United States Department of Agriculture

Federal Crop Insurance Corporation

Risk Management Agency

Insurance Services

GOOD FARMING PRACTICE DETERMINATION STANDARDS HANDBOOK

FCIC-Approved Standards and Procedures for Administering Good Farming Practice Decisions and Determinations for the 2020 and Succeeding Crop Years.

FCIC-14060
(6/2019)

UNITED STATES DEPARTMENT OF AGRICULTURE

WASHINGTON, D.C. 20250

TITLE: GOOD FARMING PRACTICE STANDARDS HANDBOOK	**NUMBER: 14060**
EFFECTIVE DATE: Upon Approval for 2020 and Succeeding Crop Years	**ISSUE DATE: July 2, 2019**
SUBJECT: **Provides the Standards and Procedures for Administering Good Farming Practice Decisions and Determinations**	**OPI: Risk Management Services Division** **APPROVED:** **/s/ Delores Dean** **Acting Deputy Administrator for Insurance Services**

REASON FOR AMENDMENT

This handbook contains the FCIC-issued standards and procedures for handling good farming practice (GFP) decisions and determinations. AIPs, Insurance Services and ROs will use these standards and procedures when administering GFP decisions, determinations, and reconsiderations.

Listed below are significant changes for the 2020 FCIC 14060 Good Farming Practice Standards Handbook (GFPH). Highlighted text throughout the GFPH represents changes or additions, and three stars (***) identify removal of information.

1. In Paragraph 1 B, updated current sources of authority.
2. In Paragraph 21 A, added Natural Resources Conservation Service (NRCS).
3. In Paragraph 25, added GFP and Cover Crops section.
4. Paragraph 31 B (2), added “Identify the cultural practice the AIP’s decision that did not constitute a GFP”.
5. In Paragraph 32 A (2) (d) (i), removed “that uphold the original GFP decision made by the AIP”.
6. In Exhibit 2, updated the definition for “Agricultural Experts”.

RISK MANAGEMENT AGENCY GOOD FARMING PRACTICES STANDARDS

CONTROL CHART

RMA Good Farming Practice Determination Standards Handbook							
	TP Page(s)	TC Page(s)	Text Page(s)	Exhibit Number	Exhibit Page(s)	Date	Directive Number
Insert	Entire Handbook						
Current	1-2	1-2	1-30			6-2019	RMA-14060
Index				1	31-32	6-2019	RMA-14060
				2	33-35	6-2019	RMA-14060
				3	36-41	6-2019	RMA-14060
				4	42-43	6-2019	RMA-14060
				5	44-51	6-2019	RMA-14060
				6	52	6-2019	RMA-14060
				7	53-64	6-2019	RMA-14060
				8	65	6-2019	RMA-14060

FILING INSTRUCTIONS

This handbook replaces FCIC-14060-1 Good Farming Practice Standards Handbook dated July 2, 2018 and is effective as of the issue date. This handbook is not retroactive to any 2019 or prior crop year determinations, however, Exhibits 1-8 should be used where applicable to document current or pending GFP decisions, determinations, or reconsiderations.

GOOD FARMING PRACTICE DETERMINATION STANDARDS HANDBOOK
TABLE OF CONTENTS

GOOD FARMING PRACTICE HANDBOOK
TABLE OF CONTENTS

PAGE NO.

EXHIBITS

PART 1 GENERAL INFORMATION AND RESPONSIBILITIES

1 General Information

A. Purpose

This handbook identifies RMA's official standards and procedures for participation in GFP actions, including:

(1) Training;

(2) AIP responsibility in GFP decisions;

(3) RMA GFP determinations and reconsiderations;

(4) Referral of identified program vulnerabilities and suspected cases of fraud, waste, and abuse; and

(5) Dispute resolution.

This handbook remains in effect until superseded by reissuance of either the entire handbook or selected portions (through amendments, Manager's Bulletins, or FADs). If amendments are issued for a handbook, the original handbook as amended shall constitute the handbook. A Manager's Bulletin or FAD can supersede either the original handbook or subsequent amendments.

B. Source of Authority

Federal programs enacted by Congress and the regulations and policies developed by RMA, USDA, and other Federal agencies provide the authority for program and administrative operations, and basis for RMA directives. Administration of the Federal crop insurance program is authorized by the following:

(1) Federal Crop Insurance Act (Act), Section 508(a)(3)(B)(i):

> "A policyholder shall have the right to a review of a determination regarding good farming practices… in accordance with an informal administrative process to be established by [FCIC]."

(2) The Food Security Act of 1985, 16 U.S.C. 3801 et seq.

(3) Controlled Substance Act of 1970, 21 U.S.C. 801 et seq.

(4) Personal Responsibility and Work Opportunity Reconciliation Act of 1996, 42 U.S.C. 653a

B. Source of Authority (continued)

(5) 7 CFR part 400

(6) 2019 SRA, Section I. Definitions

"'Inspection' means verification: (4) that the reported practice is being carried out in accordance with good farming practices."

and

Appendix IV, Section III (a) (3):

"(a) The Company is responsible for (3) conducting an inspection."

(7) FCIC Policy Provisions:

(a) Common Crop Insurance Policy Basic Provisions (18-BR), Sections 12 and 20.

(b) ARPI Basic Provisions (18-ARPI), Section 23.

(c) WFRP Pilot Policy (18-0076), Section 21.

(d) Rainfall and Vegetation Index Plan Common Policy (18-RIVI), Section 6 and 15.

(e) LRP Insurance Policy (18-LRP-Basic), Section 11.

(f) Other crop provisions as applicable.

C. Order of Precedence

If there is a conflict between the procedure in this handbook and other documents issued by RMA, the following order of precedence will apply.

(1) The Federal Crop Insurance Act, as amended (7 U.S.C. 1501 et seq.) and any FAD interpreting the Act.

(2) The CAT Endorsement, as applicable, and any FAD interpreting the CAT Endorsement.

(3) Written Agreement, as applicable.

(4) The SP and other actuarial documents in the following order of precedence:

C. Order of Precedence (continued)

(a) SP; and

(b) Actuarial Map.

(5) The Commodity Exchange Price Provisions, as applicable.

(6) Crop endorsement/options/exclusions and any FAD interpreting the crop endorsement/options/exclusions if published in 7 C.F.R part 457. **Exception:** For ARH policies, crop provisions will take precedence over the ARH Endorsement.

(7) CP and any FAD interpreting the CP.

(8) BP and any FAD interpreting the BP.

(9) Administrative regulations at 7 CFR Part 400; and any FAD interpreting the administrative regulations.

(10) Manager's Bulletins and any interpretation of procedures therein (refer to MGR-05-18, Interpretation of Procedures).

(11) Prevented Planting LASH (FCIC-25370) and any interpretation of these procedures.

(12) CIH (FCIC-18010) and other applicable underwriting guides for a specific commodity or plan of insurance and any interpretation of these procedures.

(13) GSH (FCIC-18190) and any interpretation of these procedures.

(14) LAM Standards Handbook (FCIC-25010) and any interpretation of these procedures.

(15) Crop LASH and any interpretation of these procedures.

(16) GFP Determination Standards Handbook (FCIC-14060)

(17) Product Management and Insurance Services Informational Memorandums.

D Related Handbooks

The following table lists handbooks and manuals related to GFPs.

1 General Information (Continued)

D. Related Handbooks (continued)

Handbook/Manual	Purpose
CIH	General underwriting standards and procedures for non-pilot crop insurance policies
GSH	Standards for policies administered by AIPs under the General Administrative Regulations
LAM Standards Handbook	General loss adjustment standards and procedures
Large Claim Standards Handbook	General standards and procedures for large claims
Prevented Planting LASH	Provides the procedures and instructions for administering the Prevented Planting Provisions

2 Responsibilities

A. AIP Responsibilities

(1) The AIP will:

(a) make an initial GFP decision in accordance with Paragraph 31 – AIP Duties; and

(b) send written requests for GFP determinations along with the entire GFP decision file to the RMA RO serving the location of the insured acreage through the LC/GFP Database as directed in Paragraph 23 B – Requests for GFP determinations.

(2) When RMA receives a request for a GFP determination, the AIP will respond timely to any requests for further information or clarification.

B. RO Responsibilities

(1) The RO will:

(a) screen GFP determination requests in accordance with Paragraph 23 – Requirements for an RMA Review, and accept or reject the request;

B. RO Responsibilities (continued)

(b) send an acknowledgment letter to the AIP and Producer (see Exhibit 5);

(c) make the GFP determination based on Paragraph 32 – RO Responsibilities;

(d) issue the GFP determination letter to the requestor, with a copy to the AIP, Policyholder, and Regional Compliance Office, as appropriate;

(e) upload additions to the GFP file to the LC/GFP Database within 30 days of issuing the GFP determination letter; and

(f) write referrals upon discovering fraud, waste, abuse, or other vulnerabilities in accordance with Part 5 - Referrals of this handbook.

(2) RO Directors will:

(a) ensure all appropriate staff members are trained in accordance with Part 2 - Training; and

(b) maintain training records for their staff in the LC/GFP Database.

C. RMSD Responsibilities

(1) RMSD will:

(a) provide support, leadership, training, assistance, and monitoring to the ROs, and:

(i) develop and maintain policy and handbook procedures for GFP determinations;

(ii) develop training standards and procedures;

(iii) establish target deadlines and monitor the progress for timely completion of GFP determinations.

(b) provide a written process for referrals and:

(i) follow up on referrals and document the outcome;

(ii) advance and coordinate recommended corrections for vulnerabilities identified in FCIC programs.

C. RMSD Responsibilities (continued)

(c) process reconsideration requests of GFP determinations and coordinate with the DAIS for signature on reconsideration determinations.

3 – 10 (Reserved)

PART 2 TRAINING

11 RMA Employee Training Requirements

A. Training Curriculum

All RMA Employees must use the training curriculum found in the Large Claim Standards Handbook, Part 2 – Training, to obtain the proficiency required to make GFP determinations.

B. GFP Certification

All RMA employees that make GFP determinations must be certified. RMA employees must pass the same initial certification as RMA employees performing large claim reviews and must demonstrate those competencies by passing the exam for LC initial certification.

RMA Employees initially certified to conduct LC reviews will be exempt from additional GFP certification requirements. Thereafter, no further maintenance of GFP certification is required unless directed by RMSD or the RO Director.

(1) RO Directors will:

(a) assign a GFP mentor to the RMA employee to complete their first GFP determination;

(b) review completed GFP determinations and identify competencies for improvement for the employee; and

(c) ensure follow-up training initiatives are provided and completed for competencies identified for improvement on the part of an employee working with GFP determinations.

12-20 (Reserved)

PART 3 GENERAL REQUIREMENTS

21 Agricultural Experts

The opinions and published materials by agricultural experts are an integral part of determining whether a production method is a GFP.

A. Agricultural Experts Currently Approved by RMA

Approved Agricultural Experts include personnel whose research or occupation is related to the specific crop or practice for which such expertise is sought with demonstrated expertise in the production practice in question, and is:

(1) employed by Cooperative Extension Service or USDA National Institute of Food and Agriculture (NIFA**)**, formerly Cooperative State Research, Education, and Extension Service (CSREES);

(2) employed by the agricultural departments of universities;

(3) certified by the American Society of Agronomy (ASA) as Certified Crop Advisers and Certified Professional Agronomists, https://www.agronomy.org/;

(4) certified by the National Alliance of Independent Crop Consultants (NAICC) as Certified Professional Crop Consultants, https://naicc.org/;

(5) certified by the American Society for Horticultural Sciences as Certified Professional Horticulturists;

(6) certified by the International Society of Arboriculture as Certified Arborists; or

(7) an employee certified by the Natural Resources Conservation Service (NRCS) to make determinations regarding good cover cropping practices.

For the organic industry, in addition to the experts listed above, approved Organic Agricultural Experts include persons employed by:

(1) the Appropriate Technology Transfer for Rural Areas National Sustainable Agriculture Information Service https://attra.ncat.org/;

(2) the Sustainable Agriculture Research and Education organization, https://www.sare.org/; or

(3) USDA Accredited Certifying Agents (ACA), third party agents who certify operations under USDA organic standards. A list of ACAs is available on the AMS website, https://www.ams.usda.gov/.

NOTE: Both Organic Agricultural Experts and Agricultural Experts are referred to as "Agricultural Experts" in this Handbook for simplicity.

B. RMA Approval for Other Experts

Persons certified through other programs may be recognized as agricultural experts by RMA if their research or occupation is related to the specific crop or practice for which such expertise is sought.

To obtain approval for such persons, contact RMA's Deputy Administrator for Insurance Services at:

USDA/RMA
Deputy Administrator for Insurance Services
1400 Independence Avenue SW, Stop 0801
Washington, D.C. 20250–0801

22 General Basis for GFP Decisions

The purpose of the GFP provisions is to ensure that a Policyholder's production methods do not adversely affect the quantity and/or quality of the production. Consider any practice that could affect the amount and quality of the crop, from ground preparation through harvest. In the case of perennials, consider practices from post-harvest of the previous crop year through harvest of the current crop year that could affect the amount and quality of the crop. Policyholders are responsible for establishing that the farming practice in question was a good farming practice.

All GFP evaluations, including decisions made by the AIP, determinations made by the RO, or reconsideration determinations made by RMSD, must consider the items in 22A.

A. Basis for GFP Decisions

Base GFP determinations on the following:

(1) Agronomic situation of the Policyholder, including:

(a) material facts about the production methods that were used or will be used to produce the crop;

(b) weather and climate factors;

(c) pest or disease risks; and

(d) other factors affecting the crop.

A. Basis for GFP Decisions (continued)

(2) Expert opinion;

You must use the opinion from at least one agricultural expert, who meets the standards in Paragraph 21- Agricultural Experts, regarding the production method(s) used by the Policyholder to support the decision. The opinion must be in one of the following forms:

(a) Published material; or

(b) A written opinion or recommendation which complies with the following:

(i) An agricultural expert who provides a written opinion or recommendation on farming practices should submit it on letterhead or include evidence of their certification, as appropriate.

(ii) A statement disclosing any familial or other business relationship the expert has with the Policyholder, AIP, agent, or loss adjuster is required.

(iii) If the agricultural expert is not qualified to render an objective, unbiased opinion of the production methods, crop, or areas at issue, the opinion cannot be considered in the GFP decision or determination.

(3) Additional expert opinions, if required;

The recommendation of at least one additional agricultural expert is required if:

(a) the expert providing an opinion has a business relationship with the Policyholder, such as providing advice and/or sale of inputs to the Policyholder's operation, or is employed by a firm that provided such advice or inputs;

(b) the expert providing an opinion has a familial relationship with the Policyholder, loss adjuster, or agent, or will benefit financially from the outcome of the opinion (other than disclosed amounts paid to provide a written opinion); or

(c) the written opinion is not supported by published documentation.

(4) Review of the production method;

22 General Bases for GFP Decisions (Continued)

A. Basis for GFP Decisions (continued)

(a) Determine whether the production method(s) used by the Policyholder conforms with the requirements of the policy held. For example, does the production method:

(i) allow the insured crop to make normal progress toward maturity;

(ii) produce at least the yield used to determine the production guarantee or amount of insurance, including any adjustments for late planted acreage;

(iii) not reduce or adversely affect the yield; or

(iv) stand as a generally recognized good farming practice by agricultural experts or organic agricultural experts, depending on the practice, for the area.

NOTE: Any other objective supporting statements provided by a disinterested third-party may be considered and included to support any basis for GFP decisions.

B. Determining if a Production Method May be Considered a GFP

The production method will not be considered a GFP if:

(1) the production method fails to meet the standards in Paragraph 22 A (4); or

(2) there are no published materials supporting the recommendation, unless two or more agricultural experts specifically support the production method as meeting all the criteria in Paragraph 22 A (4).

23 Requirements for an RMA GFP Determination

A. What Does Not Qualify for GFP Determination

A GFP determination is used to determine whether a particular production practice meets the criteria set forth as a GFP. It is not to be used for situations that fall outside

of the GFP authority and definition in the Basic Provisions. As such, RMA will not accept requests related to:

23 Requirements for an RMA GFP Determination (Continued)

A. What Does Not Qualify for GFP Determination (continued)

(1) the amount of production or value assessed to crop acreage for uninsured causes of loss due to a failure to follow GFP;

(2) the expansion of coverage to states, counties, crop, practices, types or varieties where coverage is not available;

(3) establishing insurability;

(4) the denial of requests for written agreements;

(5) identifying or determining that an insured cause of loss was present; or

(6) any other decisions related to a claim determination, including interpretations of policy and procedure.

B. Requests for RMA GFP Determinations

(1) If the Policyholder disagrees with the AIP's decision, the Policyholder may request a GFP determination within 30 calendar days of receipt of the AIP's GFP decision, through the AIP to the RO. It is the AIP's responsibility to forward a complete request file to the appropriate RO through the LC/GFP Database. A complete request must include:

(a) the AIP GFP decision file, including both the complete underwriting file and the complete claim file, which will contain all material facts, written opinions, published material and supporting documentation provided by the Policyholder, any recommendations and research conducted by the AIP, the AIP analysis of the Policyholder's actions compared to the recommended practices, and the AIP decision letter; and

(b) the Policyholder's written request, and any attachments provided with the request, if applicable.

(2) If the AIP cannot make a decision whether the production method is a GFP based on the information available (see Paragraph 31 A (5)(b)), the AIP may

make a written request that the RO serving the location of the insured acreage make a GFP determination. It is the AIP's responsibility to forward a complete request file to the appropriate RO through the LC/GFP Database with an explanation of why they are requesting a GFP determination.

23 Requirements for an RMA GFP Determination (Continued)

B. Requests for RMA GFP Determinations (continued)

(a) The AIP should include any extenuating circumstances which render the AIP unable to make the decision.

(b) The RO must make a determination on whether production methods are GFP; however, the RO may ask for additional information from the AIP, as needed.

24 GFP Applicability

GFP decisions, determinations, and reconsiderations apply to all the Shareholders on the acreage for which a decision is made. All Shareholders and AIPs that service a policy on the acreage must receive a copy of the final decision letter by certified mail or encrypted email.

25 GFP and Cover Crops

A. Cover Cropping – The voluntary practice of cover cropping shall be considered a good farming practice if the cover crop is terminated in accordance with the NRCS Cover Crop Guidelines.

(1) Producers can obtain an exception to the NRCS Cover Crop Guidelines following the guidance and meeting the requirements found in Par. 21 and 22.

(2) It is recommended that exceptions be provided to the AIP by the crop's applicable acreage report date.

25-30 (Reserved)

PART 4 GFP PROCESS

31 AIP Duties

A. GFP Decision Process

The AIP makes an initial decision of whether the production methods used by a Policyholder constitute GFP according to the terms of the policy and these procedures, and confirms the Policyholder carried out generally recognized GFPs. These procedures apply to all GFP decisions, regardless of the origination of the review, i.e., RCO review requests, loss adjustment process, growing season inspection, etc., when the AIP or RMA has a reason to question whether GFP were followed by the Policyholder.

(1) To decide if GFP were followed, the AIP may ask Policyholders to show they complied with the policy provisions and followed generally recognized GFP. The Policyholder must provide the AIP with all the relevant facts relating to their agronomic situation, including but not limited to:

(a) receipts;

(b) farm records;

(c) third party verification;

(d) Organic Plan, if applicable; and

(e) any other documentation to show the practice is or is not a recognized GFP, as requested.

(2) The AIP may request the Policyholder provide, as applicable, published material relating to the production method or a written opinion directly from an agricultural expert:

(a) that the production method used by the Policyholder meets the standards contained in Paragraph 22 A (4); or

(b) recommending the production methods that would meet the standards contained in Paragraph 22 A (4).

(3) The AIP should also document the condition in the field through adjuster reports, photographs (appropriately labeled with date, location, etc.), and other

A. GFP Decision Process (continued)

means, as applicable. The AIP may also consider including photographs from neighboring fields for comparison.

(4) Economic conditions are not a valid consideration for deciding if a production method is a GFP or if a Policyholder is justified in not following GFP. Accordingly, the Policyholder will not be exempt from following a recommended GFP because a Policyholder does not want to or cannot afford to incur the costs associated with following the recommendations of agricultural experts or published materials.

(5) The AIP must decide if:

(a) the production method is a GFP in accordance with Paragraph 22 – General Basis for GFP decisions; and

(b) there is a genuine dispute between agricultural experts or between agricultural experts and published materials such that the AIP cannot confirm the practice in question is a GFP. Only if there is a genuine dispute, the AIP must request a GFP determination from the RO. Otherwise the AIP must issue an initial GFP decision.

When deciding there is a genuine dispute among agricultural experts or between the opinion of an agricultural expert and published materials, consider whether:

(i) there is long standing general agreement among experts in an area that the practice is a GFP for the agronomic circumstances particular to the Policyholder’s acreage, but a minority of experts disagree;

(ii) the Policyholder can prove that s/he or similarly situated Policyholders have used the production method in the same manner over an extended period and produced levels consistent with the APH yield;

(iii) the opposing opinion or published material is more general in applicability to the specific crop, area, or practice than the opinion or materials relied on by the Policyholder;

(iv) the opposing opinion or published material is issued by an expert whose experience is less directly applicable to the specific practice,

A. GFP Decision Process (continued)

area, or crop than the opinion or materials relied on by the Policyholder;

(v) the opposing opinion or published material is not supported by substantiated scientific or experiential data to a sufficiently equivalent degree as the opinion or materials relied on by the Policyholder; or

(vi) other relevant factors would lead a reasonable person to conclude that one expert opinion or set of published materials is more applicable, credible, or reliable than the other.

(6) The AIP must include the following in a GFP decision file:

(a) documentation of agricultural expert opinion(s) and RMA procedures or other published material to support the AIP decision that the Policyholder failed to follow GFP;

(b) description of the production methods employed by the Policyholder; and

(c) analysis of production methods employed by the Policyholder compared to the recommendations of the experts or published material.

B. GFP Decision Letter

The GFP decision letter provided from the AIP to a Policyholder must:

(1) be in writing, dated, and mailed via certified mail or overnight delivery;

NOTE: In situations where a producer refuses to sign for certified mail containing a GFP decision, the date an attempt was made by the postal service to obtain the signature is the date the Policyholder received the decision.

(2) Identify the cultural practice the AIP's decision that did not constitute a GFP;

(3) state the facts relating to the production method;

B. GFP Decision Letter (continued)

(4) contain or reference RMA procedures, other published materials, any written opinions or recommendations, or state the opinion or recommendation of at least one agricultural expert;

(5) state why the production method does or does not meet the requirements in Paragraph 22 – General Bases for GFP decisions; and

(6) inform the Policyholder of their appeal rights under Paragraph 20 of the BP:

(a) to mediate or arbitrate with the AIP for assigned production or other claim determinations; and

(b) to request a GFP determination from RMA in writing, **through the AIP to the RO,** within 30 calendar days from the date the Policyholder received the GFP decision. The written request must state the basis upon which the Policyholder relies to show that:

(i) the determination was not proper and not made in accordance with the program regulations and procedure; or

(ii) all material facts were not properly considered in the AIP's determination.

C. Routing Policyholder Requests for GFP Determination

When a request for a GFP determination is received from the Policyholder, AIPs must:

(1) date stamp the request on the date it was received to verify timeliness;

(2) follow the procedures in Paragraph 23 B – Requests for a GFP determination; and

(3) notify the RO within 5 business days of receipt of the request. Upon notification, upload the Policyholder's request, with all required AIP documentation through the LC/GFP Database.

D. Uninsured Cause of Loss

If an AIP's GFP decision finds the Policyholder failed to follow GFP, only the AIP can assign production or value as uninsured causes of loss for such failure.

Under the BP Paragraph 20 (d)(ii), if the Policyholder disagrees with the AIP's determination of the amount of assigned production or value, the dispute must be

resolved through the arbitration or mediation process contained in the BP. A GFP determination from the RO will not address the amount of assigned production or value.

32 RO Duties

A. GFP Determination Process

If the Policyholder disagrees with the AIP decision, or if the AIP cannot make a decision whether the production method is a GFP based on a genuine dispute among agricultural experts in accordance with Paragraph 31 A (5)(b), the Policyholder (through the AIP) or the AIP may make a written request that the RO serving the location of the insured acreage make a GFP determination.

(1) Screening Requests for GFP determination

(a) Determine that the request is timely and complete. A complete request must be in writing and comply with Paragraph 23 B – Requests for RMA GFP determinations.

(b) Ensure the AIP GFP decision letter to the Policyholder contains required language in Paragraph 31 B and Exhibit 3. If the AIP GFP decision letter is unacceptable, require the letter be corrected and reissued to the Policyholder within 20 calendar days. The Policyholder will be given an additional 30 calendar days to request a GFP determination.

(c) If there is no response from the AIP or the GFP decision letter still Fails to meet the criteria in Paragraph 31 B and Exhibit 3, the RO must make a GFP determination on the Farming Practice(s) in question, and, if necessary, seek additional information from other sources if available.

(d) Do not make GFP determinations on requests outside the authority of GFP in accordance with Paragraph 23 A – What Does not Qualify for Review.

(e) Send a letter by certified mail to the Policyholder and AIP to acknowledge receipt of the request within 10 business days. See Exhibit 5 for a sample Acknowledgement Template.

(i) Allow the Policyholder 10 calendar days from receipt of the RO letter in which to submit any additional information to support their position. Reasonable extensions may be approved by the RO Director.

A. GFP Determination Process (continued)

(ii) If a request is incomplete, notify the AIP of what is missing and allow the AIP 5 calendar days to resubmit a complete request to the RO.

(iii) You may accept requests directly from the Policyholder to preserve a timely request for a GFP determination. The RO will notify the AIP of the Policyholder's request and request the AIP send all required AIP documentation to the RO within 5 business days of the RO's notification as required in Paragraph 23 B.

(2) GFP Determination Process

When the RO receives a request for GFP determination, the RO:

(a) may contact agricultural experts who provided written opinions or have prepared published materials to clarify their opinions.

(b) may seek other publications or opinions not cited by the AIP or Policyholder regarding the crop production methods used to confirm or refute the AIP or Policyholder's position. However, the AIP's decision should be sufficiently supported by the AIP's own documentation.

(c) will make a GFP determination in accordance with Paragraph 22 based on:

(i) the information provided by the AIP and Policyholder in the AIP decision file; and

(ii) other generally available published material identified by the RO which is pertinent to the case.

(d) will issue a written GFP determination letter and send it to the requesting party (with a copy to the Policyholder, shareholders, or AIP, as appropriate) via certified mail or overnight delivery within 60 days of the date the complete file was received as required in Paragraph 2 A (1) unless otherwise extended in writing.

(i) GFP determination letters issued by the RO will include a notice of the Policyholder's appeal rights and will state the Policyholder cannot bring suit against the AIP for GFP determinations made by RMA.

A. GFP Determination Process (continued)

(ii) A GFP determination letter issued by the RO that determines that GFP were followed is not considered adverse and will not include appeal rights.

B. GFP Determination Applicability

Any GFP determination issued by RMA is not retroactive and may not be used to reopen claims that were settled in prior crop years.

(1) Enter all GFP correspondence and information in the LC/GFP Database.

(2) The RO will create and maintain records in accordance with Exhibits 3 and 4.

D. Written Referrals

See Paragraph 41 – Procedures for Written Referrals for instances that require referrals.

33-40 (Reserved)

PART 5 REFERRALS

41 Procedures for Written Referrals

A. Background

In the normal course of performing RO duties and responsibilities related to the review of GFPs, situations arise that require referral to various functional units within RMA for additional follow up. This section establishes the process and requirements for written referrals when program vulnerabilities are identified, an AIP systemically fails to follow FCIC-issued policy and procedures, and/or program fraud, waste and abuse is identified. These referrals should be made to the RMSD and RMSD will forward the referral to the appropriate division within RMA.

Complaints received from outside sources of alleged fraud, waste, and abuse of the crop insurance program must be immediately documented and referred in writing to the appropriate division with a copy to the RMSD.

B. Referrals of Program Vulnerabilities for Policy or Procedural Changes

ROs are in a unique position to review policies, standards, and procedures in actual farming situations. ROs can identify program vulnerabilities or the misunderstanding and misapplication of policies and/or procedures and suggest program improvements that protect program integrity and provide the appropriate risk protection to Policyholders.

Referrals of program vulnerabilities for policy or procedural changes that arise from participation in GFP determinations are to be submitted to RMSD for consideration and coordination of cross regional issues. If in agreement, RMSD will forward the referral to DAPM through the DAIS.

To be effective, referrals must include, to the extent possible:

(1) Condition

(a) Describe the situation or problem; and

(b) include documents as exhibits only if necessary.

(2) Current criteria

Cite and reference the FCIC issued policy or procedure at issue, if applicable.

(3) Effect of the condition

(a) State the negative program impact that is occurring due to the condition; and

B. Referrals of Program Vulnerabilities for Policy or Procedural Changes (continued)

(b) state the consequence of not correcting the problem (i.e., loss of time, accuracy, monetary, etc.), quantified, if possible.

(4) Recommendation

State a suggested solution for the problem or improvement for the situation. Include specific language, if possible.

(5) Analysis and assessment

(a) Consider and describe the effect of the condition and the recommendation on any other programs, rates, coverage, regions, etc., to the extent possible.

(b) Consider and describe the effect of the recommendation on stake holders (e.g., increased field inspections for AIPs, workload changes for AIPs or RMA, benefits, etc.).

(6) Support for recommendation

(a) State whether or not the recommendation has been discussed with other ROs, AIPs, NCIS, and/or Product Management staff; and

(b) state any support or concerns raised with regard to the recommendation.

C. Referrals for Systemic AIP Performance Issues

Referrals for systemic failure to follow FCIC-issued policies, standards, and procedures that arise out of the normal conduct of RO activities or operations which can be fully documented and do not require further review must be submitted in writing to RMSD for consideration and coordination of cross regional issues. If in agreement with the referral, RMSD will forward the referral to RSD through the DAIS.

(1) Systemic AIP performance issues include non-compliance with the SRA and Appendix IV, including but not limited to:

(a) Failure to respond to specific agency directions;

(b) Failure to correct identified discrepancies; and

C. Referrals for Systemic AIP Performance Issues (continued)

(c) Failure to reconcile identified errors, etc.

(2) Written referrals must include:

(a) party(ies) of the alleged wrongdoing;

Include full name, address, phone number, AIP, agent, policy number, crops, etc. for all parties involved.

(b) condition – the situation or problem itself;

(i) Describe the discrepancy and who is alleged to be responsible; and

(ii) Include documents relevant to the discrepancy as exhibits.

(c) cause;

State your opinion of the underlying reason why the condition occurred (e.g., lack of training, absence of quality controls, AIP reluctance to research cause of loss, etc.).

(d) criteria;

(i) Provide the policy provision or procedure that establishes the standard.

(ii) Cite, quote, and exhibit FCIC issued policies, procedures, SRA, etc. to clearly identify the standard to be applied or followed.

(e) impact;

(i) State the logical quantified result of correcting the discrepancy, or applying FCIC issued policies and procedures, i.e., bushels, tons, etc. of APH correction, amount of reduced indemnity, etc.

(ii) State the consequences of not correcting the discrepancies or problem.

(f) AIP response.

(i) Include the manner, date, etc., the AIP was made aware of the discrepancy; and

C. Referrals for Systemic AIP Performance Issues (continued)

(ii) Detail the AIP reaction, reply, actions they are taking or plan to take, or disagreements.

D. Referrals for Suspected Cases of Fraud, Waste and Abuse

During the course of conducting GFP determinations, instances of suspected fraud, waste, or abuse and suspected wrongdoing in the use of FCIC-issued policies, standards, and procedures may be identified and should be discussed initially with the appropriate RCO. All referrals originating out of this process must be in writing to RMSD for consideration and coordination of cross regional issues. If in agreement, RMSD will forward the referral to the DAC through the DAIS.

(1) A referral must include:

(a) copies of all relevant documentation such as acreage determinations, appraisals, verification of entity, documented interviews, telephone interview records, contact information, etc., that the RO has obtained or completed prior to referral;

(b) party(ies) of alleged wrongdoing;

Include full name, address, phone number, AIP, agent, FSA county office, policy number, crops, etc. for all parties involved.

(c) condition;

(i) Describes the discrepancy and who is alleged to be responsible; and

(ii) include documents including the discrepancy as exhibits.

(d) cause;

State your opinion of the underlying reason why the condition occurred (e.g., lack of training, absence of quality controls, AIP reluctance to research cause of loss, etc.).

(e) criteria;

(i) Provide the policy provision or procedure that establishes the standard.

(ii) Cite, quote, and exhibit FCIC issued policies, procedures, SRA, etc. to clearly identify the standard to be applied or followed.

D. Referrals for Suspected Cases of Fraud, Waste and Abuse (continued)

(f) impact;

(i) State the logical quantified result of correcting the discrepancy, or applying FCIC issued policies and procedures, i.e., bushels, tons, etc. of APH correction, amount of reduced indemnity, etc.

(ii) Describe impacts such as potential widespread misunderstanding or misapplication of procedure or claim administration.

(iii) Include the cost avoidance when RMA participation avoids or corrects a monetary discrepancy.

(g) recommendation.

State your recommendation to correct the problem, i.e., more specific training needed, AIP conduct further claim review, etc.

(2) ROs will provide written updates to the referral when additional information becomes available.

E. RMA Regional Compliance Office Responsibilities

(1) Cases referred by RMSD to Compliance must be recorded and tracked according to established procedures. RCOs will send an email to the referring RO and RMSD acknowledging their receipt of information within 30 calendar days of receipt and advise if the referral has been accepted for review.

(2) RCOs will provide written information and updates to the RO every 30 calendar days, or sooner when necessary, and when RCO action is complete. The RCO will provide valid information that could affect the GFP determination or other RO function as soon as it becomes available.

(3) DAC is responsible for referring appropriate cases to the OIG. The RCO will refer cases appearing to have reasonable cause for investigation to the appropriate OIG office. The RCO will notify the RO of any open OIG investigation(s) related to the referral to ensure that RMA administrative action does not interfere with the OIG case(s).

(4) Cases **must** be referred to the OIG if fraudulent activity is known, suspected, or alleged, including:

E. RMA Regional Compliance Office Responsibilities (continued)

(a) The submission of false claims or false or fraudulent statements by employees, policy holders, contractors, or others; and,

(b) Any violations of agricultural programs involving contractors, policy holders, employees, or others.

(5) OIG involvement.

(a) The OIG determines whether to accept the case for investigation based on consultation with the Department of Justice. Once a case is accepted by the OIG, all subsequent administrative actions pertaining to the case must be coordinated with the OIG.

(b) RCO Directors will inform the referring parties of any actions deemed necessary by the OIG and ensure administrative actions do not interfere with the OIG's investigation.

(c) If the case is accepted for investigation, any indemnity due will be held until completion of the investigation or until released by OIG.

(d) If the OIG declines to investigate a matter referred to them, the OIG will advise Compliance to take any administrative actions determined to be appropriate.

F Filing Requirements

In all cases where a referral results from a GFP determination, the referral must be referenced in the "Notes" section of the LC/GFP Database. The notes should include the date forwarded to RMSD, the issue or vulnerability identified for referral, and the outcome of the referral when notified. The referral document itself must be attached to the referral note.

42-50 (Reserved)

PART 6 DISPUTE RESOLUTION

51 Dispute Resolution

General Information

(1) For the AIP:

(a) If there are any disputed or unresolved issues between RMA and the AIP regarding a GFP determination during RMA's review or participation in such determination, such disputes or unresolved issues:

(i) will be elevated to the AIP's National Claims Manager and to RMA's RMSD.

(ii) will not, without RMA concurrence, be discussed in the presence of the Policyholder or anyone else outside of RMA or the AIP.

(b) If there is a dispute between RMA and the AIP, with respect to RMA's determination of a GFP, the AIP will apply RMA's written GFP determination or reconsideration according to RMA's policy and procedures. The AIP retains the right to dispute RMA's actions in accordance with administrative appeals procedures found in 7 C.F.R. § 400.169.

(2) For the Policyholder:

If the Policyholder does not agree with RMA's GFP determination, the Policyholder has a right to request a reconsideration (see Paragraph 52) within 30 calendar days from the receipt of the GFP determination letter. The Policyholder may also file suit in United States District Court for the district in which their farm is located within one year of the date of the GFP determination letter or the reconsideration letter. (See Paragraph 53)

(a) There is no option for mediation or appeal to NAD for GFP determinations or reconsiderations, in accordance with 7 C.F.R § 400.98.

(b) The Policyholder is <u>not required</u> to request reconsideration of the GFP determination before filing suit against FCIC for GFP determinations, however, the Policyholder must request a GFP determination from the RO before requesting reconsideration or filing suit.

52 Reconsideration

A. General Information

If the Policyholder does not agree with the RO's GFP determination, the Policyholder has a right to request a reconsideration of the RMA GFP determination within 30 calendar days of receipt of GFP determination letter, by providing the required information to RMA's DAIS at:

Deputy Administrator for Insurance Services
USDA/RMA/Insurance Services/STOP 0801
ATTN: GFP RECONSIDERATION
1400 Independence Avenue SW
Washington, D.C. 20250-0801

(1) The written request must state the basis upon which the Policyholder relies to show that:

(a) the determination was not proper and not made in accordance with the program regulations and procedure; or

(b) all material facts were not properly considered in such determination.

(2) First class mail to Washington, D.C. is often delayed for security measures. Participants are encouraged to send information by a delivery service (e.g. overnight or 2-day certified mail) that records pickup or postmark, and tracks and guarantees delivery.

B. Processing Requests for Reconsideration by RMSD

(1) RMSD will accept a request for reconsideration of a GFP determination if the request:

(a) complies with the requirements in 7 C.F.R. § 400.98;

(b) is in response to an RO GFP determination;

(c) is not related to the items described in Paragraph 23 A – What Does Not Qualify for Review; and

(d) is received or postmarked within 30 calendar days of the Policyholder's receipt of the GFP determination letter, unless the Policyholder can demonstrate an inability to timely request the Reconsideration.

(2) If the request does not meet the criteria in 52 B (1), RMSD will notify the Policyholder and RO in writing that the request was not accepted, including the reason for non-acceptance, and will provide a copy of the letter to the AIP.

B. Processing Requests for Reconsideration by RMSD (continued)

(3) If the request meets the criteria in 52 B (1), RMSD will:

(a) notify the AIP and RO of the request for Reconsideration;

(b) provide a letter to the Policyholder acknowledging receipt of the request for a reconsideration and allow 30 calendar days for the producer to submit any additional documentation for consideration;

(c) review the GFP case documents uploaded by the RO and if necessary contact the RO, the Policyholder or AIP for additional information or documentation;

(d) render a written reconsideration determination of whether the GFP determination was properly made by the RO under the standards in Paragraph 22;

(e) apply the reconsideration determination to all the crop acreage insured under Shareholder policies or companion policies (e.g., landlord/tenant operations, a Policyholder with a policy as an individual entity and a separate policy for a partnership or corporation, etc.). RMA may issue one decision for multiple requests on the same acreage, crop, and production method in the same crop year or for Policyholders who are grouped together because they are making the same request;

(f) brief the RO on the reconsideration determination prior to sending it to the Deputy Administrator for Insurance Services for signature.

(4) reconsideration determinations that uphold an RMA determination that GFP were not followed will include a notice of the Policyholder's right to bring suit against FCIC in United States District Court and will state the Policyholder cannot bring suit against the AIP for GFP decisions or determinations made by the RO or DAIS respectively.

(5) RMSD will send the GFP reconsideration letter and exhibits to the Policyholder in accordance with PII requirements via certified mail or overnight delivery service. The RO and AIP will also receive an email PDF copy of the reconsideration letter (no exhibits).

(6) RMSD will scan, name, and upload the signed GFP reconsideration letter and new additional information generated or received during the review to the GFP/LC Database.

52 Reconsideration (Continued)

C. Reconsideration Applicability

GFP reconsideration determinations issued by RMA are not retroactive and may not be used to reopen claims that were settled in prior crop years.

53 Filing Suit Against FCIC

General Information

(1) If the Policyholder does not agree with FCIC's determination as issued in a GFP decision letter or reconsideration determination, they have a right to file suit against FCIC in United States district court for the district in which the insured acreage is located.

(2) Any reconsideration determination by RMA regarding GFP shall not be reversed or modified as a result of judicial review unless the reconsideration determination is found to be arbitrary or capricious.

54-60 (Reserved)

Acronyms and Abbreviations

The following table provides the acronyms and abbreviations used in this handbook.

Acronym/ Abbreviation	Term
AIP	Approved Insurance Provider
AMS	Agricultural Marketing Service
APH	Actual Production History
ARD	Acreage Reporting Date
ARH	Actual Revenue History
ARPI	Area Risk Protection Insurance
BP	Basic Provisions
CES	Cooperative Extension Service
CFR	Code of Federal Regulations
CIH	Crop Insurance Handbook
CP	Crop Provisions
DAC	Deputy Administrator for Compliance
DAIS	Deputy Administrator for Insurance Services
DAPM	Deputy Administrator for Product Management
ECIC	Eligible Crop Insurance Contract
FAD	Final Agency Determination
FCIC	Federal Crop Insurance Corporation
FPAC	Farm Production and Conservation
FSA	Farm Service Agency
GFP/LC	Good Farming Practice and Large Claim Database
GIP	Good Irrigation Practices
GNP	Good Nursery Practices
GSH	General Standards Handbook
IS	Insurance Services
LAM	Loss Adjustment Manual
LASH	Loss Adjustment Standard Handbook
LC	Large Claim
LRP	Livestock Risk Protection
MPCI	Multi-Peril Crop Insurance
NAD	National Appeals Division
NCIS	National Crop Insurance Services
NIFA	National Institute of Food and Agriculture
NOP	National Organic Program
NRCS	Natural Resources Conservation Service
OGC	Office of General Counsel
OIG	Office of Inspector General
PASS	Policy Acceptance Storage System
PII	Personal Identifiable Information
PIVR	Plant Inventory Value Report
RCO	Regional Compliance Office

Acronyms and Abbreviations (Continued)

RMA	Risk Management Agency
RMSD	Risk Management Services Division
RSD	Reinsurance Services Division
RO	Regional Office
SP	Special Provisions
SRA	Standard Reinsurance Agreement
USDA	United States Department of Agriculture
WFRP	Whole Farm Revenue Protection

Definitions

The following are definitions of terms related to good farming practices or are used in this handbook.

Agricultural Expert – Person(s) who are employed by the Cooperative Extension System or the agricultural departments of universities, or other persons approved by FCIC, whose research or occupation is related to the specific crop or practice for which such expertise is sought. Persons who have a personal or financial interest in the insured or the crop will not qualify as an agricultural expert. For example, contracting with a person for consulting would be considered to have a financial interest and a person who is a neighbor would be considered to have a personal interest. See also Organic Agricultural Experts.

Note: Agricultural experts currently approved by RMA include persons employed by the Cooperative Extension System, the agricultural departments of States and universities, an employee certified by the Natural Resources Conservation Service (NRCS) to make determinations regarding good cover cropping practices, and persons certified by the ASA as Certified Crop Advisers and Certified Professional Agronomists, persons certified by the NAICC as Certified Professional Crop Consultants and persons certified by the American Society for Horticultural Sciences as Certified Professional Horticulturists. Persons certified by other certification programs may be recognized as agricultural experts by RMA if their participant's research or occupation is related to the specific crop or practice for which such expertise is sought.

Approved Insurance Provider (AIP) – A legal entity, including the company, which has entered into a SRA with FCIC for the applicable reinsurance year.

Certifying Agent (Organic) – A private or governmental entity accredited by the USDA Secretary of Agriculture for the purpose of certifying a production, processing or handling operation as organic.

Conventional Farming Practice – A system or process that is necessary to produce an agricultural commodity, excluding organic practices.

Generally Recognized – When agricultural experts or organic agricultural experts, as applicable, are aware of the production method or practice and there is no genuine dispute regarding whether the production method or practice allows the crop to make normal progress toward maturity and produce at least the yield used to determine the production guarantee or amount of insurance.

Good Farming Practices – The production methods utilized to produce the insured crop and allow it to make normal progress toward maturity and produce at least the yield used to

Definitions (Continued)

determine the production guarantee or amount of insurance, including any adjustments for late planted acreage, which are those generally recognized by agricultural experts or organic agricultural experts, depending on the practice, for the area. The AIP may, or the producer may request the AIP to, contact FCIC to determine whether or not production methods will be considered to be "good farming practices."

Note: The use of NRCS Conservation Practices will generally be recognized by agricultural experts for the area as considered good farming practices. Therefore, the use of NRCS Conservation Practices will have no impact on Federal crop insurance coverage, provided the adoption of such practice does not negatively impact the insured crops ability to make normal progress toward maturity and produce at least the yield used to determine the production guarantee or amount of insurance and provided the NRCS Conservation Practice is not an uninsurable practice under the terms and conditions of the individual crop insurance policy.

NRCS Conservation Practices – Practices recognized and published by Natural Resource and Conservation Services (NRCS) which contain technical information about the conservation of soil, water, air, and related plant and animal resources. Technical guides used in each field office are localized so that they apply specifically to the geographic area for which they are prepared. More information regarding these practices can be found at:

https://www.nrcs.usda.gov/wps/portal/nrcs/detailfull/national/technical/cp/ncps/?cid=nrcs143_026849

Good Nursery Practices – In lieu of the definition of "good farming practices" contained in section 1 of the Basic Provisions, the horticultural practices generally in use in the area for nursery plants to make normal progress toward the stage of growth at which marketing can occur and: (1) for conventional practices, generally recognized by agricultural experts for the area as compatible with the nursery plant production practices and weather conditions in the county; or (2) for organic practices, generally recognized by the organic agricultural industry for the area as compatible with the nursery plant production practices and weather conditions in the county or contained in the organic plan. The AIP may, or you may request the AIP to, contact FCIC to determine whether or not production methods will be considered to be "good nursery practices."

Organic Agricultural Experts – Persons who are employed by the following organizations: Appropriate Technology Transfer for Rural Areas, Sustainable Agriculture Research and Education or the Cooperative Extension System, the agricultural departments of universities, or other persons approved by FCIC, whose research or occupation is related to the specific organic crop or practice for which such expertise is sought. **NOTE:** Pre-approval from FCIC is recommended before using organic experts that do not fall into the listed organizations.

Organic Crop – An agricultural commodity that is organically produced consistent with Paragraph 2103 of the Organic Foods Production Act of 1990 (7 U.S.C. 6502).

Definitions (Continued)

Organic Farming Practice - A system of plant production practices used to produce an organic crop that is approved by a certifying agent in accordance with 7 CFR part 205.

Organic Plan – A written plan, in accordance with the National Organic Program published in 7 CFR part 205, that describes the organic farming practices that you and a certifying agent agree upon annually or at such other times as prescribed by the certifying agent.

Personal Identifiable Information (PII) – Any information, in any medium, that identifies a specific individual whether on paper or electronic.

Sustainable Farming Practice – A system or process for producing an agricultural commodity, excluding organic farming practices, that is necessary to produce the crop and is generally recognized by agricultural experts for the area to conserve or enhance natural resources and environment.

Written Documentation – Any written information related to the case in hard copy or compatible electronic format, including facsimile.

A The LC/GFP Database

All GFP participation and associated case files will be stored in the LC/GFP Database. This Database is the only approved electronic storage location for GFP files. ROs are no longer required to keep paper copies of files as official records, but may have them on hand for reference.

B Organization and Contents

Each electronic GFP file must contain the complete GFP decision and all documents related to the decision must be uploaded to the LC/GFP Database.

(1) GFP Record (Notice Screen) in the LC/GFP Database

(a) Upon receiving notice of a request for GFP determination, ROs must ensure all data fields in the LC/GFP Database that are not already filled, are completed where applicable.

(b) Summary Cost Information is entered under "Time and Expenses" for each period of time an employee spends working on a GFP determination. Cost savings is automatically calculated in the LC/GFP Database based on the original Estimated Indemnity, Summary Total Cost, and the Final Indemnity.

(2) Activities

(a) ROs may add an Activity to a GFP record to document a task, fax, phone call, email, letter, or appointment. However, the majority of activities can easily be documented and uploaded into the Documents folder as described in Paragraph B (3) below.

(b) When communicating with an AIP for any reason about a GFP, annotate the activity in the LC/GFP Database as an "activity" or in the "notes" section.

(c) Activities that are automatically annotated in the LC/GFP Database, such as automated email activity, should not be deleted.

B Organization and Contents (continued)

(3) Documents

(a) ROs must use the Documents folder to upload all documents related to the GFP as soon as available. **All documentation,** if not in an electronic format, must be scanned as individual PDF files with the exception of:

(i) Data that is too large to be scanned (such as periodicals);

(ii) Data not suitable for scanning (such as certain types of photographs); or

(iii) Data marked as duplicate data that is already on file.

(b) Most documents related to a GFP file will fit into one of the categories below. ROs should open a "Document Set" or a "New Folder" with the following names to hold documents that fall into these categories:

AIP Records
Expert Opinion(s)
Producer Records
Underwriting File
Correspondence and Emails
Decision Letter and Exhibits
Interview or Telephone Records
Photographs
Other
Reconsideration

(4) Naming Convention

The Naming Convention for each "PDF" file will be:

(a) Producer Name, ID, and Exhibit name.

Leave a space between segments. Invalid characters include: # % & * : < > ? / { | and }.

Example: Farmer Farms EX A.1 Basic Provisions.pdf

B Organization and Contents (continued)

(b) After the GFP determination letter is signed, it becomes the final signed version. The final signed version will be scanned prior to mailing and will use the same naming convention as follows:

Example: Farmer Farms Potatoes GFP Determination Letter 01-23-16.pdf

(c) All subsequent letters and exhibits are scanned and uploaded as they are delivered or revised. Any revised files must contain the letters "REV" prior to the new date (date of revision).

Example: Farmer Farms Potatoes GFP Determination Letter REV 02-18-16.pdf

(5) ROs may use the following tools and forms, or similar forms to document field notes, telephone calls, or interviews. Any form used should be uploaded in the Documents tab in the appropriate named folder.

GFP Determination Requests - RO Evaluation Tool

Evaluate and each GFP case based on independent circumstances. Always refer to the procedures in this Handbook**.** The request, whether from the AIP or the Policyholder, should be routed to the RO through the AIP. Review the AIP decision and the request before making a determination.

***

B Organization and Contents (continued)

Request for GFP Determination Checklist	Yes	No
SECTION 1 QUALIFICATION (All answers should be NO)		
Does the producer request a determination on any of the following disqualifying situations?		
1) The amount of production or value assessed for uninsured causes of loss		
2) Expansion of coverage, where coverage is not available		
3) Establishing insurability		
4) Denial of written agreements		
5) Whether an insured cause of loss was present		
6) Any decisions related to a claim determination, including interpretations of policy and procedure		
SECTION 2 REQUESTS (All answers should be YES)		
Did the producer make the request within 30 calendar days from the date the GFP decision was received?		
Does the **AIP** decision letter:		
1) State the issues and facts relating to the production method(s) used?		
2) Contain or reference:		
• RMA procedures or other Published Material ***and***		
• Any written opinions or recommendations ***or***		
• State the opinion of at least one Agricultural expert?		
3) State why the production method does not meet the bases for GFP decision?		
4) Include the producer's rights to:		
• Mediate or arbitrate with the AIP for assigned production or other claim determinations;		
• Request a GFP determination from RMA?		
SECTION 3 DOCUMENTATION (All answers should be YES)		
Did the AIP submit the complete decision file to include:		
1) Complete underwriting file?		
2) Complete claim file?		
3) All referenced materials in the decision letter?		
4) A copy of the decision letter and all attachments?		
5) Recommendations and research conducted by the AIP?		
6) AIP Analysis of the Policyholders actions compared to recommended practices?		
7) Policyholder's written request and any attachments?		

B Organization and Contents (continued)

If the AIP decision letter does not meet the requirements in Paragraph 31 B, the RO must notify the AIP that the decision letter is unacceptable and require the letter be corrected and reissued to the Policyholder within 20 calendar days.

If there is no response from the AIP or the GFP decision letter still fails to meet the criteria, the RO must make a GFP determination on the farming practice(s) in question, and, if necessary, seek additional information from other sources if available.

Interview/Telephone Record

The following is the form for recording interview/telephone communications. If more than one form is required, number forms consecutively, such as 1 of 3, 2 of 3, etc.

Policyholder's Name	Claim Number	Policy Number
Crop(s) – Unit(s)		Crop Year
Date	Time	
Interview/Call (Circle one)	Incoming/outgoing (Circle one)	
Person contacted: Name: Address: Phone Number: Fax Number: E-mail address:		
Purpose:		
Narrative:		
Name/Signature		Page _____ of _____

B Organization and Contents (continued)

(6) LC/GFP Appeal Logs

(a) Add a new appeal log in the GFP file whenever a Policyholder requests Mediation, Reconsideration, or files a lawsuit.

(b) Only one appeal type may be active at any one time. Therefore, it is important to update the dates and files immediately when several appeal types are elected and are held in abeyance until completion of another. Any new appeal shall be added

(7) Additional Information

(a) Duplicate Materials. The same (exact) information may be received from different sources. Use one set for the exhibit(s) and store all duplicated materials at the end of the file. This material should be separated with a label stating "Duplicate Materials." It is not necessary to scan duplicate materials.

(b) Electronic Format. If everything is received in electronic format (i.e., a CD is received and no other emails were generated, no phone calls were made, etc.), then the original file would only contain the CD. However, the data would need to be extracted from the CD, appropriately labeled following the examples for exhibits, pages, etc., converted to PDF and loaded into the LC/GFP Database.

(c) File Retention. The file will be maintained in accordance with RMA's Record Keeping Management System guidelines.

Guidelines for Supporting File Records

A. Additional Supporting File Guidelines

In addition to GFP file guidelines contained in Exhibit 3, the RO must:

(1) Develop a record of phone conversations with the Policyholder, AIP, or loss adjustor and any interviews for the file as they occur.

(a) Use the Interview / Telephone Record, Exhibit 1A or the LC/GFP Database to aid in this documentation.

(b) Include the time of day and date; the name, address and contact information for the person you are talking to; the purpose of the call or conversation; and a written overview of the conversation.

In some cases, you may want to document what the person is saying word for word. Do not hesitate to ask them to repeat something to ensure that you clearly understand what they are saying.

(c) If the RO representative is asked to keep the person's name and contact information confidential, do so. It is very important to comply with the person's wishes. If the information provided is pertinent to the issue or supports an adverse finding, then, if possible, verify the validity of the information through other sources.

(2) Ensure that copies of all documents are clear, easy to read, and understandable. Include an objective narrative when appropriate to ensure a person unfamiliar with the issue can understand its purpose and how it pertains to the proper GFP determination.

(3) Upload copies of all documents in the LC/GFP Database.

B. Requesting Information from the AIP

(1) Any requests for AIP action, such as measuring insured acres and determining uninsured acres, obtaining documentation, researching a GFP issue, etc., must be in writing and submitted to the AIP as soon as possible.

(a) E-mail may be used so long as it is treated in the same way as any other official form of communication; i.e., use the same level of thought and decorum as a Manager's Bulletin or Informational Memorandum; do not use off-handed or inappropriate comments.

(b) Follow up telephone requests in writing.

B. Requesting Information from the AIP (continued)

(c) Set a reasonable date for completing the action and document when it is complete.

(d) If not completed by the agreed upon date, immediately contact the AIP by telephone and follow up in writing with the AIP about the matter. This lack of response may also trigger the referral process.

(e) Document all your actions and the AIP's responses in the LC/GFP Database.

(2) Include the AIP's National Claims Manager on requests for documents or completion of actions when local efforts to obtain the needed information have failed.

RO GFP Letter Templates

A. General Rules for Writing the Letter

NOTE: Letters and exhibits mailed to the Policyholder must be packaged, marked and processed according to PII requirements.

(1) Follow the format to the extent possible. Address each section as indicated in the example.

(2) Write using plain language guidelines.

(3) Write in a logical manner.

(4) Write to follow the exhibits in sequential order to the extent possible.

(5) Use spell check and grammar check.

(6) Watch for tone and personal bias.

(a) State facts without asserting your opinion.

(b) Refrain from stating personal opinions or observations assumed but not supported by facts

(7) Use non-controversial terms.

(8) Double check all references and quotations.

(9) Make certain that you use the correct version (applicable crop year and plan of insurance) of the crop provisions, BP, CIH, Manager's Bulletins, etc. used as your exhibits.

(10) Update the header to reflect the Policyholder's name and crop year.

(11) The template letter may not be in the exact font and margin size of the approved letter format used by RMA for correspondence. Please format accordingly in terms of letterhead, font, and margins.

(12) Include exhibits for any GFP determination.

(13) Include an Exhibit Index at the end of the letter.

RO GFP Letter Templates (Continued)

B. RO Policyholder Acknowledgement Letter Template

The following templates are suggested formats for RO GFP Determinations. ROs may adjust language as appropriate for each particular case.

United States Department of Agriculture

Farm Production and Conservation

Risk Management Agency

XXXX
XXXXXX

(DATE)

(Policyholder or Legal Representative Name/Title)
(Address)
(Address)

Re: Good Farming Practice Determination for (Name of Insured)
(Crop Year), (Crop), (Policy #XXXX), (County, State)

Dear Sir (or Madam):

The XXX Regional Office (RO) received your (Date of Request) request for a Good Farming Practice (GFP) Determination. According to your letter, you disagree with the GFP decision made by (Name of AIP) on (Date of AIP decision letter).

The (XXX RO) will begin the review on (Date 10 days from receipt of this letter). The 10 day delay allows you to provide additional documentation that you want to be considered in the review. If the (XXX RO) does not receive additional documentation from you by this date, it will use the information provided by (Name of AIP) and information you provided in your request.

You may send additional documentation to the following address:

(Name)
RO Director
USDA, Risk Management Agency
(Name of Regional Office)
(Address)

If you prefer to send electronic documents, please make sure they are legible and email them to (RO email address). We will provide a status of the review every forty-five (45) calendar days from (date the review begins). Once our review is complete, you will receive the RMA GFP determination letter via overnight mail or certified mail.

If you have any questions, please contact me at (Phone number).

B. RO Policyholder Acknowledgement Letter Template (continued)

Sincerely,

(Name)
Director
(Regional Office Name)

RO GFP Letter Templates (Continued)

C. RO GFP Determination Letter Template

United States Department of Agriculture

Farm Production And Conservation

Risk Management Agency

XXXX
XXXXXX

(Date)

VIA CERTIFIED MAIL – XXXX XXXX XXXX XXXX XXXX

(Policyholder or Legal Representative Name/Title)
(Address)
(Address)
(Address)

RE: Good Farming Practices Determination for (Name of Policyholder)
(Crop Year) (Crop) (Policy #XXXXXXX)
(County Name), (State Name)

Dear Sir (or Madam):

This Good Farming Practice (GFP) Determination originates from your Approved Insurance Provider, ABC Insurance's [DATE], GFP decision concerning the production methods you used for your 20XX Corn and Soybean Crops.

Based on our review of reference materials submitted by you and ABC Insurance, the Risk Management Agency (RMA), has determined that your weed control and fertilization practices were not GFPs.

(Add a very brief summary of your determination. Placing the determination at the top of the letter provides an immediate answer to the reader.) Example:

Issues to be Determined

(State the issues that you must determine in the format below.) Example:

In accordance with the 2017 Good Farming Practice Determination Standards Handbook and the Common Crop Insurance Policy (Basic Provisions), RMA, on behalf of the Federal Crop Insurance Corporation (FCIC), is required to make a GFP Determination. The issues that must be resolved in this case are:

1. Whether you applied adequate herbicide on your corn and soybean crops in a timely manner to control weeds which would allow your crops to make normal progress toward maturity and produce at least the yield used to determine the production guarantee.

C. RO GFP Determination Letter Template (continued)

2. Whether you applied adequate fertilizer on your corn which would allow your crop to make a normal progress toward maturity and produce at least the yield used to determine the production guarantee.

Background

(These paragraphs summarize the events that led to the GFP Determination. If any pertinent documents relate to the event or were created due to the event, cite the document as an exhibit using footnotes. List events in chronological order. Use the Analysis section to reference Expert Opinions and discussion about them. Summarize the opinions without quoting large chunks of the opinion.) Example:

On [DATE], Mr. Looker, the Loss Adjuster for ABC Insurance, issued an Adjuster Special Report which documents the conditions of the fields in [Name] County, [State].[1]

On [DATE], you had a conversation with Mr. Looker at your farm and he requested fertilizer, seed, and herbicide receipts. He documented this request on an Adjuster's Special Report.[2]

On [DATE] you prepaid for your purchase of fertilizer and herbicides from the Feed and Seed Store in [location]. ABC Insurance provided copies of these receipts, which showed [DATE] as the date of invoice.[3]

Analysis

(In this section, break out the issues separately and begin your analysis of each issue in this order: Basis for AIP's decision; Appellant's position; RMA reasoning and finding; Conclusion. Do not place these headings in the Analysis. Repeat the analysis for each issue.) Example:

To complete this GFP Determination, RMA carefully reviewed the ABC Insurance Decision file and documentation provided by you. RMA also reviewed published documents as outlined below to determine if the practices you used would generally allow you to reach the production guarantee.

Issue 1: Whether you applied adequate herbicide on your corn and soybean crops in a timely manner to control weeds which would allow your crops to make a normal progress toward maturity and produce at least the yield used to determine the production guarantee.

[1] See Exhibit A
[2] See Exhibit A
[3] See Exhibit B

RO GFP Letter Templates (Continued)

C. RO GFP Determination Letter Template (continued)

To complete this GFP Determination, RMA carefully reviewed the ABC Insurance GFP Decision file and documentation provided by you. RMA also reviewed published documents as outlined below to determine if the practices you used would generally allow you to reach the production guarantee.

In your request for a GFP Determination, you assert that ABC Insurance's Decision that you failed to carry out GFPs is erroneous. Contrary to ABC Insurance's contentions, you argue that the actual cause for your low yields was weather conditions (rain and wind), prior to and during the growing season, that delayed the effectiveness of your weed control and fertilizer practices. [4] In support of your position, you cited expert Dr. Pro's opinion, that the crops' poor results were caused by circumstances beyond your control, namely, adverse weather conditions.[5] However, RMA does not find any merit in your argument.

(Continue RMA Analysis for this issue…then conclude.) Example:

Because of the above-mentioned reasons, RMA has determined that your herbicide application practice failed to follow generally recognized GFP for the corn and soybean crops and is not an insurable cause of loss.

(Continue Analysis with Issue 2.)

Conclusion

(Summarize your findings and include the last two sentences below in your conclusion.) Example:

RMA finds that you failed to follow generally recognized good farming practices for your corn and soybean crops, which is not an insurable cause of loss. This GFP determination does not determine whether an insured cause of loss was or was not present, or reconsider any other decision made for your policy. In addition, this determination applies to all insured shareholders, landlords, and tenants with an interest in the 20XX corn and soybean crops on all acreage for which this determination is made.

If you have any questions about this GFP Determination, you may contact (name of contact) at (contact's telephone number).

Sincerely,

[4] See Exhibit D
[5] See Exhibit H

RO GFP Letter Templates (Continued)

C. RO GFP Determination Letter Template (continued)

_____
Name
[RO] Regional Office Director
Risk Management Agency

cc: (Name of AIP Point of Contact)
(AIP Address)

cc: (Policyholder's Legal Representative)
(Address)

cc: Director, (Name of Compliance Office)

The Exhibit Index and exhibits are attachments to the RO Determination Letter and must be included at the end of the letter. ***(List exhibits in numeric order using the Exhibit Index. Make sure your exhibit list follows the exhibit order as they appear in footnotes. Send each referenced exhibit to the Policyholder with the Determination Letter if not already provided.) Example:***

Exhibits:

A. Mr. Looker's Adjuster's Special Report, [DATE]
B. Feed and Seed Store Receipts, [DATE]
C. Photographs of neighboring fields, [DATE]
D. Producer's Statement, [DATE]
E. Feed and Seed Store Work Statement, [DATE]
F. ABC Insurance GFP Decision, [DATE]
G. Producer's Request for GFP Determination, [DATE]
H. Dr. Pro's Expert Opinion, [DATE]
I. NOAA Data, [DATE]
J. Extension Reference Bulletin, [DATE]
K. AD-2007 FSA/RMA Compliance Referral, [DATE]
L. Ms. Expert's Expert Opinion, [DATE]
M. [NAME] Coop Statement of Work, [DATE]

RO GFP Letter Templates (Continued)

C. RO GFP Determination Letter Template (continued)

(Include Appeal Rights at the end of the letter on a separate page.) Example:

Appeal Rights

If you do not agree with FCIC's GFP determination, you may:

(1) Request Reconsideration of the RO GFP Determination within 30 calendar days of receipt of written notice of the adverse decision by providing the required information to the RMA Deputy Administrator for Insurance Services at:

Deputy Administrator for Insurance Services
USDA/RMA/Insurance Services/STOP 0801
ATTN: GFP RECONSIDERATION
1400 Independence Avenue SW
Washington, DC 20250-0801

The written request must state the basis upon which you rely to show that the determination was not proper and not made in accordance with the program regulations and procedure, or that all material facts were not properly considered in such determination.

First class mail to Washington, DC is often delayed for security measures. Participants are encouraged to send information by a delivery service (e.g. overnight or 2-day certified mail) that records pickup or postmark, and records and guarantees delivery.

OR

(2) File suit in United States District Court for the district in which your farm is located in accordance with Section 20 of the Basic Provisions within one year of the date of this letter, or the date of your Reconsideration Determination if you request Reconsideration. You are not required to request reconsideration from FCIC before filing suit.

Arbitration or Mediation Rights:

If you do not agree with the amount your insurance company assessed for your failure to follow good farming practices, you may choose to arbitrate or mediate the dispute in accordance with section 20(d) of the Basic Provisions. You may not appeal such amount to FCIC.

RMSD Reconsideration Letter Template

United States Department of Agriculture

Farm Production and Conservation

Risk Management Agency

1400 Independence Avenue, SW
Stop 0801
Washington, DC
20250-0801

(**VIA OVERNIGHT MAIL**
(Policyholder or Legal Representative Name/Title)
(Address)
(Address)
(Address)

RE: Good Farming Practices Reconsideration
for (Name of Policyholder)
(Crop Year) (Crop) (Policy #XXXXXXX)
(County Name), (State Name)

Dear Sir (or Madam):

(Use the same basic format as the RO GFP Determination letter but write the letter in first person. Follow all general rules for writing the letter in Exhibits 4 and 5.)

On behalf of the Federal Crop Insurance Corporation (FCIC), I have completed my reconsideration review of the [RO Name]'s good farming practice (GFP) determination for your [Crop Year] [Crop Name]. This reconsideration decision only applies to determinations of GFP and does not determine that an insured cause of loss was or was not present, nor does it reconsider any other decision made for your policy.

To complete this GFP Reconsideration, I have carefully reviewed the [RO Name] RO Determination file, related information you submitted, and documentation provided by your Approved Insurance Provider (AIP), [AIP Name]. After careful review, I (concur with the [RO name])(concur in part with the [RO name])(disagree with the [RO name]) that GFP were not followed and the determination (**IS UPHELD)(IS NOT UPHELD).**

(For a full sample GFP Reconsideration Template letter, see the LC/GFP SharePoint Site.)

Example GFP Cases

CASE 1: IRRIGATED WHEAT CASE EXAMPLE

Background:

According to the AIP, the Policyholder filed a notice of loss for drought (Unit 1 Non-Irrigated Spring Wheat) and heat (Unit 2 Irrigated Spring Wheat). The AIP also identified uninsured causes of loss due to failure to follow good farming practices. The Policyholder indicated in a letter to the AIP that no fertilizer was applied to any of the spring wheat acreage. Further, the Policyholder did not provide any soil tests or agricultural expert recommendations to support its position that no fertilizer would be required to produce the yield for which the insurance coverage is established.

In several of the AIP's Adjuster's Reports it was noted that heavy infestation of weed populations was observed, and it appeared that weed control was late, and high weed pressure had affected the yield prior to control measures being applied. The Policyholder stated in a letter that weeds were sprayed at the appropriate times, but he provided no evidence in support of his position.

Regarding the irrigation of Unit 2, the Policyholder stated in a letter to the AIP that the water to irrigate the Irrigated Spring Wheat crop was provided by a private reservoir near the property. The Policyholder stated this private reservoir does not keep any irrigation records. In a later letter the Policyholder stated he was led to believe by the previous owner that the amount of available water in the reservoir would be sufficient to irrigate his crop. The Policyholder also stated that he was unaware that irrigation records would be necessary. Additionally, the same letter stated he expected some precipitation to occur, and the crop acres were irrigated until the reservoir was depleted. The irrigation system was very slow, it had been dry with very little supportive precipitation and the water soaked away and did not spread; he stated that a contour ditch irrigation method was used.

Since notice of loss was given within the insurance period and the Policyholder did not agree with the AIP's Decision, a request for review was sent to the AIP, who then referred the case to RMA for a GFP Determination.

Request for an Initial Determination:

The Policyholder asked RMA to make a determination as to whether damage to the Policyholder's crop was due to not being fertilized or irrigated properly and uncontrolled weed infestation, and therefore, good farming practices were not followed. The Policyholder reaffirmed he did not have knowledge of the capacity of the reservoir used to irrigate the crop, only that the previous owner said he irrigated his crop from the reservoir. The Policyholder also disclosed that Unit 1 had been planted with alfalfa the previous year, and felt adequate residual nitrogen would be available for the wheat crop.

After RMA accepted the request letter, the Policyholder provided a soil test taken one month before planting began for spring wheat crop. The soils test report was from a recognized Laboratory, and showed the levels of Nitrogen, Phosphorous, Potassium, Organic Matter and other micronutrients. The Policyholder shared the soil test result with a State University Cooperative Extension Service

specialist who stated the nutrient level present at the moment that the samples were taken, would have been adequate to support the Policyholder's production guarantee. The expert also noted, according to his interpretation of the results, other factors could have affected the yields of these Units.

Additional documentation submitted by the Policyholder listed purchases records, showing the amounts and dates of the herbicides, purchased. According to the Policyholder, the amount of chemicals purchased was sufficient to apply the herbicide within the recommended guidelines. The Policyholder also provided verifiable records, such as, receipts from contractors, fuel usage, and herbicide application records, which acknowledged the use a combination of cultural, mechanical, and chemical weed control practices.

Research Process:

According to a State University publication, it would be necessary to apply between 75 and 90 pounds of available nitrogen per acre, to achieve the yield at which insurance coverage is established. According to the literature cited, alfalfa fixed nitrogen does remain in the soil and approximately 50 pounds per acre can be credited towards the subsequent crop.

A Cooperative Extension Service publication shows the relationship between yield and available water and indicates it takes approximately four inches of water to produce the first bushel of grain. Thereafter, yield potential increases approximately five bushels per acre with each inch of water. The calculation made using published information shows the irrigated wheat crop would have needed approximately 16 inches of available moisture to produce at least the yield guarantee. The weather information obtained from CAE indicates about 5 inches of rain were reported in the area of the wheat fields during the crop season. In order to produce the yield guarantee at which the irrigated practice coverage was established, it would have been necessary to apply nine inches of supplemental water in addition to the natural precipitation received through the growing season.

For this review RMA obtained the current information from the US Army Corps of Engineers, and corroborated that the normal storage capacity for the private water reservoir used to irrigate the crop is 120 acre feet.

The documentation submitted by the Policyholder did not include verifiable irrigation records for the insured Irrigated Spring Wheat in Unit 2. The Policyholder also did not demonstrate how he determined the private reservoir would provide the necessary water to produce the yield guarantee.

Determination Process:

Using published information to calculate the water required to reach the production guarantee insured on this policy, it was determined that approximately 180 acre-feet of water were needed. According to the US Army Corp of Engineers the reservoir used to irrigate your Irrigated Spring Wheat crop has a capacity of only 120 acre-feet. Even though the area reported approximately 5 inches of rain during the growing season, the crop still needed another 60 acre-feet of water to

satisfy the crop requirements. It is important to note also the Policyholder's statement that until this loss and ensuing dispute arose, he did not know the capacity of the water reservoir, only that the previous owner said the amount of water would be sufficient for a crop.

Taking into consideration the nitrogen credit from the alfalfa planted the previous year, the soil test provided by the Policyholder to RMA and the expert's opinion, RMA determined that the amount of nitrogen present in the soil would have been within the guidelines published by the Extension Service in the insured area.

Regarding the weed control measures, the information submitted by the Policyholder supported the use of different weed control measures that fell within the guidelines. RMA also recognized that high temperatures and windy conditions could have made the herbicide application ineffective, based on the herbicide manufacturer's label.

Review, Concurrence and Issuance:

Based on the factual analysis, RMA made the determination that there is substantial published documentation showing the benefits of using a combination of cultural, mechanical, and chemical weed control practices to manage weed populations. The Policyholder provided verifiable documentation to support his weed control management practices, and demonstrated that he followed generally recognized good farming practices.

Regarding the fertilization issue, according to the published information reviewed for the determination, the soil test, and the expert opinion provided, RMA determined that the amount of nitrogen and other nutrients available in the soil would have been within the recommended guidelines to achieve the production guarantee insured on the policy, so he followed good farming practices.

For the irrigated Unit, RMA reviewed the information provided by the Policyholder and the documentation cited, and determined that he failed to follow good farming practices by not providing irrigation water at the appropriate times and the appropriate amounts to produce at least the yield used to establish the insured production guarantee on acreage insured under an irrigated practice.

Example GFP Cases (Continued)

CASE 2: NON-IRRIGATED CORN CASE EXAMPLE

Background:

The Schedule of Insurance shows the yield used to determine the guarantee for non-irrigated Unit 001, and 002, also known as the actual production history (APH) yield. There were 500 reported acres for these units and the Policyholder elected the Enterprise Unit option. According to the AIP, the Policyholder reported a notice of loss due to drought and hail. Weather Data confirmed a hail storm did pass through the area two weeks after the corn had been planted. However, the AIP also identified some uninsured causes of loss due to failure to follow good farming practices.

According to the Policyholder, no actual fertilizers were purchased or applied because of the poor stand the crop achieved. Nonetheless, the Policyholder stated they had the anhydrous rigs in place and cultivators to take care of this crop, but it was decided at that time it was cost prohibitive to fertilize, spray and/or cultivate because of the poor stand. The information submitted does not indicate that any pre-plant soil test was done to determine any nutrient carryover, and it was confirmed that a sunflowers crop was planted in these same units the previous crop year.

The Policyholder contacted a local agricultural expert regarding the weed control management options and the expert recommended several herbicides and rates based on the local conditions where the insured units were located. The Policyholder did not follow the experts recommendation stating that the herbicides provided were too expensive, instead the Policyholder selected cheaper lower quality herbicides. Several photos allegedly showing the effects of the burn down were provided, but the photos do not indicate the date taken nor do they identify the location(s) or field identification(s). Several photos were provided by the AIP showing the abundance of weeds in all units.

Several seed invoices were provided reflecting the amount of hybrid corn seed bags purchased. The seed invoices showed that each bag contained approximately 80,000 kernels, according to the suppliers. That totals seeds (kernels) divided by the total acreage planted, equated to 14,000 seeds per acre. All the hybrids were late maturity hybrids (118 - 122 days).

Request for an Initial Determination:

The Policyholder disagreed with the AIP's decision that good farming practices were not followed for his corn crop; therefore, the case was referred to RMA when the Policyholder requested a GFP Determination regarding the farming practices employed.

The Policyholder stated he followed GFP, used the proper seed, and the losses were due to hail and drought. Furthermore, the Policyholder stated that the proper herbicides were applied to control weeds, and the fertilizers were not applied because of the hail damage to the crop, and that probably the previous crop would have provided sufficient nutrient and organic matter to subsequent crops in the units; therefore no supplemental fertilizer was necessary. With regard to the need for soil

testing, the Policyholder stated that the policy does not require soil testing to be done as part of a good farming practice.

Research Process:

The Best Management Practices chapter of the State Corn Production Handbook recommends the use of starter nitrogen fertilizer applications. It also says to make sure adequate amount of nutrients (nitrogen, phosphorus and potassium) is provided and pre-emergence weed control is applied early to facilitate and stimulate crop growth, development, and improve potential for movement into root zone. Even with good overall crop management, few soils in the State will sustain profitable corn production without supplementation of several crop nutrients from fertilizers, manures, and/or legume rotations.

The literature cited also mentions that while it is not a requirement that a soil test be performed, it is the most effective method in which to determine the current fertility of the soil, and the most reliable means of determining fertilizer need is by soil testing regularly with continual support from the other methods listed. According to the information collected, the insured units were planted with sunflower the previous year. Therefore, according to the Corn Production Handbook, there is no nitrogen credit that can be assumed from sunflower. The documentation reviewed also states the recommended rate of nitrogen per acre to obtain the Policyholder's approved yield guarantee.

The Policyholder based his decision not to apply fertilizer on the economics and condition of the crop due to drought and hail. According to the Policyholder statements and the weather data, the hail event occurred two weeks after planting the corn crop and the total rain reported was about one inch above the historical average. The literature points out that during the first 4 to 5 weeks after emergence, the plant continually develops new leaves from the growing point, which is below or at ground level for most of this period. During this time, root and leaf development progresses rapidly. Since the growing point is still below the soil surface, a frost or hail may destroy the exposed leaf area, but likely would not kill the plant.

The documentation provided shows application records from a Contract Applicator. The information indicates that one single application of herbicide was performed 45 days after planting. The application records also show that none of the herbicides recommended by the Agricultural Experts were used. The Weed Management section of the State Corn Production Handbook, mentions that corn is vulnerable to weed competition for about the first 4 weeks, a time span that often coincides with cool spring temperatures. Thereafter, the established corn plant grows rapidly and the crop becomes highly competitive. Thus, a successful weed-control strategy should assure weed-free conditions for at least a month after planting. Weeds germinating after that period pose much less threat.

Seed receipts, and invoices from a Seed Dealer provided by the Policyholder shows the two hybrids used in this corn crop. RMA contacted the hybrids producer who provided the product profile, including a map of the adaptable region for this hybrid. The map showed the area of adaptability corresponded to the eastern border of the Policyholder's state, a much higher rainfall area than the

location of the insured units, which is located on the extreme southwest corner of the State in question. The Policyholder also submitted the seeds for germination tests which showed that one of the varieties was hybrid corn, silage. Additionally, the tests indicated seed germination of 90% to 94%. The same Ag Expert mentioned before, suggested several dryland corn hybrids adapted to the Policyholder's region, and recommended also to use with 99 and 108 days maturity, but none were planted. Instead, the Policyholder selected two hybrids not suitable to the area, with maturity of 118 to 122 days, and one of them was labeled as "silage corn". The Policyholder did not provide any information why these hybrids were selected, except that they were a better "deal" pricewise.

According to an exhibit in the State Corn Production Handbook, to achieve the recommended plant population for dryland corn crop in the area and achieve the recommended final corn population of 14,000 – 20,000, a person should plant 16,500 – 23,500 seeds per acre.

Determination Process:

The Policyholder did not provide any support indicating that any fertilizer was purchased or applied to the corn crop during the entire growing season to allow it to make normal progress towards maturity. The information provided by the Policyholder did not support the fact that no additional fertilizer was necessary, nor any indication that any pre-plant soil test provided to determine any nutrient carryover, and it was confirmed that sunflowers was the previous crop planted in these same units the previous crop season; therefore no nitrogen accredited towards this corn crop.

All units were sprayed with herbicide 45 days after the reported planting dates. The spray logs provided for this application recorded the air temperature, wind speed and direction, and the conditions were reported as "good". According to the records provided, the Policyholder failed to reduce competition from weeds during the early stages of development of the corn crop, as recommended by the State Corn Production Handbook. The photographic evidence taken by the AIP's Loss Adjuster showed extremely heavy infestation of weeds. The Policyholder did not acquire nor use the herbicide suggested by its crop consultant.

The Policyholder did not plant the recommended hybrid selections of the crop consultant at the time of planting, and the selection of the appropriate hybrid is essential to profitability. The hybrids selected by the Policyholder had not been tested in this area and were late maturity hybrids. The documentation provided does not support the decision to plant seed corn hybrids that have not been tested for grain production in this region under dryland production methods. It was verified by RMA that one of the hybrid corn seed types used was labeled as "silage corn", and according to the Coarse Grains Crop Provisions:

> *"(b) For corn only, in addition to the provisions of section 5(a), the corn crop insured will be all corn that is yellow dent or white corn, including mixed yellow and white, waxy, high-lysine corn, high-oil corn blends containing mixtures of at least ninety percent high yielding yellow dent female plants with high-oil male pollinator plants, commercial varieties of high-protein hybrids, and excluding:*
> …

Example GFP Cases (Continued)

(2) A variety of corn adapted for silage use when the corn is reported for insurance as grain."

Review, Concurrence and Issuance:

During the review process, RMA carefully reviewed all of the information submitted by the Policyholder, the AIP, and literature published by the State University Extension Service. There is substantial support for the application of fertilizer; more specifically the value nitrogen has in the yield potential of corn. The Policyholder based his decision not to apply fertilizer on economics because the crop was failing and stressed as a result of drought and then hail.

There is no supporting documentation as to the condition of the corn crop near the hail event that would support not applying fertilizer. The Policyholder did not provide any documentation to support his decision to not apply fertilizer that would indicate his decision would have allowed the corn crop to make normal progress toward maturity and reach the yield guarantee. Good fertilization practices were not followed.

There is no disagreement the environment can impact the effectiveness of herbicides. There is no information provided that would indicate the environmental conditions were extreme enough to render the application of herbicides ineffective. The Policyholder did not provide any documentation to support the weed control program used. An effective weed control program involves more than one application to control the weed varieties throughout the growing season and the literature mentions the vulnerability of corn to weed competition for about the first 4 weeks. Good weed control was not followed.

According to the documentation, the hybrid seed selection was based on economics and no supporting documentation was provided for the selection of a late maturity hybrid planted or documentation that hybrids used were acceptable on non-irrigated land in the region rather than the hybrids recommended by the consultant. The amount of seed purchased by the Policyholder was not sufficient to plant the amount of seeds per acre recommended for the region. Additionally, one of the hybrids planted was labeled for silage; therefore, according to the Coarse Grains Crop Provisions was not insurable. Good farming practices were not followed.

Example GFP Cases (Continued)

CASE 3: TOBACCO CASE EXAMPLE

Background:

The Approved Insurance Provider (AIP) received a notice of loss for a flue-cured tobacco crop, and according to the Production/Appraisal Worksheet, the determined causes of loss were plant disease (60%), and excess of precipitation (40%). For that crop year, the Policyholder elected 85% coverage level with Enterprise Units (EU) and100% price election; the EU was comprised of 5 units.

In its GFP Decision Letter, the AIP mentioned several diseases that affected flue-cured tobacco during the growing season were identified by a Cooperative Extension Agent that visited the site. Among the diseases identified were Tomato Spotted Wilt Virus, Black Shank, Brown Spot, and Tobacco Mosaic Virus.

The AIP also referenced the State Flue-Cured Tobacco Guide, and cited recommended cultural management practices and chemicals to control or manage Black Shank. The Guide recommends management practices for Black Shank: crop rotations, resistant varieties, improve drainage, sanitation, nematode control, and chemical control. Information provided by the Policyholder shows receipts for the purchase of two different tobacco varieties (B-1 and A-1). These varieties have varying degrees of resistance to Black Shank. Pesticide records support the use of the multi-purpose fumigant Telone C-17, which is labeled for Black Shank in tobacco. Although, Telone C-17, which is labeled for Black Shank in tobacco, the Flue-Cured Tobacco Guide, states that Ridomil Gold or Ultraflourish are the most effective materials against the disease. No verifiable records were provided that Ridomil Gold or Ultraflourish were purchased for the tobacco crop. The Policyholder acknowledged that the Flue Cured Tobacco Guide recommends crop rotation, use of resistant varieties, and the use of various fungicides, including Telone C-17 and Ridomil (Mefenoxam) for the treatment of Black Shank.

As stated by the Policyholder, the harvest of two of the fields was intentionally delayed because the lower stalk tobacco was considered undesirable, and it was a management decision to delay the harvesting of this less desirable tobacco in order to harvest the higher quality leaves. The Policyholder pointed out that excessive moisture restricted the equipment from having access to the fields. With low prices and small demand for lower stalk tobacco in the fields, the Policyholder decided to return to previous fields to harvest the higher quality crop before returning to these wet fields. The excessive moisture acted as a catalyst for disease to thrive which resulted in plant deterioration and premature death.

Request for a GFP Determination:

The Policyholder requested RMA to review the AIP position that good farming practices had not been followed with respect to the selection of disease management practices and the delayed harvesting of some of the tobacco crop. In the letter, the Policyholder reiterated that several disease management measures had been taken, following the recommendation of the Flue-Cured Tobacco

Example GFP Cases (Continued)

Guide. Many of the chemicals used were labeled to control and manage Tomato Spotted Wilt Virus and Black Shank. The use of Clorox solutions were also used extensively to disinfect equipment and trays; therefore managing Tobacco Mosaic Virus.

According to the Policyholder, the dying and dead plants remaining in the fields were impacted by Black Shank. Plant samples were sent to a recognized Plant Disease Laboratory, and the presence of the disease was confirmed. This was a cause of crop yield and quality losses to the crop, and according to the Policyholder, was intensified by adverse weather conditions. The fields were tilled numerous times during the winter months to prepare the land to be ripped, bedded and gassed with the fumigant Telone C17 at the recommended rates and dates. The two varieties planted were chosen based on disease resistance, productivity and curability. The A-1 variety is a high yielder but not resistant to Black Shank, and B-1 is highly resistant to Black Shank. The Policyholder's position was that any inability on her part to harvest the tobacco crop in a timely manner was attributed to the diseases discussed above and to the excessive and untimely moisture that prevented it from gaining access to the wet field. The Policyholder insisted that the choice of using only Telone C-17 and the application method was completely consistent with standard and customary practice in the area.

Research Process:

RMA reviewed the chemical and fertilizer records for the crop year. Receipts for the purchase of sufficient Admire Pro to treat the tobacco crop was provided. RMA referenced the Managing the Major Diseases section of the Flue-Cured Tobacco Guide, where it recommends the application of Admire Pro in the greenhouse to control aphids and other insect pests to help suppress the Tomato Spotted Wilt Virus.

With respect to Black Shank, the Flue Cured Tobacco Guide recommends crop rotation, use of resistant varieties, and the use of various fungicides, including Telone C-17 and Ridomil (Mefenoxam). One of the varieties (B-1) used was resistant to the Black Shank, but not A-1. In the case that varieties non-resistant to Black Shank are used, the Flue Cured Tobacco Guide recommends to apply preventive fungicides such as Ridomil Gold or Ultraflourish. The Policyholder elected only to apply Telone C-17 to both varieties. It is recommended to rotate fields at least every three years, and according to the records not all the insured fields were rotated following a three year rotation. Resistant varieties to Black Shank, the Guide states, should be used as part of an integrated approach including crop rotation and other appropriate cultural practices, and recommends chemical applications based on the resistance rating of each tobacco variety.

Determination Process:

According to the records provided, no Ridomil Gold or Ultraflourish were purchased or applied to the tobacco fields during the year. RMA found there was insufficient application of the recommended fungicide to prevent and control Black Shank in the variety A-1; therefore, the Policyholder did not follow good farming practices as recommended in the area.

Example GFP Cases (Continued)

The farmer's decision to delay the harvest of the less desirable tobacco and return to the fields to harvest the higher quality tobacco is not a naturally occurring event. The reason stated for not timely harvesting and removing all the marketable leaves on some fields was due to the tobacco in those fields being less desirable, and that the soil was too wet.

Upon review of the weather records provided, there was rainfall during the harvest season; however, there were a number of consecutive days with no precipitation that would have allowed continued harvest; additionally the fields that the Policyholder did harvest were in the same area, and with the same type of soil, but these were not too wet to access them.

Review, Concurrence and Issuance:

During the review process, RMA carefully reviewed all of the information submitted by the Policyholder, the AIP, and literature published by the State University Extension Service. All the documentation cited support the importance of using the right a combination of management tools to control and manage Black Shank or any other disease.

Based on the analysis of the information submitted and the literature, it was determined that there were not sufficient applications of disease control measures for Black Shank. The information provided did show there was minimal application meeting the recommended guidelines for the planted variety B-1, that was resistant to blank shank. The A-1 variety has a low resistance to Black Shank, and it was recommended to apply a systemic fungicide, Ridomil or Ultraflourish, and the Policyholder did not sufficiently apply the recommended systemic fungicides to prevent and control Black Shank for the fields planted with the A-1 variety.

The Policyholder's decision not to harvest the less desirable leaves and return to other fields does not constitute a recognized good farming practice, and the damage was not due to a naturally occurring event. Upon review of the weather records provided, there was some rainfall during the harvest season; however, there were a number of consecutive days with no precipitation that would have allowed continued harvest, and in fact allowed the Policyholder to harvest the contiguous fields.

Example GFP Cases (Continued)

CASE IV: GRAPES CASE EXAMPLE

Background:

According to the AIP, the Policyholder filed a notice of loss due to frost and rain. The AIP identified uninsured causes of loss due to failure to follow good farming practices, in part due to a lack of proper pruning during the growing season and prior, along with improper weed control management.

The AIP did not provide an opinion or publication from any agricultural expert or university to support denial of the claim. No information was provided in regard to the measures taken by the Policyholder compared to recognized farming practices. Additionally, no Adjuster's Special Reports, fact sheets or field notes documenting the conditions of the insured units to support the determination made regarding the issues or claim.

As part of the supporting documentation provided by the AIP, numerous photos taken by the loss adjuster were submitted, but none of the photos were labeled or showed any point of reference indicating location, unit or date.

Weather station records were collected and provided by the AIP, showing possible frost events in May in the area in question.

A letter requesting a review of the AIP Decision was sent on behalf of the Policyholder to RMA for a determination.

Request for an Initial Determination:

The request asked RMA to make a determination as to whether damage caused to the insured crop was due to a lack of proper pruning and improper weed management. The Policyholder sent an additional letter showing a timeline outlining the farming practices followed during the growing season.

In this letter, the Policyholder mentioned using different herbicides, but no purchase receipts or application records were provided. Although not mentioned by the AIP, the Policyholder provided testimony in regard to the use of fertilizer. The Policyholder stated, fertilization usually occurs every year, but due to financial issues, he decided not to apply any during this growing season.

The Policyholder concluded the letter stating that within a few hours of beginning harvest he decided to stop due to low yield; it was not cost effective to continue.

Example GFP Cases (Continued)

Review, Concurrence and Issuance:

The AIP GFP Decision Letter did not include or reference any published materials, written opinion or recommendation of any agricultural expert to support denial of the claim. According to the GFP Standards Handbook, paragraph 31 (A):

> *(6) The AIP must include the following in a GFP Decision:*
>
> *(a) documentation of agricultural expert opinion(s) or published material to support AIP decision the Policyholder failed to follow GFP;*
>
> *(b) description of the production methods employed by the Policyholder; and*
>
> *(c) analysis of production methods employed by Policyholder compared to the recommendations of the experts or published material.*
>
> *Without this documentation and analysis, a GFP Determination may not be made by the RO. RMA cannot uphold any AIP GFP Decisions that are not adequately documented and supported.*

RMA requested that the AIP develop a proper GFP Decision Letter in accordance with the GFP Standards Handbook and send it to the Policyholder. The rejection of the initial AIP letter was due to the lack any supporting documentation, the fact that the request file did not include any adjuster field notes or statement of fact documenting findings and observations of field inspections, nor was there analysis of the actions taken by the Policyholder compared against what agricultural experts or published material require.

Furthermore, the AIP did not provide a detailed report to explain all the facts relating to the good farming practice issues and impact to the insured crop because of the failure to take recommended actions. Additionally, the photographic evidence submitted was not labeled with any pertinent information indicating the date/time taken, unit number, location and subject matter depicted. Therefore, the initial AIP GFP Decision Letter to the Policyholder needed to be rescinded.

GOOD FARMING PRACTICES (GFP)

GFP Decision Appeal Process
(Basic Provisions, Section 20)