



United States Department of Agriculture
Risk Management Agency

December 2010

2011 COMMODITY INSURANCE FACT SHEET

Corn

Kansas

Crop Insured

The crop insured will be all corn grown in the county on insurable acreage, for which premium rates are provided, in which you have a share, and planted for harvest as either grain or silage under the Common Crop Insurance Policy. Corn insured includes yellow dent or white corn, including mixed yellow and white, waxy, or high-lysine corn. Other corn, such as high-amylose, high-oil, flint, flour, Indian, blue corn, or a variety genetically adapted to provide forage for wildlife, a variety of corn adapted for silage use when the corn is reported for insurance as grain, or any open pollinated corn are not insurable unless a written agreement provides for such insurance. Contact a crop insurance agent for further details on written agreements. Non-irrigated corn planted following another crop that has reached the headed (or budded) stage or where a perennial hay crop was harvested is not insurable.

Counties Available

Corn is insurable in all 105 counties in Kansas.

Causes of Loss

Adverse weather conditions¹
Failure of irrigation water supply³
Fire²
Insects⁴
Plant disease⁴
Wildlife

¹Including hail, frost, freeze, excess precipitation and drought.

²If due to natural causes.

³If due to an insured cause of loss within the insurance period.

⁴But not damage due to insufficient or improper application of pest or disease control measures.

Insurance Period

Insurance coverage begins on the later of the date we accept your application or the date when the corn is planted, and will end at the earliest of: (1) total destruction of the crop, (2) harvest of the unit, (3) final adjustment of a loss, (4) December 10, 2011 or, (5) abandonment of the crop.

Reporting Requirements

Acreage Report—You must give a report to your crop insurance agent of all your corn acreage in the county by the acreage reporting date.

Important Dates

Sales Closing/Cancellation Date March 15, 2011
Earliest Planting Date¹ March 20, 2011
Earliest Planting Date² April 1, 2011
Earliest Planting Date³ April 5, 2011
Earliest Planting Date⁴ April 10, 2011
Final Planting Date May 15, 2011
Final Planting Date⁵ May 25, 2011
Acreage Report Date July 15, 2011
Premium Billing October 1, 2011
End of Insurance December 10, 2011

¹ Allen, Bourbon, Butler, Chautauqua, Cherokee, Cowley, Crawford, Elk, Greenwood, Labette, Montgomery, Neosho, Sumner, Wilson, and Woodson Counties.

² Anderson, Barber, Chase, Clark, Coffey, Comanche, Dickinson, Douglas, Edwards, Franklin, Geary, Harper, Harvey, Jefferson, Johnson, Kingman, Kiowa, Leavenworth, Linn, Lyon, McPherson, Marion, Miami, Morris, Osage, Pratt, Reno, Rice, Saline, Sedgwick, Shawnee, Stafford, Wabaunsee, and Wyandotte Counties.

³ Atchison, Barton, Brown, Clay, Cloud, Doniphan, Ellis, Ellsworth, Finney, Ford, Grant, Gray, Hamilton, Haskell, Hodgeman, Jackson, Jewell, Kearny, Lane, Lincoln, Marshall, Meade, Mitchell, Morton, Nemaha, Ness, Osborne, Ottawa, Pawnee, Pottawatomie, Phillips, Republic, Riley, Rooks, Rush, Russell, Seward, Smith, Stanton, Stevens, Trego, and Washington Counties.

⁴ Cheyenne, Decatur, Gove, Graham, Greeley, Logan, Norton, Rawlins, Scott, Sheridan, Sherman, Thomas, Wallace, and Wichita Counties.

⁵ Excluding Allen, Bourbon, Chautauqua, Cherokee, Cowley, Crawford, Elk, Greenwood, Labette, Montgomery, Neosho, Wilson, and Woodson Counties, which have a Final Planting Date of May 15, 2010.

Coverage Levels and Premium Subsidies

Corn may be insured at the coverage levels shown in the table. Crop insurance premiums are subsidized as shown.

	Coverage Level	0.50	0.55	0.60	0.65	0.70	0.75	0.80 ¹	0.85 ¹
Subsidy Factors	Enterprise Unit	0.80	0.80	0.80	0.80	0.80	0.77	0.68	0.53
	Basic Unit	0.67	0.64	0.64	0.59	0.59	0.55	0.48	0.38
	Optional unit	0.67	0.64	0.64	0.59	0.59	0.55	0.48	0.38
	Whole Farm Unit ²	0.80	0.80	0.80	0.80	0.80	0.80	0.71	0.56

¹Where applicable.

²Not available for Yield Protection Plan

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.

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.

Price Elections

Prices are calculated in accordance with the Commodity Exchange Price Provisions. Kansas corn prices are based on the December futures market price for corn. The projected price discovery period is February 1 through February 28. The harvest price discovery period is October 1 through October 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 corn 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 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 (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.

Replant Provisions (not available under Catastrophic coverage)

A replanting payment is allowed only if the crop is damaged by a covered cause of loss to the extent that the remaining stand will not produce at least 90 percent of your bushel guarantee and it is practical to replant. The maximum replanting payment will be the lesser of 20 percent of the bushel guarantee, or 8 bushels times your price election. No replanting payment will be made on acreage initially planted prior to the earliest planting date.

Late and Prevented Planting

These provisions provide protection on acreage that is planted after the final planting date or that cannot be planted. In lieu of Section 1 of the Basic Provisions, the late planting period begins the day after the final planting date for the insured crop and ends 20 days after the final planting date.

Loss Example

A loss occurs when the bushels of corn produced for Under yield protection a loss occurs when the bushels of corn 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 160 bushel per acre APH yield, 75-percent coverage level, 100 percent of the price, a Projected price of \$3.75, a Harvest price of \$3.25, and basic unit coverage.

<u>Yield Protection</u>		<u>Revenue Protection</u>	
160	APH yield bushels/acre	160	
x .75	Coverage level	x .75	
120	Bushel guarantee	120	
x \$3.75	Projected price	x \$3.75	
\$450.00	Insurance guarantee	\$450.00	
50	Bushels per acre produced	50	
x \$3.75	Price used to determine value	x \$3.25	
\$187.50	Value of production	\$162.50	
\$450.00	Insurance guarantee	\$450.00	
- \$187.50	Value of production	- \$162.50	
\$263.00	Gross indemnity*	\$288.00	

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

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