

2015 MINNESOTA ACTUARIAL UPDATE

11/30 FILING

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

COUNTY CROP EXPANSION:

- ARPI POPCORN: New program added to the counties where ARPI CORN is available.
- DRY BEANS:
 - Added black type to Big Stone, Douglas, Lac Qui Parle, Morrison, Todd, and Wadena Counties.
 - Enterprise units are now available. Separate enterprise units by irrigated and non-irrigated practice will also be available.
- DRY PEAS: Enterprise units are now available for the crop. Separate enterprise units by practice are not available.

COUNTY CROP DELETIONS: No changes

DATES: No changes

RATES:

- DRY BEANS and DRY PEAS: The Unit Structure Discount Factor table under the Rates tab is now broken out into different acreage categories for Basic and Enterprise units.
- Rate review completed for CANOLA, GREEN PEAS, POTATOES, PROCESSING BEANS, and SUGAR BEETS, with new target rates established.
- New option under the Rates tab is “(LP) Coverage Level by Irr Prac” for all crops. This is necessary because insureds have the option of choosing different coverage levels for irrigated and non-irrigated practices for 2015.

STATEMENTS:

- ARPI CORN, POPCORN, and SOYBEANS: A sentence was added to the Special Provisions statement about the protection factor for CAT being 120 percent, unless no production report is given by the insured. The new sentence states the provisions of Section 5 (d) (1) of the ARPI Basic Provisions are applicable to CAT coverage on native sod acreage.
- ARPI POPCORN: Price statement on Special Provisions explains that the factor used to determine the projected price and harvest price will be shown in the Price Discovery Reporting application.
- CORN: New quality adjustment statement language added to the Special Provisions allowing 120 days for insureds to settle claims on corn below 44 pounds test weight.
- DRY BEANS: Changed the cranberry type variety statement by adding the variety Etna to the list of approved varieties.
- POPCORN: Added a Special Provisions statement to all counties that says open pollinated varieties are not insurable unless allowed by Written Agreement.
- POTATOES: Contract Price Addendum (CPA) statement added to the Special Provisions. This statement only applies to the certified organic practice.
- SUGAR BEETS: Added a Special Provisions statement to all counties regarding root aphids.
- Removed new breaking statement from the Special Provisions of all counties for FORAGE SEEDING and HYBRID SEED CORN.
- New statement added to the Special Provisions of BARLEY, OATS, and WHEAT stating if the insureds sign up for an FSA Graze-Out payment, no crop insurance indemnity will be paid.
- Cover crop statement added to the Special Provisions of ARPI crops.
- New statement has been added to the Insurance Availability section of the Special Provisions of crops that have Whole Farm units available. The statement allows insureds to have different coverage levels by irrigated or non-irrigated practice for all crops insured under the Whole Farm unit.

- Modified the new breaking statement to include language in the Underwriting Standards section that requires land not previously broken and planted to a crop to maintain separate databases for the first four crop years of planting on the new breaking acreage. The approved yield and rate yield for these “native sod” databases will be 65 percent of the applicable T-yield for the first four years a crop is planted on the native sod acres. This applies to native sod acres broken out after February 7, 2014.

TYPES/PRACTICES:

- CANOLA: The no type specified (997) practice was replaced by irrigated (002) and non-irrigated (003) practices.
- SOYBEANS: The non-conventional practice has been divided into non-conventional irrigated and non-conventional non-irrigated. This applies to the conventional and organic practices.

T-YIELDS:

- T-yield review has been completed for CANOLA, GREEN PEAS, POTATOES, PROCESSING BEANS, and SUGAR BEETS, with new target T-yields established.
- T-yields for organic practices have been set at the following percentages of the conventional T-yields:
Canola – 90%, Green Peas – 65%, Potatoes – 85%.

MAPS: No changes

OTHER:

- The discount factors have been changed for crops with quality adjustment shown on the SPOIs.
- The coverage level differential factors for the CAT level are no longer equal to the 50 percent buy-up level factors. The difference between CAT and 50 percent additional coverage level factors will vary by crop.
- The Supplemental Coverage Option (SCO) will be available in select counties for BARLEY, CORN, SOYBEANS, and WHEAT.

NOTE: *This is not an official document.*

December 3, 2014