



United States Department of Agriculture  
Risk Management Agency

March 2011

## 2011 COMMODITY INSURANCE FACT SHEET

# Barley

Illinois Indiana Michigan Ohio

### Crop Insured

The crop insured will be barley planted for harvest as grain. Barley is covered in the small grains crop provisions. (In Michigan, only spring-planted barley is insurable.)

### Counties Available

See your crop insurance agent for a listing of eligible counties. In counties where premium rates are not provided by an actuarial table, the crop may be insurable by written agreement if specific criteria are met.

### Causes of Loss

Adverse weather conditions  
Insects\*  
Earthquake  
Failure of irrigation water supply, if applicable, due to an unavoidable cause of loss occurring within the insurance period.  
Fire  
Plant disease\*  
Volcanic eruption  
Wildlife

All specified causes of loss must be due to a naturally occurring event.  
\*But not damage due to insufficient or improper application of pest or disease control measures.

### Common Crop Insurance Policy

One policy provides the choice of three plans:

**Yield Protection:** Insurance coverage only providing protection against a production loss.

**Revenue Protection:** Insurance coverage providing protection against loss of revenue due to a production loss, price decline or increase or a combination of both.

**Revenue Protection with Harvest Price Exclusion:** Insurance coverage providing protection only against loss of revenue due to a production loss, price decline or a combination of both.

### Production Guarantees

**Yield Protection guarantee:** determined by multiplying the production guarantee by the projected price. The harvest price is not used.

**Revenue Protection guarantee:** determined by multiplying the production guarantee (per acre) by the greater of the projected price or the harvest price.

**Revenue Protection with Harvest Price Exclusion guarantee:** determined by multiplying production guarantee (per acre) by the projected price.

### Insurance Period

Coverage begins at the time of planting and ends the earliest of: (1) total destruction of the crop; (2) harvest of the unit; (3) final adjustment of a loss; (4) abandonment of the crop; or (5) October 31.

### Reporting Requirements

**Acreage Report** - You must report to your insurance provider all acreage of the insured crop in the county in which you have a share, the practice, and your share at the time of planting.

### Important Dates

#### Illinois, Indiana, Ohio:

Sales Closing ..... September 30  
Final Planting ..... Varies by county  
Acreage Report..... November 15  
Cancellation ..... September 30

#### Michigan:

Sales Closing ..... March 15  
Final Planting ..... Varies by county  
Acreage Report..... July 15  
Cancellation ..... March 15

## Coverage Levels and Premium Subsidies

The barley policy guarantees a certain amount of production, depending on the level of coverage selected. Crop insurance premiums are subsidized as shown below. For example, if you select the 75-percent coverage level, the premium subsidy is 55 percent and your premium share is 45 percent of the base premium.

Item	Percent					
Coverage Level	50	55	60	65	70	75
Premium Subsidy	67	64	64	59	59	55
Your Share	33	36	36	41	41	45

The total cost for CAT coverage will be an administrative fee of \$300 per crop per county, regardless of the acreage. All other coverage levels require a \$30.00 administrative fee.

## Projected and Harvest Price

Beginning in 2011, the projected price for yield and revenue protection in Illinois, Indiana and Ohio will be based on the Chicago Board of Trade (CBOT) July Futures Contract average daily settlement price from Aug. 15—Sep. 14. The projected price in Michigan will be based on the CBOT September Futures Contract average daily settlement price from Feb. 1—Feb. 28. Producers who have revenue protection also have a harvest price that protects producers when prices are above the projected price at harvest. In a down market the harvest price is used for both the revenue protection and the revenue protection with harvest price exclusion. The harvest price is based on the CBOT average daily settlement price from Jun. 1—Jul. 30 for July Futures Contracts and Aug. 1—Aug. 31 for September Futures Contracts. Producers may track the settlement process during the discovery period on the RMA website. The website also has information on how prices are determined in the Commodity Exchange Price Provisions (CEPP). The RMA website is <http://www.rma.usda.gov>.

## Insurance Units

**Basic Unit:** A basic unit includes all of your insurable barley acreage in the county by share arrangement. Premiums are reduced 10 percent for a basic unit.

**Optional Unit:** If a basic unit consists of two or more sections of land, and certain record keeping requirements are met, you may apply for optional units by section. The 10 percent premium discount will not apply.

**Enterprise Unit:** Generally, all the insured crop acreage in a county. Premium discounts apply.

**Whole Farm Unit:** Generally all the insured crops in the county that are covered by the insurance plan. Premium discounts apply.

## Replant Provisions

### Illinois, Indiana, Ohio

No replanting payment will be made for acreage initially planted to winter barley in counties with only a fall final planting date.

### Michigan

A replanting payment is available if we determine it is practical to replant on a unit and our appraisal does not exceed 90 percent of your guarantee and you replant at least 20 acres or 20 percent of the unit. The replanting payment will be the lesser of 20 percent of the bushel guarantee or 5 bushels times your price election, multiplied by your share. Replant payments are **not available** on the catastrophic risk protection endorsement.

## Late and Prevented Planting

### Illinois, Indiana, Ohio

These provisions provide protection on eligible acreage that is planted late or that cannot be planted by the final planting date or within the 5-day late-planting period. Please consult your crop insurance provider for further details.

### Michigan

These provisions provide protection on eligible acreage that is planted late or that cannot be planted by the final planting date or within the 25-day late-planting period. Please consult your crop insurance provider for further details.

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