United States Department of Agriculture

A Risk Management Agency Fact Sheet

RMA Quick Facts

July 2016

Meeting Producers' Needs Through Continued Expansion/Enhancements

- The number of acres covered by federal crop insurance increased from 264.7 million for the 2009 crop year to 297.0 million for the 2015 crop year. Coverage for fruit, vegetables, and other specialty crops alone has grown from 7.7 million acres in 2009 to nearly 8.3 million acres in 2015.
- RMA estimates that 85 percent of planted acreage for major crops is now covered by crop insurance while 73 percent is covered for those specialty crops with crop insurance available.
- The total liability for the crops covered under federal insurance rose from $79.5 billion in 2009 to $102.4 billion in 2015.
- The number of insurable varieties of crops went from 438 in 2009 to 543 in 2015.
- The number of yearly organic policies sold went from 4,173 in 2009 to 6,833 in 2015. Also, the number of crops with organic premium pricing went from four in 2011 to 57 for the 2017 crop year.
- Coverage for Pasture, Rangeland and Forage grew from 44 million acres in 2012, when availability expanded to the current 29 states, to 51.6 million in 2015.
- Over the past 10 years, RMA has awarded $124 million in Risk Management Education funding to provide organizations with resources to develop training and education tools to help farmers and ranchers effectively manage long-term risks and challenges. The call for applicants for $8.7 million in 2016 funding went out in May.
- RMA made improvements to the coverage for sugar producers for the 2017 crop year by addressing gaps in coverage. For producers in Louisiana, RMA revised the default sugar content percentage used for loss adjustment to 10 percent; and allowed for smaller optional units by revising the definition of optional units for that state.
- RMA announced changes on June 23 to federal crop insurance regulations designed to offer American farmers greater flexibility to make crop decisions. The modifications center on the practice of growing two crops on the same field at different times of the year, known as double cropping.

Provisions of 2014 Farm Bill a Success

- Whole-Farm Revenue Protection was introduced in 2015 to help diversified agricultural operations and producers servicing local and regional and farm identity preserved markets. It provides coverage under one policy for all revenue produced on a farm, up to $8.5 million.
- Whole-Farm replaced the Adjusted Gross Revenue (AGR) and AGR-Lite products. In the 2014 crop year, there were 791 AGR/AGR-Lite policies providing $521.3 million in coverage. In its debut year, there were 1,089 Whole-Farm policies with $1.1 billion in coverage.
- For 2016, Whole-Farm became the first RMA policy to be available in every county nationwide.
- The Stacked Income Protection Plan (STAX) for upland cotton that was introduced in the 2015 crop year for select counties and protects against county-wide revenue losses. In its debut year, 8,336 STAX policies were purchased, covering 18,526 acres and $233.7 million in liabilities.
- Actual Production History Yield Exclusion (APH YE) became available in the 2015 crop year. It allows producers to exclude an actual yield for a crop year from their production history when RMA determines their county's per

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.

planted acre yield was at least 50 percent below the county's simple average of the per planted acre yield for the crop for the previous 10 consecutive crop years.

- In its debut year, 124,690 APH YE policies covered 21.9 acres with $8.7 billion in liabilities. APH YE is off to a strong start in 2016, with 54,583 policies and $3.2 billion in liabilities. That includes 39% coverage of all insured acres of prunes, and 19 percent of all insured acres of winter wheat.
- In 2015 alone, 13,719 Beginning Farmers and Ranchers working more than 3.5 million acres saved more than $14 million in reduced premiums and waived fees to help them get their operations off the ground.
- More than $17.3 billion was paid out after the drought of 2012.

Federal Crop Insurance a Well-Run Program

- RMA has taken steps to strengthen program integrity, reducing its improper payment rate by more than half, from 5.6 percent in 2014 to 2.2 percent in 2015, well below the government-wide average of 4.39 percent.
- For calculating improper payments in reporting year 2017, RMA has finalized its new methodology to include additional layers of data analysis and a process to determine a statistically valid improper payment rate for each of the 17 Approved Insurance Providers.
- RMA developed and implemented an agent spot check review process in April 2016 to more effectively evaluate agent compliance with program directives and to identify and deter potential fraud, waste and abuse. This new initiative enhances the agency's oversight efforts which, in turn, strengthens program integrity.

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