



United States Department of Agriculture

Farm and Foreign Agricultural Services
Risk Management Agency

BULLETIN NO.: MGR-98-030.1

TO: All Reinsured Companies
All Risk Management Field Offices

FROM: Kenneth D. Ackerman /s/ Ken Ackerman 4-22-99
Administrator

SUBJECT: Simplified Claims Processing Pilot Standards

BACKGROUND:

The Risk Management Agency (RMA) modified the Simplified Claims Processing (SCP) pilot program for the 1999 and 2000 crop years under Bulletin MGR-98-030, issued October 9, 1998. This bulletin contained the criteria for claims that would qualify under SCP. RMA received requests from private industry to revise item 1H to include peanut and tobacco claims with quality adjustment in the SCP pilot program.

ACTION:

All criteria and standards not explicitly modified herein remain as previously announced in Bulletin MGR-98-030. Item 1H as contained in MGR-98-030 is hereby amended to include peanut and tobacco claims with quality adjustment using the following criteria:

- A Peanut claims with quality adjustment may qualify for SCP if the value per pound can be determined from the Inspection Certificate and Sales Memorandum (FSA-1007 or FSA 1007 VC). A copy of the FSA Operator/Producer Poundage Sales Summary (Smart Card) printout is also required to complete the claim.
- B Guaranteed tobacco claims (types 11, 12, 13, 14, 21, 22, 23, 31, 35, 36, 37, 42, 44, 54, and 55 that are under the Price Support Program) with quality adjustment may qualify for SCP based on the USDA Official Grades as defined in the crop provisions if the price reduction for quality can be determined from the warehouse sales receipts. A copy of the FSA Form MQ76



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must also be obtained showing the pounds sold. Any guaranteed
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tobacco claim, with or without quality adjustment, that includes production not sold through auction warehouses, and Types 32, 41, 51, 52, 61 (not under the tobacco price support program) do not qualify for SCP.

- C Quota tobacco claims with quality adjustment may qualify for SCP based on the USDA Official Standard Grades as defined in the crop provisions if the price reduction for quality and the pounds sold can be determined from the warehouse sales receipts and FSA Form MQ76. Any quota tobacco claim, with or without quality adjustment, that includes production not sold through auction warehouses does not qualify for SCP.

DISPOSAL:

THIS BULLETIN WILL REMAIN IN EFFECT UNTIL MARCH 1, 2001.