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Improvements to Crop Insurance continue in 2018

USDA Strengthens Crop Insurance Program to keep Rural Economy Viable

WASHINGTON, Dec. 21, 2017 – Changes to the Federal crop insurance program initiated in 2017 will continue into 2018. The U.S. Department of Agriculture’s (USDA) Risk Management Agency (RMA) continues to improve the program, increasing its availability and effectiveness as a risk management tool while safeguarding the integrity of the program.

In 2017, RMA had a number of accomplishments in the areas of program integrity, program efficiency, expanded options, and customer service. These accomplishments include the way RMA develops new pilot programs, and makes policy changes based on stakeholder feedback.

“RMA has a responsibility to producers to provide flexible and available crop insurance,” said Robert Johansson, USDA’s Acting Deputy Under Secretary for Farm Production and Conservation. “We also have a responsibility to the American taxpayer to ensure the Federal crop insurance program is actuarially sound and uses their tax dollars in an efficient and effective manner. 2017 was a great year for RMA in supporting these efforts.”

Some highlights from 2017 are:

- **Customer Service** – RMA worked with Approved Insurance Providers, agents, and stakeholder groups to respond to Hurricanes Harvey, Irma, and Maria, as well as a number of severe wildfires and other disasters throughout the year. For example, emergency procedures were implemented to streamline the claims process, allow for flexibility, and respond to specific commodity and regional issues. More than \$3.4 billion in indemnities have been paid thus far for 2017.
- **Expanded Options** – RMA provided increased flexibility to producers to customize their insurance coverage to best meet their risk management needs. This flexibility is especially important for producers having both irrigated and non-irrigated farming practices within the same operation.
- **Program Efficiency** – RMA revised the conservation compliance provisions of the crop insurance policies to remove the certification deadline of June 1. This revision eliminates an unnecessary burden and provides greater flexibility to producers, agents, and Approved Insurance Providers to show compliance with the conservation requirements established in the Agricultural Act of 2014.

- Program Integrity – RMA has worked diligently to reduce the improper payment rate for the Federal crop insurance program. RMA has reduced the improper payment rate from 5.58 percent in 2014 to 1.96 percent in 2017, a decline of 65 percent. As a result, RMA received the Office of Management and Budget’s approval to remove the program from the improper payment “high-priority” program list.

Learn more about crop insurance and the modern farm safety net at www.rma.usda.gov.

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