisions provide protection on acreage that is planted after the final planting date. The late planting period begins the day after the final planting date for the insured crop and ends 25 days after the final planting date.

Prevented Planting

These provisions provide protection on acreage that cannot be planted. Your prevented planting coverage is 60 percent of your production guarantee for timely planted acreage. If you have additional coverage and pay an additional premium, you may increase your prevented planting coverage to a level specified in the actuarial documents. Haying or grazing a cover crop does not impact eligibility for a prevented planting payment provided such action did not contribute to the acreage being prevented from planting.

Loss Example

Under yield protection a loss occurs when the bushels of grain sorghum 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 70 bushel per acre APH yield, 75-percent coverage level, 100 percent of the price, a projected price of $3.99, a harvested price of $3.68, and basic unit coverage.

Yield Protection

70	APH yield bushels/acre
x 0.75	Coverage level
52.5	Bushel guarantee
x $3.99	Projected price
$209.50	Insurance guarantee
20	Bushels per acre produced
x $3.99	Projected Price
$79.80	Value of production
$209.50	Insurance guarantee
- $79.80	Value of production
$130.00	**Gross indemnity**

Revenue Protection

70	APH yield bushels/acre
x 0.75	Coverage level
52.5	Bushel guarantee
x 3.99	Price used to determine value
$209.50	Insurance guarantee
20	Bushels per acre produced
x $3.68	Harvested Price
$73.60	Value of production
$209.50	Insurance guarantee
- $73.60	Value of production
$136.00	**Gross indemnity**

The price used to determine value in the revenue protection example above is the higher of the projected price or the harvest price. Figures are shown per acre. Guarantees and losses are paid by unit. See the 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 crop insurance agents. A list of crop insurance agents is available at all USDA service centers and on the RMA website at www.rma.usda.gov/tools/agent.html.

Contact Us

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