



United States Department of Agriculture
Risk Management Agency

November 2012

2013 COMMODITY INSURANCE FACT SHEET

Wheat

Alaska, Idaho, Oregon, Washington

Crop Insured

Wheat planted for harvest as grain is insurable.

Counties Available

Coverage is provided in most counties where wheat is commercially grown. You can buy insurance in counties where insurance is not available through a written agreement. See a crop insurance agent for more details.

Causes of Loss

- Adverse weather conditions¹
- Earthquake
- Failure of irrigation water supply²
- Fire²
- Insects³
- Harvest Price Decline⁴
- Plant disease³
- Volcanic Eruption
- Wildlife

¹Natural perils such as hail, frost, freeze, wind, drought, and excess moisture.

²If caused by an insured peril during the insurance period.

³But not damage due to insufficient or improper application of control measures.

⁴When revenue protection is in effect, a decline in the harvest price below the projected price.

Important Dates

Sales Closing

- ID, OR, WA September 30
- AK March 15

Acreage Report Date

- Basic Wheat.....July 15
- Fall seeded wheat (Winter Coverage Endorsement)
..... December 15

Cancellation Date September 30

Termination Date November 30

Insurance Period

Insurance attaches at planting, on or before the final planting date, and ends the earliest of:

- 1) Total destruction of the insured crop on the unit;
- 2) Harvest of the unit;
- 3) Final adjustment of a loss on the unit;
- 4) October 31; or
- 5) Abandonment of the crop on the unit.

Note: Any wheat acreage damaged before the final planting date severe enough that producers in the area would not normally care for the crop, must be replanted to an appropriate type of wheat unless your insurance provider agrees that replanting is not practical.

Yield and Revenue Insurance

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 revenue loss 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 revenue loss due to a production loss, price decline, or a combination of both.

Projected and Harvest Price

Commodity Exchange Price Provisions (CEPP)

—Contains information necessary to set the projected price and the harvest price for the insured crop. Information includes the price discovery period, release dates, board of trade used, and additional pricing information. Available at all insurance agents' offices and at the RMA web site: <http://www.rma.usda.gov>.

Projected price —Used to calculate the premium, replant payment and any prevented planting payment.

Harvest price —Used to value production-to-count under the Revenue Protection and the Revenue Protection with Harvest Price Exclusion insurance plans.

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.

Coverage Level and Premium Subsidy

You can choose to insure **50 to 85 percent** of your approved average yield in 5-percent increments in Idaho, Oregon, and Washington. You can choose up to 75 percent in Alaska. For example, at the 75-percent coverage level, the farmer paid premium would be 45 percent of the total premium.

Item	Percent							
Coverage Level	50	55	60	65	70	75	80	85
Premium Subsidy	67	64	64	59	59	55	48	38
Insured Premium Share	33	36	36	41	41	45	52	62

Catastrophic Risk Protection coverage is fixed at 50 percent of the average yield and 55 percent of the projected price.

Additional Coverage Options

The common crop policy offers several different options you can choose from so you can have the right coverage for your farm. Additional options available with this policy are:

- Insurance Units
- Winter Coverage Endorsement Late
- Prevented Planting Replant Payments

Please talk to your crop insurance agent for more details.

Catastrophic Coverage

Catastrophic Risk Protection coverage (CAT) is available at 50 percent of your actual production history (APH) yield and 55 percent of the established price election. The total cost for CAT coverage is an administrative fee of \$300 per crop per county. Administrative fees and premium costs for coverage levels above CAT are \$30 per crop per county. Waivers of administrative fees for **all** coverage levels (CAT and additional) are available for limited resource farmers.

Where to Buy Crop Insurance

All multi-peril crop insurance, including CAT policies, are available from private insurance agents. A list of crop insurance agents is available at any USDA service center or on the RMA web site: <http://www3.rma.usda.gov/tools/agents/>

Regional Contact

USDA/Risk Management Agency
 Spokane Regional Office
 11707 E Sprague Ave #201
 Spokane Valley, WA 99206
 Telephone: (509) 228-6320
 Fax: (509) 228-6321
 E-mail: rsowa@rma.usda.gov

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