

United States Department of Agriculture Risk Management Agency

December 2010

2011 COMMODITY INSURANCE FACT SHEET

Barley Alaska, Idaho, Oregon, Washington

Crop Insured

Barley The crop will be barley planted for harvest as grain. A mixture of grains if barley is predominant and intended for harvest as grain, may be insured as barley if provided for by the actuarial document, or by written agreement.

Availability

BARLEY

Alaska – Fairbanks North Star, Matanuska-Susitna, Southeast Fairbanks, and Valdez-Cordova
Idaho – All counties except Shoshone
Oregon – All counties except Clatsop, Coos, Curry, Hood River, Lincoln and Tillamook
Washington – All counties except Jefferson

Yield and Revenue Insurance

One policy provides the choice of three plans: **Yield Protection**: Insurance coverage only providing protection against a production loss.

Revenue Protection: Insurance coverage providing protection against loss of revenue due to a production loss, price decline or increase or a combination of both.

Revenue Protection with Harvest Price Exclusion: Insurance coverage providing protection only against loss of revenue due to a production loss, price decline or a combination of both.

Projected and Harvest Price

Commodity Exchange Price Provisions (CEPP) Contains information necessary to derive the **projected price** and the **harvest price** for the insured crop as applicable. Information includes the price discovery period, release dates, board of trade's utilized, and additional pricing information. Available at agent's office and at the RMA Web site: <u>http://www.rma.usda.gov</u>. The **Projected Price** is used to calculate the premium, replant payment and any prevented planting payment.

The **Harvest Price** will be used to value production to count under the Revenue Protection Plan and the Revenue Protection with Harvest Price Exclusion plans of insurance.

Production Guarantees

Yield Protection guarantee: determined by multiplying the production guarantee by the projected price. The Harvest Price is not used.

Revenue Protection guarantee: determined by multiplying the production guarantee (per acre) by the greater of the projected price or the harvest price. **Revenue Protection with Harvest Price Exclusion guarantee:** determined by multiplying production guarantee (per acre) by the projected price.

Important Dates

Sales Closing	March 15				
Final Planting Date	. See County Actuarial				
Acreage Report Date	June 30				
Cancellation & Termination Date	March 15				
*Barley with the Winter Coverage Endorsement					
Sales Closing	September 30*				
Acreage Report Date	December 15*				
Cancellation					

Insurance Period

Insurance attaches on the later of the date of application or at the time of planting and ends the earliest of: 1) total destruction of the insured crop on the unit; 2) harvest of the unit; 3) final adjustment of a loss on the unit; 4) September 25 following planting in Alaska; or October 31 of the calendar year in which the crop is normally harvested in Idaho, Oregon, and Washington States; or 5) abandonment of the crop on the unit.

This fact sheet gives only a general overview of the crop insurance program and is not a complete policy. For further information and an evaluation of your risk management needs, contact a crop insurance agent.

Causes of Loss

Insured perils include: adverse weather conditions, fire, insects (but not damage due to insufficient or improper application of pest 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 due to an insured cause of loss, or when revenue protection is in effect, a decline in the harvest price below the projected price.

Guarantee Choices and Premium Subsidy

Choice of **50 to 85 percent** of the approved average yield (5-percent increments).

Item	Percent							
Coverage Level	50	55	60	65	70	75	80	85
Premium Subsidy	67	64	64	59	59	55	48	38
Insured Premium Share	33	36	36	41	41	45	52	62

For example, at 75 percent coverage level, the farmer paid premium would be 45 percent of the total premium. Catastrophic (CAT) coverage is fixed at 50 percent of the average yield and 55 percent of the projected price.

Additional Coverages and Options

Policy provisions offer additional coverage options, such as:

Insurance Units					
Winter Coverage Endorsement					
Late and Prevented Pl	anting				
Replant Payments					
Specialty Use Types for Barley *					
Malting	Hulless Types				
Waxy Hulled	Waxy Hulless				
*Available in ID, OR	, WA only.				

Malting Barley Price and Quality Endorsement Option A—for malting barley production, regardless of whether grown under a malting barley contract or price agreement; or Option B—for production grown under malting

barley contracts only.

Please consult your crop insurance agent for further details.

Administrative Fees

Catastrophic (CAT) Coverage: \$300 per crop per county. **Additional Coverage**: \$30 per crop per county. Waivers of administrative fees for **all** coverage levels (CAT and additional) are available for limited resource farmers.

Where to Purchase

All multi-peril crop insurance (MPCI), including CAT coverage insurance policies, are available from private insurance agents. A list of crop insurance agents is available on the RMA Web site: http://www3.rma.usda.gov/tools/agents/

Regional Contact for RMA USDA/Risk Management Agency Spokane Regional Office

11707 E Sprague Ave #201 Spokane Valley, WA 99206 Telephone 509-228-6320 Fax-509 228-6321 E-mail: <u>rsowa@rma.usda.gov</u>

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