

2012 MINNESOTA ACTUARIAL UPDATE

11/30 FILING

11/30 MN Crops/Programs: Combo Barley, APH Buckwheat, Combo Canola, Combo/GRP/GRIP Corn, APH Dry Beans, APH Dry Peas, APH Flax, Dollar Forage Seeding, APH Green Peas, YBD Hybrid Corn Seed, APH Oats, Popcorn, APH Potatoes, APH Processing Beans, Combo/GRP/GRIP Soybeans, APH Sugar Beets, Combo Sunflowers, APH Sweet Corn, Combo/GRP/GRIP Wheat

COUNTY CROP EXPANSION: None

COUNTY CROP DELETIONS:

- CANOLA program deleted from Stevens County.
- DRY BEANS program deleted from Carver County.
- FLAX program deleted from Chippewa County.

DATES:

- BUCKWHEAT final planting date changed to June 17.
- Premium billing date changed to 8/15 for most crops. PROCESSING BEANS will have 9/15 premium billing date.
- Acreage reporting date changed to 7/15 for all 11/30 filing crops except Snap Type PROCESSING BEANS which will have an 8/15 ARD.

RATES:

- Rate review completed for CORN, FLAX, HYBRID CORN SEED, OATS, SOYBEANS, and SWEET CORN.

STATEMENTS:

- **BARLEY:**
 - Statement added to Special Provisions outlining how a weighted average price will be determined when there both contracted production and non-contracted production. Other changes made to specialty barley statements.
 - Statement added to Special Provisions explains that the “Replanting Payments” section of the Small Grains Crop Provisions applies to all insurable barley types.
- **CORN:**
 - Statement on Rates tab in AIB explains that whole farm unit discounts will be calculated based on the insurance offer details.
 - Statement added to Rates tab in AIB explaining acres used to determine enterprise unit discount are planted acres only (not PP acres).
 - New breaking statement added to SPOIs explaining when written agreements may not be necessary.
 - SPOI statement added explaining the Trend-Adjusted APH Option in those counties with the option.
 - Statement added to bottom of Rates tab in AIB explaining Trend Adjustment applies to only the insurance offers for which a TA factor is provided in the actuarial documents.
- **DRY BEANS:**
 - Updated the Black NIBR varieties statement to include the varieties Black Velvet, Loreto, and Zorro, and changed the variety name of “Jet” to “CDC Jet”
- **POPCORN:**
 - SPOI statement added that explains how the projected price of Plan 01 (Yield Protection) popcorn will be established.
- **SOYBEANS:**
 - Statement on Rates tab in AIB explains that whole farm unit discounts will be calculated based on the insurance offer details.
 - Statement added to Rates tab in AIB explaining acres used to determine enterprise unit discount are planted acres only (not PP acres).
 - New breaking statement added to SPOIs explaining when written agreements may not be necessary.
 - Statement added to Special Provisions allowing contracted specialty soybeans to be insurable under a revenue plan of insurance. Other changes in the specialty soybean statements have also been made, including changing the specialty type definitions for several types.

- SPOI statement added explaining the Trend-Adjusted APH Option in those counties with the option.
- Statement added to bottom of Rates tab in AIB explaining Trend Adjustment applies to only the insurance offers for which a TA factor is provided in the actuarial documents.
- **SUGAR BEETS:**
 - Statement added to Special Provisions in the 17 Southern Minnesota Beet Sugar Cooperative counties allowing insurance to continue on sugar beets temporarily stored in piles (called clamps) before the beets are delivered to the processor.
 - Statement added to the Special Provisions in 17 Southern Minnesota Beet Sugar Cooperative counties stating that any beets in clamps not delivered to the processor by November 15 will be considered undamaged and the production guarantee will be assigned.
 - Cover crop statement in the Special Provisions modified to state the cover crop must be destroyed before the tillering stage of the cover crop, but no later than the acreage reporting date, or the sugar beets are uninsurable.
- **SUNFLOWERS:**
 - Statement added to Special Provisions about sunflower varieties bred specifically for medium seed size for hulling will be insurable as the oil type.
 - Statement added to the Special Provisions allowing optional units by type.
- **WHEAT:**
 - Statement on Rates tab in AIB that explains whole farm unit discounts will be calculated based on the insurance offer details.
 - Statement added to Rates tab in AIB explaining acres used to determine enterprise unit discount are planted acres only (not PP acres).
 - New breaking statement added to SPOIs explaining when written agreements may not be necessary.

TYPES/PRACTICES:

- **SOYBEANS:**
 - Specialty type soybeans have changes to type definitions. In addition, Type 091 “Commodity” has replaced Type 095 “All Others”, and Type 128 “All Other Food Grades” has been added.

T-YIELDS:

- T-Yield review completed for CORN, FLAX, OATS, SOYBEANS, and SWEET CORN.

MAPS: No changes

OTHER CHANGES:

- The quality statements and discount factors have been changed for crops with quality adjustment shown on the SPOIs.
- **CORN, SOYBEANS, and WHEAT:** Unit discount factors for basic and enterprise units are now shown under the Rates tab of the AIB for each acreage range.
- Prevented planting statements added to the SPOIs for all crops with PP coverage available.
- Statement added to SPOIs for crops eligible for a new breaking written agreement that changes the deadline date for those requests to be the sales closing date.
- **HYBRID CORN SEED** County Yields have been updated.
- **POPCORN** now has Plans 01, 02, and 03 rather than Plan 90. New revenue coverage popcorn (pilot) crop provisions address the revenue plans only.
- Trend-Adjusted APH Yield Option is available for corn and soybeans in most counties. Allows insureds to have their APH yield adjusted based on the county’s historical yield trend. A trend factor is published in the Rates tab of the county’s AIB.
- Biotechnology Endorsement (BE) pilot for corn will not be in effect for 2012.
- Statement added to Special Provisions of all crops regarding when interest will begin to accrue on unpaid premium and administrative fees. This statement is needed due to the changes in the premium billing date.

NOTE: This is not an official document.

December 5, 2011