



United States Department of Agriculture  
Risk Management Agency

November 2010

## 2011 COMMODITY INSURANCE FACT SHEET

# Barley

## Colorado

### Crop Insured

The crop insured will be all summerfallow and irrigated winter and spring barley grown in the county on insurable acreage, for which premium rates and program dates are provided, in which you have a share, and that is planted for harvest as grain. Continuous crop barley is also insurable in La Plata County. Non-Irrigated barley is insurable in Moffat, Rio Blanco, and Routt Counties.

**Exclusions:** Barley may not be insured if it is inter-planted with another crop, planted into a grass or legume, or planted as a nurse crop.

### Counties Available

Winter barley insurance is available in the following counties: Baca, Bent, Cheyenne, Elbert, Kiowa, Kit Carson, Las Animas, Otero, Prowers and Pueblo. Spring barley insurance is available in the previous counties as well as the following counties: Adams, Alamosa, Arapahoe, Boulder, Conejos, Costilla, Delta, Jefferson, La Plata, Larimer, Logan, Mesa, Moffat, Montezuma, Montrose, Morgan, Phillips, Rio Blanco, Rio Grande, Routt, Saguache, Sedgwick, Washington, Weld, and Yuma.

Coverage in other counties may also be available by individual written agreement if certain criteria are met, including records for at least three years of production history for barley or a similar crop.

### Causes of Loss

Adverse weather conditions<sup>1</sup>  
Failure of irrigation water supply<sup>3</sup>  
Fire<sup>2</sup>  
Insects<sup>4</sup>  
Plant disease<sup>4</sup>  
Wildlife

<sup>1</sup>Such as hail, freeze, excess wind, excess rain, drought, and tornado.

<sup>2</sup>If due to natural causes.

<sup>3</sup>Only if due to an insured cause of loss within the insurance period.

<sup>4</sup>But not damage allowed because of insufficient or improper application of disease control measures.

### Insurance Period

Coverage begins when the barley is planted by the final planting date designated and ends the earliest of: (1) total destruction of the crop, (2) harvest of the unit, (3) final adjustment of a loss on the unit, (4) completion of harvest, (5) October 31, 2011 or (6) abandonment of the crop.

### Important Dates

#### Winter Barley

Sales Closing/Cancellation ..... September 30, 2010  
Final Planting Date<sup>1</sup> ..... October 15, 2010  
Acreage Report Date ..... November 15, 2010  
Premium Billing ..... October 1, 2011  
End of Insurance ..... October 31, 2011

<sup>1</sup>Applies to all winter barley counties except Pueblo which has a Final Planting Date of October 31, 2009.

#### Spring Barley

Sales Closing/Cancellation ..... March 15, 2011  
Final Planting Date<sup>2</sup> ..... April 30, 2011  
Final Planting Date<sup>3</sup> ..... May 15, 2011  
Final Planting Date<sup>4</sup> ..... May 31, 2011  
Acreage Report Date<sup>5</sup> ..... June 15, 2011  
Premium Billing ..... October 1, 2011  
End of Insurance ..... October 31, 2011

<sup>2</sup>Applies to all counties where winter barley is insurable as well as Adams, Arapahoe, Boulder, Jefferson, Larimer, Logan, Morgan, Phillips, Sedgwick, Washington, Weld, and Yuma.

<sup>3</sup>Applies to Alamosa, Conejos, Costilla, Delta, La Plata, Mesa, Montezuma, Montrose, Rio Grande, and Saguache.

<sup>4</sup>Applies to Moffat, Rio Blanco, and Routt.

<sup>5</sup>Excludes Moffat, Rio Blanco, and Routt, which have an Acreage Report Date of July 15, 2011.

### Coverage Levels and Premium Subsidies

Barley may be insured at the coverage levels shown. Crop insurance premiums are subsidized as shown.

	Coverage Level	0.50	0.55	0.60	0.65	0.70	0.75	0.80	0.85	1
<b>Subsidy Factors</b>	Enterprise Unit	0.800	0.800	0.800	0.800	0.800	0.770	0.680	0.530	
	Basic Unit	0.670	0.640	0.640	0.590	0.590	0.550	0.480	0.380	
	Optional unit	0.670	0.640	0.640	0.590	0.590	0.550	0.480	0.380	
	Whole Farm Unit <sup>2</sup>	0.800	0.800	0.800	0.800	0.800	0.800	0.710	0.560	

If you select the 0.75-coverage level and Enterprise Units, your coverage will be 75 percent of your approved APH yield, the premium subsidy is 77 percent, and your premium share is 33 percent of the base premium.

<sup>1</sup>Where applicable.

<sup>2</sup>Not available for Yield Protection Plan

## Catastrophic Coverage

Catastrophic coverage (CAT) is available at 50 percent of your APH yield and 55 percent of the established price election. The total cost for CAT coverage will be an administrative fee of \$300 per crop per county, regardless of the acreage. Administrative fees, in addition to premium costs, for coverage levels above CAT are \$30 per crop per county. Available for Yield Protection Plan only.

## Specialty Type Barley

Counties with a November 30 Contract Change Date now have five types of barley: Malting, Waxy Hulled, Waxy Hulless, Hulless, and All Others. You must report your acreage by the type planted.

## Price Elections

Prices are calculated in accordance with the Commodity Exchange Price Provisions. Colorado Winter barley prices are based on the July futures market price for corn. The projected price discovery period is August 15 through September 14. The harvest price discovery period is June 1 through June 30. Colorado Spring barley prices are based on the September futures market price for corn. The projected price discovery period is February 1 through February 28. The harvest price discovery period is August 1 through August 31. These prices will be released no later than three business days following the end of the price discovery period. Depending on the insurance plan, these prices will be used for compensation per pound in case of loss. Contact your agent or for more information see: <http://www.rma.usda.gov/tools/pricediscovery.html>

## Insurance Units

**Basic Unit:** A basic unit includes all of your insurable barley coverage 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.

**Whole Farm Unit:** Generally, all the insured crops

in the county that are covered by the insurance plan. Not available under the Yield Protection Plan.

## Plans of Insurance

### Common Crop Insurance Policy

Crops previously covered under APH, CRC, IP, and RA have both Yield Protection and Revenue Protection under the new Common Crop Insurance Policy Basic Provisions (11br).

- **Yield Protection Plan** is a plan of insurance that only provides protection against a production loss and is available only for crops for which revenue protection is available.
- **Revenue Protection Plan** is plan of insurance that provides protection against loss of revenue due to a production loss, price decline or increase, or a combination of both.
- **Harvest price exclusion** - Revenue protection with the use of the harvest price excluded when determining your revenue protection guarantee. This election is continuous unless canceled by the cancellation date.

### Malting Barley Price and Quality Endorsement (not available under CAT)

Supplemental coverage is available in Adams, Alamosa, Boulder, Conejos, Costilla, Larimer, Rio Grande, Saguache, and Weld Counties for malting barley in addition to the coverage provided by the barley crop provisions. An additional premium is charged when selected. See a crop insurance agent for more details.

### Replant Provisions (not available under CAT)

A replanting payment is allowed, but the acreage must have been initially planted to a spring type of barley in those counties with only a spring final planting date. Contact a crop insurance agent for more details.

### Late and Prevented Planting

A late planting period is applicable. Prevented planting coverage is available only for spring planted barley. See a crop insurance agent for more details.

### Loss Example

Under yield protection a loss occurs when the bushels of wheat produced for the unit fall below the production guarantee as a result of damage from a covered cause of loss. Under revenue protection a loss occurs when the value of production to count is less than the revenue protection guarantee due to a production loss and/or a loss of revenue. This example assumes a 40 bushels/acre APH yield, 75-percent coverage level, \$4.02 winter projected price, \$3.25 harvest price, and basic unit coverage.

**Yield Protection**

40  
x .75  
 30  
 x \$4.02  
 \$120.60

APH yield bushels/acre  
 Coverage level  
 Bushel guarantee  
 Projected price  
 Insurance guarantee

10  
 x \$4.02  
 \$40.20

Bushels per acre produced  
 Price used to determine value  
 Value of production

\$120.60  
 - \$40.20  
**\$80.00**

Insurance guarantee  
 Value of production  
**Gross indemnity\***

**Revenue Protection**

40  
x .75  
 30  
 x \$4.02  
 \$120.60

10  
 x \$3.25  
 \$32.50

\$120.60  
 - \$32.50  
**\$88.00**

\*Figures shown on a per acre basis; guarantees and losses are paid on a unit basis. See policy provisions.

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