

## St. Paul Regional Office — St. Paul, MN

Revised September 2013

# Apples

## Minnesota and Wisconsin

### Crop Insured

All the apples in the county in which you have a share, that are adapted to the area, have produced at least an average of 150 bushels per acre, and the orchard is acceptable to us.

### Counties Available

Minnesota - Wabasha and Washington

Wisconsin - Bayfield, Brown, Chippewa, Crawford, Dane, Door, Eau Claire, Ozaukee, Richland, Rock, Sauk, Trempealeau, Washington and Waukesha.

Apples may be insurable in other counties by written agreement.

### Causes of Loss

- Adverse weather conditions such as natural perils of hail, frost, freeze, wind, drought, and excess moisture;
- Failure of irrigation water supply, if caused by an insured peril during the insurance period;
- Fire, if due to natural causes unless weeds or undergrowth were not controlled, or pruning debris was not removed from the orchard;
- Insects, but not damage due to insufficient or improper application of pest or disease control measures;
- Plant Disease, but not damage due to insufficient or improper application of pest or disease control measures; or
- Wildlife.

### Insurance Period

Insurance coverage begins on the later of:

- 20 days after we accept your application; or
- November 21.

The policy remains continuously in effect for each subsequent crop year. Insurance coverage begins on the day immediately following November 5, which is the end of the insurance period for the prior crop year.

### Reporting Requirements

**Acreage Report** –You must report to your insurance agent all acreage (insurable and non-insurable by type of apples) in the county in which you have a share.

### Important Dates

Sales Closing Date .....November 20, 2013  
 Insurance Begins .....November 21, 2013  
 Production Reporting Date..... December 15, 2013  
 Acreage Reporting Date..... January 15, 2014  
 Premium Billing Date ..... August 15, 2014  
 Insurance Ends at harvest or .....November 5, 2014

### Definitions

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

**Unit** -The insurable acreage used to determine the APH yield, the production guarantee and any indemnity (loss payment).

**Production Guarantee** -Number of bushels guaranteed per unit. Multiply your APH yield, per acre, by the coverage level percentage you choose and by the number of acres in the unit.

### Coverage Levels and Premium Subsidies

Apples may be insured at the coverage levels shown in the table below. Crop insurance premiums are subsidized as shown. For example, if you choose the 75-percent coverage level, your coverage will be based on 75 percent of your approved APH yield, the premium subsidy is 55 percent, and your premium share is 45 percent of the base premium.

Item	Percent					
Coverage Level	50	55	60	65	70	75
Premium Subsidy	67	64	64	59	59	55
Your Premium Share	33	36	36	41	41	45

Catastrophic Risk Protection (CAT) coverage 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, regardless of the acreage. Administrative fees and premium costs for coverage levels above CAT are \$30 per crop per county.

## Price Election

Price of compensation per bushel in case of a loss.

Fresh .....	\$13.60 per bushel
Processing.....	\$4.05 per bushel
Variety Group A (Fresh) .....	\$17.25 per bushel
Variety Group B (Fresh).....	\$8.85 per bushel

## Unit Division

**Basic Unit (BU)** - A basic unit includes all of your insurable apple acreage in the county by share arrangement and type. Premiums are reduced 10 percent for a basic unit.

**Optional Unit (OU)** - 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.

## Insurance Plans

The APH plan is the only insurance plan available for apples. The production guarantee is based on your yield history.

## Options

**Optional Coverage for Quality Adjustment** - The fresh option applies to fresh apples damaged to the extent that 20 percent or more of the apples do not grade U.S. Fancy or better. Not available with CAT.

## Loss Example

A loss occurs when the bushels of apples produced for the unit fall below the production guarantee as a result of damage from a covered cause of loss. This example assumes an APH yield of 250 bushels per acre, 75-percent coverage level, 100 percent of the established price (fresh), and basic unit coverage.

### APH - Basic

250	Bushels per acre APH yield
x 0.75	Coverage level
187.5	Bushel guarantee

- 87.5	Bushels per acre actually produced
100	Bushels per acre loss
x \$13.60	Price election (fresh)
\$1360	Gross indemnity per acre
- \$131	Premium per acre (varies by county)
<b>\$1,229</b>	<b>Net indemnity</b>

Figures shown per acre and guarantees and losses paid by unit. See policy provisions or talk to your 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:

[www3.rma.usda.gov/apps/agents/](http://www3.rma.usda.gov/apps/agents/)

## Contact Us

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