



United States  
Department of  
Agriculture



Federal Crop  
Insurance  
Corporation

FCIC-20220-01  
(06-2014)

# **TREND- ADJUSTED ACTUAL PRODUCTION HISTORY STANDARDS HANDBOOK**

## **2015 and Succeeding Crop Years**



**RISK MANAGEMENT AGENCY  
KANSAS CITY, MO 64133**

<b>TITLE: TREND-ADJUSTED ACTUAL PRODUCTION HISTORY STANDARDS HANDBOOK</b>	<b>NUMBER: FCIC-20220-01</b>
<b>EFFECTIVE DATE: Effective Upon Approval and Until Obsoleted</b>	<b>ISSUE DATE: June 10, 2014</b>
<b>SUJECT:</b>  <b>Provides the procedures to administer the Trend-Adjusted Actual Production History Program</b>	<b>OPI: PRODUCT ADMINISTRATION AND STANDARDS DIVISON</b>  <b>APPROVED:</b>  <i>/s/ Tim B. Witt</i>  <b>Deputy Administrator For Product Management</b>

**REASON FOR AMENDMENT**

The FCIC 20220 Trend-Adjusted APH Standards Handbook is being amended to correct a typographical error contained in the 2014 issuance.

**TREND-ADJUSTED ACTUAL PRODUCTION HISTORY STANDARDS HANDBOOK**

**CONTROL CHART**

Trend-Adjusted Actual Production History Standards Handbook							
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#### **4 Applicability of Yield Limitations, Yield Adjustments and Yield Reductions (cont.)**

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##### **B. Yield Adjustments (Substitutions)**

Yield substitutions apply when elected by the insured. Yield substitutions are based on 60 percent of the applicable T-Yield **before** adjustment for yield trend, as applicable.

##### **C. Yield Reductions**

Procedures concerning yield reductions contained in the CIH Part 12 Section 4 are unaffected when Trend-Adjusted APH is elected.

- (1) Actual yields that have been reduced due to excessive yields are not eligible for trend adjustment. [See CIH Paragraph 1253 for excessive actual yield procedures].
- (2) Reductions of approved APH yields due to inconsistent approved APH yields or different production methods will apply even when yields within the APH database have been adjusted for trend. [See CIH Paragraph 1254 and 1255 for reductions due to inconsistent approved APH yields or different production methods].

**5-10 (Reserved)**

## PART 2 APPLICABILITY OF TREND-ADJUSTED APH

### 11 APH Database Qualifications

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- (1) The APH database must have at least an actual yield in one of the four most recent crop years.
- (2) If the APH database contains fewer than four actual yields in the 12 most recent crop years the trend adjustment is reduced. [See Part 3 Paragraph 21B for the applicable percentage of reduction].
- (3) For the purposes of Trend-Adjusted APH, yields identified with the following yield descriptors are considered actuals: A, AY, NA, PA, DA, P, J, NW, PW, WY, and AX [see CIH Exhibit 12].

### 12 Yields Eligible for Trend Adjustment

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Yields contained in a qualifying APH database identified with the following yield descriptors are eligible for trend adjustment: A, AY, NA, PA, DA, NW, PW, and WY [see CIH Exhibit 12].

### 13 Yield Not Eligible for Trend Adjustment

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#### A. Added Land and New Crop/Practice/Type (P/T)

For Added land and new crop/P/T APH databases using SA T-Yields identified with an “L”, “IL”, or “C” yield descriptors, trend adjustments do not apply. Trend adjustments only apply to actual yields. The SA T-Yield is calculated using the approved APH yield of the existing APH databases (if Trend-Adjusted APH is elected, the approved APH yields may include trend adjustment).

#### B. New Producer

New producer APH databases with trend-adjustment will not apply to new producer T-Yields. New producer T-Yields (identified with an “I” or “IL” yield descriptor) will not be adjusted for trend.

#### C. North Dakota Personal Transitional Yield (PTY)

For APH databases using the PTY (identified with the “K” yield indicator), T-Yields based on the PTY will not be adjusted for trend. Trend-Adjusted APH does not change the PTY calculation. The PTY is calculated by dividing total production by the total acreage for a crop/P/T/TMA for each year, with the sum of all years divided by the number of years. Therefore, actual yields are not trended in the PTY calculation. However, actual yields within the APH database may be trend adjusted.