



United States
Department of
Agriculture

September 1, 2022

INFORMATIONAL MEMORANDUM

Farm Production
and Conservation

TO: Approved Insurance Providers servicing the states of Florida and Georgia

Risk
Management
Agency

FROM: Davina S. Lee /s/
Director

Valdosta Regional
Office

SUBJECT: Crop Year 2023, Regional Underwriting Guidelines for Blueberries in
Florida and Georgia

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BACKGROUND:

The 2023 FCIC-18010 Crop Insurance Handbook (CIH) authorizes the Risk Management Agency (RMA) Regional Office (RO) to issue a RO Underwriting Guide (UG) for Category C crops as procedural exceptions for situations in their region.

The CIH, paragraph 1863, APH Database Tests for High Variability of Actual (and Assigned) Yields, provides testing requirements designed to identify alternate bearing and downward trending for Category C crop yields. Alternate bearing and downward trend procedure is intended to adjust the approved APH yield to reflect the natural yield variations over time exhibited by perennial crops, including blueberries. Blueberries in Florida and Georgia experienced severe freezes in January and March of 2022. This damage may inadvertently trigger certain databases for high variability adjustments. To expedite the approved Actual Production History (APH) yield process and decrease the number of requests for RO determined yields, the Valdosta RO issues this UG for blueberries in Florida and Georgia.

This UG provides Approved Insurance Providers (AIPs) instructions on excluding the 2022 crop year yield from High Variability Testing calculations for Blueberries in Florida and Georgia.

ACTION:

Effective for the 2023 crop year in all Florida and Georgia counties that experienced freezes in January and March of 2022, the Valdosta RO waives all High Variability Alternate Bearing adjustments in CIH paragraph 1863 D Alternate Bearing Tests for blueberries. In addition, the AIP may exclude the 2022 crop year yield from the High Variability Downward trending calculations when a database for blueberries triggers an adjustment in accordance with CIH paragraph 1863 E Downward Trending Test.

2023 CY Regional Underwriting Guidelines for Blueberry APH Policies with Freeze Damage in Florida and Georgia

High Variability – Alternate Bearing Tests:

If the requirements of CIH paragraph 1863 D are met, the Valdosta RO waives all alternate bearing adjustments, and no additional testing is required for downward trending. The database must be identified with special case yield indicator “D” to show alternate bearing criteria was met, but adjustment was waived by this UG. If applicable, YA is authorized. The YC is not applicable, also see Exhibit A.

High Variability - Downward Trending Test:

When conducting the downward trending test, exclude the 2022 crop year yield and calculate the average with the most recent three years of actual yields. Then divide this result by the simple average of the actual yields in the APH database (including crop year 2022).

- 1) If the result of the calculation is greater than 0.75, then no adjustment to the APH database is applicable; or
- 2) If the result of the calculation is greater than 0.50 but less than or equal to 0.75, then no adjustment to the APH database is applicable. The database must be identified with special case yield indicator “D” to show that downward trend criteria was met, but adjustments were waived by this UG. The YA and YC are not applicable, also see Exhibit A; or
- 3) If the result of the calculation is less than or equal to 0.50, then multiply the average APH yield for the entire APH database by 0.80 to determine the approved APH yield. The AIP must submit these APH databases with special case yield indicator “F” to show that the downward trend criteria was met and was adjusted by this RO UG. The YA and YC are not applicable, also see Exhibit A.

After this UG is applied and an APH database is still adjusted for downward trending by the AIP, the insured may request an RO Determined Yield in accordance with CIH paragraph 1863 F.

See Exhibit A, RO Determined Yield Type, Yield Limitation Flag and Rate Yield Chart for procedure on use of special case yield indicators This chart is for AIP Policy processing and consistent with the CIH Exhibit 22 and Appendix III.

If you have any questions or if we can be of any assistance, please contact the Valdosta Regional Office at (229) 242-7235 or by email rsoga@usda.gov.

DISPOSAL DATE:

August 31, 2023

RO Determined Yield Type, Yield Limitation Flag and Rate Yield Chart

Not RO Determined Yields but Special Case Yield Indicators						
	Applicable Crop	Other Explanation	Special Case Yield Indicator	Rate Yield	YA	Yield Limitation Flag (applies whether RO UG or RO DY)
High Variability Yield Adjustment (AB/DT)	Category C	<i>Alternate Bearing</i>	AF (AIP adjusted per CIH)	Equal Approved Yield	No	11
	Category C	<i>Downward Trending</i>	DF (AIP adjusted per CIH)	Equal Approved Yield	No	11
	Category C	<i>Downward Trending & Alternate Bearing</i>	F (AIP Adjusted by Formula in RO UG)	Dependent upon authorization	No, unless specified by the RO UG.	<ul style="list-style-type: none"> • If Approved Yield Increased and no YA then YLF = 01; • If Approved Yield Increased & YA = 09 or YLF 12 (surcharge applies if the crop is contained in CIH Exhibit 22 chart); • If Approved Yield Decreased & YA applies = 11 or YLF 13 (surcharge applies if crop is contained in CIH Exhibit 22 chart); • If Approved Yield Decreased and no YA then YLF = 11
	Category C	<i>Downward Trending & Alternate Bearing</i>	D (Met AB or DT CIH test, but waived modification by CIH formula and adjusted by RO UG)		No, unless specified by the RO UG.	<ul style="list-style-type: none"> • If Approved Yield Increased and no YA then YLF = 01; • If Approved Yield Increased & YA = 09 or YLF 12 (surcharge applies if the crop is contained in CIH Exhibit 22 chart); • If Approved Yield Decreased & YA applies = 11 or YLF 13 (surcharge applies if crop is contained in CIH Exhibit 22 chart); • If Approved Yield Decreased and no YA then YLF = 11

<p>Average Yield: The yield, calculated by totaling the yearly actual yields; assigned yields due to: failure to provide production report, excessive yields, and second crop planted without double crop history on prevented planted acreage, and adjusted or unadjusted T-Yields and dividing the total by the number of yields contained in the database.</p>
<p>Approved Yield: The yield determined by the Regional Office, according to their procedures, based upon documentation submitted by the producer through the AIP, used to determine the guarantee.</p>
<p>Yield Descriptor: The applicable yield descriptor as provided in CIH Exhibit 15W. or a "F" yield descriptor IF provided by the Regional Office through RO DY or through RO UG.</p>
<p>Yield Indicator: Yield Indicators for yields authorized through RO UG, are the applicable Yield Indicators found in CIH Exhibit 15V (including applicable special case indicators).</p>
<p>YE, Cups & Floors: Are not authorized for RO DY request or Underwriting Guidelines.</p>
<p>If YA is applied by the RO through the determined yield or through Underwriting Guidelines, then the AIP must send the YA option code on the acreage record through PASS. If YA was elected on a non-contiguous rated crop, then the surcharge flag on the acreage record must also be set to establish the .05 multiplicative rate. The yield record will not include the YA option codes.</p>