

2015 IOWA ACTUARIAL UPDATE

11/30 FILING

11/30 IA Crops/Programs: Combo Barley, Combo/ARPI Corn, APH Dry Beans, Dollar Forage Seeding, Combo Grain Sorghum, APH Green Peas, YBD Hybrid Seed Corn, APH Oats, Combo/ARPI Popcorn, APH Potatoes, Combo/ARPI Soybeans, APH Sweet Corn

COUNTY CROP EXPANSION:

- ARPI POPCORN: New program added to the counties where ARPI CORN is available.
- DRY BEANS: Enterprise units are now available. Separate enterprise units by irrigated and non-irrigated practice will also be available.

COUNTY CROP DELETIONS: No changes

DATES: No changes

RATES:

- DRY BEANS: The Unit Structure Discount Factor table under the Rates tab is now broken out into different acreage categories for Basic and Enterprise units.
- Rate review completed for GREEN PEAS and POTATOES, with new target rates established.
- New option under the Rates tab is “(LP) Coverage Level by Irr Prac” for all crops. This is necessary because insureds have the option of choosing different coverage levels for irrigated and non-irrigated practices for 2015.
- Updated the high risk add-on rates for all crops in Story County.

STATEMENTS:

- ARPI CORN, POPCORN, and SOYBEANS: A sentence was added to the Special Provisions statement about the protection factor for CAT being 120 percent, unless no production report is given by the insured. The new sentence states the provisions of Section 5 (d) (1) of the ARPI Basic Provisions are applicable to CAT coverage on native sod acreage.
- ARPI POPCORN: Price statement on Special Provisions explains that the factor used to determine the projected price and harvest price will be shown in the Price Discovery Reporting application.
- POPCORN:
 - Removed the Special Provisions statement in Benton and Black Hawk counties related to the insurability of white popcorn varieties.
 - Added a Special Provisions statement to all counties that says open pollinated varieties are not insurable unless allowed by Written Agreement.
- Removed new breaking statement from the Special Provisions of all counties for FORAGE SEEDING and HYBRID SEED CORN.
- POTATOES: Contract Price Addendum (CPA) statement added to the Special Provisions. This statement only applies to the certified organic practice.
- New statement added to the Special Provisions of BARLEY and OATS stating if the insureds sign up for an FSA Graze-Out payment, no crop insurance indemnity will be paid.
- Cover crop statement added to the Special Provisions of ARPI crops.
- New statement has been added to the Insurance Availability section of the Special Provisions of crops that have Whole Farm units available. The statement allows insureds to have different coverage levels by irrigated or non-irrigated practice for all crops insured under the Whole Farm unit.
- Modified the new breaking statement to include language in the Underwriting Standards section that requires land not previously broken and planted to a crop to maintain separate databases for the first four crop years of planting on the new breaking acreage. The approved yield and rate yield for these “native sod” databases will be 65 percent of the applicable T-yield for the first four years a crop is planted on the native sod acres. This applies to native sod acres broken out after February 7, 2014.

TYPES/PRACTICES:

- SOYBEANS: The non-conventional practice has been divided into non-conventional irrigated and non-conventional non-irrigated. This applies to the conventional and organic practices.

T-YIELDS:

- T-yield review completed for GREEN PEAS and POTATOES, with new target T-yields established.
- T-yields for organic practices have been set at the following percentages of the conventional T-yields:
Green Peas – 65%, Potatoes – 85%.

MAPS:

- Story County: The actuarial map was updated and a new map area identifying unrated land was added. Anyone with land in the new unrated area must request and receive a Written Agreement before insurance will be available.

OTHER:

- The discount factors have been changed for crops with quality adjustment shown on the SPOIs.
- The coverage level differential factors for the CAT level are no longer equal to the 50 percent buy-up level factors. The difference between CAT and 50 percent additional coverage level factors will vary by crop.
- The Supplemental Coverage Option (SCO) will be available for CORN and SOYBEANS in all counties.

NOTE: *This is not an official document*

December 3, 2014