

## Regional Office — Oklahoma City, OK

November 2016

# Wheat

## Texas

### Crop Insured

All wheat grown in the county is insurable:

- In which you have a share; and
- That is planted for harvest as grain.

Wheat may not be insured unless allowed by a written agreement if:

- Interplanted with another crop;
- Planted into an established grass or legume; or
- Planted as a nurse crop, unless planted as a nurse crop for new forage seeding but only if seeded at a normal rate and intended for harvest as grain.

### Counties Available

Wheat is insurable in a majority of counties in Texas.

See actuarial documents at [webapp.rma.usda.gov/apps/actuarialinformationbrowser/](http://webapp.rma.usda.gov/apps/actuarialinformationbrowser/).

Coverage in other counties may be available by written agreement if certain criteria are met. Please contact your insurance agent for insurance availability.

### Causes of Loss

Your crop is protected against the following:

- Adverse weather conditions;
- Fire;
- Insects, but not damage allowed because of insufficient or improper application of disease control measures;
- Plant Disease, but not damage allowed because of insufficient or improper application of disease control measures;
- Wildlife;
- Earthquake;
- Volcanic eruption;
- Failure of the irrigation water supply, if caused by an insured peril that occurs during the insurance period; or
- For revenue protection, a change in the harvest price from the projected price, unless FCIC can prove the price change was the direct result of an

uninsured cause of loss specified in section 12(a) of the Basic Provisions.

### Insurance Period

Except for prevented planting coverage, coverage begins on the later of:

- The date we accept your application;
- The date the insured crop is planted or; or
- The day immediately following the end of the insurance period for the prior crop year, for each subsequent crop year that the policy remains continuously in force.

Coverage ends with the earliest occurrence of one of the following:

- Total destruction of the insured crop;
- Harvest of the insured crop;
- October 31;
- Abandonment of the insured crop; or
- As otherwise specified in the special provisions.

### Important Dates

Sales Closing/Cancellation Date...September 30, 2016

Premium Billing.....July 1, 2017

Termination.....September 30, 2017

For acreage reporting and final planting dates please refer to the Actuarial Information Browser at

[webapp.rma.usda.gov/apps/actuarialinformationbrowser/](http://webapp.rma.usda.gov/apps/actuarialinformationbrowser/).

### Reporting Requirements

You must report your acreage to your crop insurance agent of all your wheat acreage in the county by the acreage reporting date.

### 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 below. Crop insurance premiums are subsidized as shown. The Whole-Farm Unit is not available for the 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.

Subsidy Factor	Percent								
	CAT	0.50	0.55	0.60	0.65	0.70	0.75	0.80	0.85
Coverage Level									
Basic Unit	1.00	0.67	0.64	0.64	0.59	0.59	0.55	0.48	0.38
Optional Unit		0.67	0.64	0.64	0.59	0.59	0.55	0.48	0.38
Enterprise Unit		0.80	0.80	0.80	0.80	0.80	0.77	0.68	0.53

## Price Election

Prices are calculated according to the Commodity Exchange Price Provisions. Texas wheat prices are based on the July futures market price for wheat. The projected price discovery period is August 15 through September 14. The harvest price discovery period is June 1 through June 30. 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 agency for more information or see [www.rma.usda.gov/tools/pricediscovery.html](http://www.rma.usda.gov/tools/pricediscovery.html).

## Insurance Unit

**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 does 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

**Yield Protection Plan** - A plan of insurance that only provides protection against a production loss and is available only for crops for which revenue protection is available.

**Revenue Protection Plan** - A plan of insurance that only provides protection against loss of revenue due to a production loss, price decline or increase, or a combination of both. If the harvest price exclusion is elected, the insurance coverage provides protection only against loss of revenue due to a production loss, price decline, or a combination of both.

**Revenue Protection with Harvest Price Exclusion** - Insurance coverage that excludes the use of the harvest price in the determination of the revenue protection guarantee.

## Supplemental Coverage Option (SCO)

SCO is a crop insurance option that provides additional coverage for a portions of your underlying crop insurance policy deductible. The amount of the SCO coverage depends on the liability, cover level, and approved yield of your underlying policy. For more information see the SCO fact sheet at [www.rma.usda.gov/pubs/rme/fctsht.html](http://www.rma.usda.gov/pubs/rme/fctsht.html).

## Winter Coverage Endorsement

Under this 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. This endorsement is not available with Catastrophic Risk Protection Endorsement (CAT).

## Late and Prevented Planting

These provisions provide protection on acreage that is planted after the final planting date or that cannot be planted. Please contact a crop insurance agent for details.

## 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 40 bushels per acre APH yield, 75 percent coverage level, \$6.41 winter projected price, \$5.43 winter harvest price, and Basic unit coverage.

**Yield Protection Example**

40	APH yield bushels per acre
x .75	Coverage level
30	Bushel guarantee
x \$6.41	Projected price
\$192.30	Insurance guarantee

10	Bushels per acre produced
x \$6.41	Projected price
\$64.10	Value of production

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

**Revenue Protection Example**

40	APH yield bushels per acre
x .75	Coverage level
30	Bushel guarantee
x \$6.41	(Higher of projected or harvest price)
\$192.30	Insurance guarantee

10	Bushels per acre produced
x \$5.43	Projected price
\$54.30	Value of production

\$192.30	Insurance guarantee
- \$54.30	Value of production
<b>\$138.00</b>	<b>Gross indemnity per acre</b>

**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 website at [www.rma.usda.gov/tools/agent.html](http://www.rma.usda.gov/tools/agent.html).

**Contact Us**

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 Oklahoma City Regional Office  
 215 Dean A. McGee Ave, Suite 342  
 Oklahoma City, OK 73102  
**Phone:** (405) 879-2700  
**Fax:** (405) 879-2741  
**Email:** [rsook@rma.usda.gov](mailto:rsook@rma.usda.gov)

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