Weaned Calf Risk Protection
January 2024
Disclaimer

This presentation highlights features of the Weaned Calf Risk Protection (WCRP) program and is not intended to be comprehensive. The information presented neither modifies nor replaces terms and conditions of RMA policies or county actuarial documents.
Program Overview

• Provides coverage to beef cow/calf producers from loss of revenue from their calving operation for calves up to weaning age
• APH based program utilizing a producer's own yield history in establishing their guarantee
• Plans of insurance are: Yield Protection, Revenue Protection and Revenue Protection-Harvest Price Exclusion
• Coverage Levels 50% - 85%, CAT coverage available
• Required to insure all insurable calves
• Insurance attaches at time of submitting a Calf Report
• Insurance ends at the earlier of:
  • Weaning – Removing from mother
  • Sale
  • End of Insurance Period
• Spring Type based on when calves are born
WCRP Availability

WCRP is available for spring born calves (Feb-July) in CO, NE, SD & TX
WCRP Availability

Insurance Availability
In accordance with applicable standards contained in the United States Standards for Grades of Feeder Cattle (https://www.ams.usda.gov/grades-standards/feeder-cattle-grades-and-standards), breeds or cross breeds of cattle that would typically produce calves grading Inferior, Small Frame, or Number 3 or 4 thickness grade are excluded and not insurable.

Breed not explicitly raised for beef production and all dairy cattle are excluded and not insurable.

Examples of Insurable Breeds/Cross Breeds
• Angus
• Beefmaster
• Braford
• Brahman
• Brangus
• Braunvieh
• Charolais
• Chianina
• Gelbvieh
• Hereford
• Limousin
• Red Angus
• Red Brangus
• Santa Gertrudis
• Shorthorn
• Simbrah
• Simmental

Examples of Uninsurable Calves
• Dairy Breeds
• Miniature Breeds
• Double-Muscle Breeds
• Specialty Breeds
WCRP Timeline (Spring Calves)

- **Projected Price Discovery**
- **Production Reporting** 3/17/24
- **Calving Period** 2/1/24 – 7/31/24
- **Weaning Period** 8/1/24 – 1/31/25
- **Final Calf Report** 8/1/24
- **End of Insurance Period** 1/31/25
- **Contract Change** 11/30/23
- **Termination** 3/31/25

*Coverage begins with submission of the Calf Report submitted by the insured. The Calf Report may be revised as often as required to report the birth of additional calves during the 60-day period after the date calving begins except that the Calf Report may not be revised after the earlier of the insured’s Calf Reporting Date for the type and unit or the Final Calf Reporting Date for the type specified in the actuarial documents.*
# Price Discovery

**Chicago Mercantile Exchange (CME) Feeder Cattle Contract:**

<table>
<thead>
<tr>
<th>Type</th>
<th>Contract Month</th>
<th>Projected Price Discovery Period</th>
<th>Harvest Price Discovery Period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Beginning Date</td>
<td>Ending Date</td>
</tr>
<tr>
<td>Spring</td>
<td>November</td>
<td>December 15</td>
<td>January 15</td>
</tr>
</tbody>
</table>

**Regional Factor:** Adjusts futures price to the regional price for a 650-pound calf

**Base Weight:** 650 pounds

**Price Adjustment Factors (Projected & Harvest):** Used to adjust for select weight of calves
WCRP Pricing Regions
(by AMS Pricing Region)

WCRP Pricing Regions
- North Central (NC)
- South Central (SC)
- Southeast (SE)
- Western (WE)
Pricing – Regional Factors

- The Regional Factor (RF) is calculated by dividing the weighted average price for a 650-pound calf within a respective region by the corresponding feeder cattle futures price, noted as:

\[
\text{Regional Factor: } RF = \left( \frac{y_{\text{Region}P_1}}{y_{\text{Futures}P_1}} \right)
\]

\[
\text{Regional Base Price: } y_{\text{Reg Base}P_1} = RF * y_{\text{Futures}P_1}
\]

- Example: CME November Feeder Cattle * North Central Regional Factor
  
  \$2.55 /lb. * 1.02 = \$2.60 /lb. base weight price
**Price Adjustment Factors**

- Calf prices depend on the weight of the cattle with lightweight calves typically having the highest price per pound and lower prices for heavier calves.

- Measure of the amount of price adjustment as weight changes from a base weight

\[
\text{Weight Differential: } \hat{y}_{\text{RegD}_1} = \left( \frac{y_{\text{RegMAX}(300-400)}_{P_1}}{y_{\text{Reg650P}_1}} - 1 \right) \left( \frac{650 - 300}{650 - 300} \right)
\]

\[
\text{Price Adjustment Factor: } \hat{y}_{\text{RegPAF}_1} = \left( \hat{y}_{\text{RegD}_1} / y_{\text{RegBaseP}_1} \right)
\]

- Example: 
  
  \[
  ((300 \text{ lbs. Price} \div 650 \text{ lbs. Price}) - 1) \div 350 \text{ lbs.} = (\$3.00 \div \$2.60) - 1 \div 350 \text{ lbs.} = 0.0004 \text{ or } 0.04\% \text{ “price slide”}
  \]
Price Example

$2.60/lb. Projected Price

0.0004 Projected Price Adjustment Factor

Projected Price

Weight (lbs.)

Price ($/lb)

$3.06/lb

$2.49/lb
Projected Price Calculations

Formulated Producer Projected Price:

Base Weight – Bounded Approved Yield (200 ≤ 750)  
Projected Price Adjustment Factor + 1  
Projected Price

Adjusted Producer Projected Price:

Base Weight – Bounded Actual Yield (200 ≤ 750)  
Projected Price Adjustment Factor + 1  
Projected Price
Harvest Price Calculations

Formulated Producer Harvest Price:
- Base Weight – Bounded Approved Yield
  \((200 \leq 750)\)
- Harvest Price Adjustment Factor + 1
- Harvest Price

Adjusted Producer Harvest Price:
- Base Weight – Bounded Actual Yield
  \((200 \leq 750)\)
- Harvest Price Adjustment Factor + 1
- Harvest Price
### What Price Do I Use?

<table>
<thead>
<tr>
<th>Plan of Insurance</th>
<th>Formulated Producer Projected Price</th>
<th>Adjusted Producer Projected Price</th>
<th>Formulated Producer Harvest Price</th>
<th>Adjusted Producer Harvest Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>YP</td>
<td>Production Guarantee</td>
<td>Production-to-Count</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>RP</td>
<td>Production Guarantee (If PP &gt; HP)</td>
<td>-</td>
<td>Production Guarantee (If PP &lt; HP)</td>
<td>Production-to-Count</td>
</tr>
<tr>
<td>RP-HPE</td>
<td>Production Guarantee</td>
<td>-</td>
<td>-</td>
<td>Production-to-Count</td>
</tr>
</tbody>
</table>
WCRP Timeline (Spring Calves)

- **Sales Closing; Cancellation**: 1/31/24
- **Projected Price Discovery**
- **Production Reporting**: 3/17/24
- **Calving Period**: 2/1/24 – 7/31/24
- **Final Calf Report**: 8/1/24
- **Harvest Price Discovery**
- **Contract Month**
- **Weaning Period**: 8/1/24 – 1/31/25
- **End of Insurance Period**: 1/31/25
- **Premium Billing**: 2/1/25
- **Termination**: 3/31/25

*Coverage begins with submission of the Calf Report submitted by the insured. The Calf Report may be revised as often as required to report the birth of additional calves during the 60-day period after the date calving begins except that the Calf Report may not be revised after the earlier of the insured's Calf Reporting Date for the type and unit or the Final Calf Reporting Date for the type specified in the actuarial documents.*
Application

• The producer lists the county where they intend to raise calves
  • **IMPORTANT NOTE: LIST ONLY ONE COUNTY PER APPLICATION.**

• Elect applicable coverage level, share, & plan of insurance (RP, RP-HPE, YP)

• Only Basic Units

• Cannot elect LRP Feeder cattle (except for Dairy/Unborn Dairy) with WCRP

• Complete the Producer Pre-Acceptance Worksheet (PAW)
  • Completed annually (self-certification allowed following year of application) before the applicable SCD
  • Amended/Revised PAW required if any changes that would alter the number of cows in the applicable location
WCRP and Livestock Risk Protection (LRP)

An insured **CAN NOT** elect the following **LRP Feeder Cattle** Types in conjunction with WCRP:

- Steers Weight 1
- Steers Weight 2
- Heifers Weight 1
- Heifers Weight 2
- Brahman Weight 1
- Brahman Weight 2
- Unborn Steers & Heifers
- Unborn Brahman

An insured **CAN** elect the following LRP Types in conjunction with WCRP:

- Fed Cattle
- Swine
- Feeder Cattle
  - Dairy Weight 1
  - Dairy Weight 2
  - Unborn Dairy
- LRP Feeder Cattle in another state/county and on different calves.
Producer Pre-Acceptance Worksheet (PAW)

- Completed annually by the Applicant or Insured by the Sales Closing Date
- Triggers a PAIR when:
  - Damage to pastures or related feed or water sources due to drought, fire, etc.
  - When significant changes in practices or production methods occur
  - Any “No” or “None” responses to PAW elements 16-19
Pre-Acceptance Inspection Report (PAIR)

- Completed by Approved Insurance Providers (AIPs) & used to determine application acceptance
- Must inspect all cattle & all location(s) for the application county
- Completed within 30 days of the Sales Closing Date
- Initiated:
  - For new applicants or insureds transferring coverage from another AIP
  - When significant changes in cattle operation occur (shift in number of cows, expansion of acres, management practice change, etc.)
  - To assess pasture/range conditions or when prior year damage to pasture or water resources occur due to drought/fire/etc.
  - Any “No” or “None” responses to PAW elements (items 16-19)
  - When initiated at the discretion of the AIP
Record Requirements

• For New Insureds:
  • Application
  • Weaning Weight Records from last four to ten years (if applicable and if deemed acceptable)
  • Producer Pre-Acceptance Worksheet (PAW) (Pre-Acceptance Inspection Report will be completed by the AIP)

• After the Initial Year of Coverage:
  • Policy continues until canceled
  • Self-Certification of PAW
  • Retain records in accordance with Para. 1404 of the CIH
WCRP Timeline (Spring Calves)

- **Sales Closing; Cancellation**: 1/31/24
- **Project Price Discovery**: 11/30/23
- **Production Reporting**: 3/17/24
- **Calving Period**: 2/1/24 – 7/31/24
- **Final Calf Report**: 8/1/24
- **Weaning Period**: 8/1/24 – 1/31/25
- **Contract Month**:
- **Harvest Price Discovery**:
- **End of Insurance Period**: 1/31/25
- **Premium Billing**: 2/1/25
- **Termination**: 3/31/25

*Coverage begins with submission of the Calf Report submitted by the insured. The Calf Report may be revised as often as required to report the birth of additional calves during the 60-day period after the date calving begins except that the Calf Report may not be revised after the earlier of the insured's Calf Reporting Date for the type and unit or the Final Calf Reporting Date for the type specified in the actuarial documents.*
Determining Production Guarantee

- For New Insureds:
  - T-Yields available
  - Verifiable actual weaning weight records
    - Actual records capped at 125% of the T-Yield

- After the Initial Year of Coverage:
  - Actual, third-party verified records are utilized (*no cap*) as long as WCRP coverage continues

- Acceptable records must:
  - Be verifiable;
  - Include the number of head and weight; &
  - Align with applicable requirements found in Part 4 of the WCRP ISH and Part 14 of the CIH

NOTE: The insured must report by the production reporting date any changes in practices or other circumstances that may reduce the expected yield below the yield upon which the insurance guarantee is based. Yields may be reduced by the AIP based on changes in practices, if necessary.
### 125% T-Yield Cap Example

**T-Yield in Example = 500 lbs. for each commodity year**  
(500 lbs. × 125% = 625 lbs. cap)

<table>
<thead>
<tr>
<th>Commodity Year</th>
<th>Average Yield Per Calf Records</th>
<th>2024 WCRP Yield Per Calf</th>
<th>2025 WCRP Yield Per Calf</th>
<th>2026 WCRP Yield Per Calf</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>725 lbs.</td>
<td>X 625 lbs.</td>
<td>X 625 lbs.</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>609 lbs.</td>
<td>609 lbs.</td>
<td>609 lbs.</td>
<td>609 lbs.</td>
</tr>
<tr>
<td>2017</td>
<td>615 lbs.</td>
<td>615 lbs.</td>
<td>615 lbs.</td>
<td>615 lbs.</td>
</tr>
<tr>
<td>2018</td>
<td>578 lbs.</td>
<td>578 lbs.</td>
<td>578 lbs.</td>
<td>578 lbs.</td>
</tr>
<tr>
<td>2019</td>
<td>628 lbs.</td>
<td>X 625 lbs.</td>
<td>X 625 lbs.</td>
<td>X 625 lbs.</td>
</tr>
<tr>
<td>2020</td>
<td>571 lbs.</td>
<td>571 lbs.</td>
<td>571 lbs.</td>
<td>571 lbs.</td>
</tr>
<tr>
<td>2021</td>
<td>714 lbs.</td>
<td>X 625 lbs.</td>
<td>X 625 lbs.</td>
<td>X 625 lbs.</td>
</tr>
<tr>
<td>2022</td>
<td>667 lbs.</td>
<td>X 625 lbs.</td>
<td>X 625 lbs.</td>
<td>X 625 lbs.</td>
</tr>
<tr>
<td>2023</td>
<td>600 lbs.</td>
<td>600 lbs.</td>
<td>600 lbs.</td>
<td>600 lbs.</td>
</tr>
<tr>
<td>2024</td>
<td>670 lbs.</td>
<td>670 lbs.</td>
<td>670 lbs.</td>
<td>670 lbs.</td>
</tr>
<tr>
<td>2025</td>
<td>582 lbs.</td>
<td>608 lbs.</td>
<td>614 lbs.</td>
<td>610 lbs.</td>
</tr>
</tbody>
</table>

**Approved Yield**: 608 lbs., 614 lbs., 610 lbs.
WCRP Timeline (Spring Calves)

Sales Closing; Cancellation 1/31/24
Projected Price Discovery
Production Reporting 3/17/24
Final Calf Report 8/1/24*
Harvest Price Discovery
Contract Month
End of Insurance Period 1/31/25
Termination 3/31/25

Calving Period 2/1/24 – 7/31/24
Weaning Period 8/1/24 – 1/31/25
Premium Billing 2/1/25

*Coverage begins with submission of the Calf Report submitted by the insured. The Calf Report may be revised as often as required to report the birth of additional calves during the 60-day period after the date calving begins except that the Calf Report may not be revised after the earlier of the insured’s Calf Reporting Date for the type and unit or the Final Calf Reporting Date for the type specified in the actuarial documents.
Calf Reporting

- Must provide notice within 72 hours of the date calving begins
- The **calf report** is a summary record of all live calves born at different times from the beginning of calving to the calf reporting date or final calf reporting date
- The **calf reporting date** is the date determined for the type & unit equal to the earlier of 60 days after the date calving begins or the final calf reporting date
- The **final calf reporting date** is the date contained in the AD for the type by which the calf report must be submitted (*August 1st for Spring Calves*)
- Insurance attaches **only** to calves reported on the calf report
- Must submit a zero-calf report if you don’t have insured calves in the county for the crop year.
Calf Report Details

- All insurable & uninsurable live calves, by type, located in the application county
- Number of brood cows
- Estimated number of calves that may be born after calf report is filed (considered reported as uninsurable & not as underreported)
- Date calving begins for each type & unit
- Land identifier, share & signature
- May revise calf report as often as required to report birth of additional calves until the earlier of the calf reporting date or final calf reporting date
- Reports can be made in person or by phone & confirmed in writing within 15 days
Moving Calves

• Moving to Another Insurable County:
  • Must give immediate notice & obtain consent from AIP
  • Premium for the calves being moved will be based on the higher of the premium rate for the county listed on application or the premium rate for the county where the calves are being moved to

• Moving to a County in an Uninsured State:
  • Must give immediate notice & obtain consent from AIP
  • The higher of the premium rate for the county listed on the application or premium rate for the uninsured state contained in the AD will apply to the calves being moved

• Moving to Another Country (e.g., Canada, Mexico):
  • Must give notice within 72 hours prior to the date the calves are moved
  • Coverage ends once the calves are moved
  • Premium will be based on the premium rate for the county listed on application
Moving Scenarios

- Scenario 1: 20 head, Premium Rate: 7%
- Scenario 2: 20 head, Premium Rate: 8%
- Scenario 3: 20 head, Premium Rate: 12%
- Scenario 4: 20 head, Premium Rate: 7% & Coverage Ends

- Another Country: 20 head, Coverage ENDS (in AD)
Moving Cattle Notice Requirements

- Reason the calves are being moved
- County from which the calves are moved
- County to which the calves are moved
- Number of calves being moved
- Number of calves remaining at the current location
- Expected date of arrival at the new county location
WCRP Timeline (Spring Calves)

Sales Closing: Cancellation 1/31/24
Projected Price Discovery
Production Reporting 3/17/24
Calving Period 2/1/24 – 7/31/24
Contract Change 11/30/23
Final Calf Report 8/1/24*
Harvest Price Discovery
Weaning Period 8/1/24 – 1/31/25
End of Insurance Period 1/31/25
Termination 3/31/25

*Coverage begins with submission of the Calf Report submitted by the insured. The Calf Report may be revised as often as required to report the birth of additional calves during the 60-day period after the date calving begins except that the Calf Report may not be revised after the earlier of the insured’s Calf Reporting Date for the type and unit or the Final Calf Reporting Date for the type specified in the actuarial documents.
End of Insurance Period

- **Insurance ends the earliest of:**
  - Total destruction of the insured commodity
  - Final adjustment of a loss on the unit
  - Abandoning of the insured commodity
  - Putting the commodity to an alternative use (backgrounding, etc.)
  - Sale of the insured commodity
  - The calendar date the calves are weaned
  - Moving the insured commodity to another country
  - 1/31 of the year immediately following the sales closing date for the crop year
Weaning Weight Report

• Completed by insured & verified by an acceptable, disinterested third-party
• Weights must be determined within five business days after weaning
• Third-party verifier must be present at time the calves are weighed
• Scales must meet applicable requirements
• A representative sample of the calves must be weighed to determine the total weaning weight of calves being weaned on each weaning date. The minimum sample will be 20% of the number of calves being weaned not to exceed 30 calves
  • NOTE: While the adjuster or AIP representative does NOT have to be present at the time of weighing, the adjuster or AIP representative has the final say in number of calves weighed & other loss adjustment procedures
Acceptable WCRP Third-Party Verifiers

- Auction, Sale Barn, Livestock Exchange, etc.
- AIP Loss Adjuster
- Livestock Commission Representative
- County Agricultural & Natural Resources Extension Agent
- Licensed Veterinarian
- State Extension Beef Cattle Specialist
- State Dept. of Agriculture Animal Health, Livestock, or Measurement Standards Division Personnel
- State Cattlemen’s Association Official
- Authorized FSA Personnel
Background Adjustment Report (BAR)

- Completed by insured
- Used to document calculations in adjusting average weaning weight of calves backgrounded after being weaned & before obtaining a weaning weight
- Information on BAR is used for the WWR
- Sale or weight documentation **MUST** be included
- Weight must occur within five business days of the end of insurance for the applicable type
BAR Calculation

Producer weans 50 calves but wants to background them prior to selling. The producer lives in an area where local scales are unavailable, and a weaning weight cannot be obtained.

Wean Date
October 1st

Date Weighed
November 30th

Total Weight
32,000 lbs

Step 1: Determine Number of Background Days

Date Weighed – Date Weaned
November 30th – October 1st = 60 Days

Step 2: Calculate Background Adjustment

Step 1 × 1.5 Background Adjustment/Day
60 Days × 1.5 lbs = 90 lbs

Step 3: Determine Average Calf Weight

Total Weight ÷ Number of Head
32,000 lbs ÷ 50 calves = 640 lbs/calf

Step 4: Adjusted Calf Weaning Weight

Step 3 – Step 2
640 lbs/calf – 90 lbs = 550 lbs/calf

Step 5: Adjusted Total Weaning Weight

Step 4 × Number of Head
550 lbs/calf × 50 calves = 27,500 lbs
Causes of Loss

• Adverse weather conditions
• Fire
• Wildlife
• Earthquake
• Volcanic eruption
• Disease, but not damage due to insufficient or improper application of disease control measures
• Other causes directly damaging pastures and other forms of grazing (e.g. insects provided acceptable control measures were followed, etc.)
• Calf death due to a covered peril occurring during the insurance period (e.g., disease, freezing temperatures, flood, fire, hail, predation, etc.)
• Change in harvest price from projected price (RP & RP-HPE)
NOT Covered Perils

• Aborted pregnancies
• Stillborn calves
• Calves that die before the insured’s calf report is submitted
• Failed conception
• Calves the insured is required to destroy by order of official governmental authority (e.g., quarantine order for destruction)
• Calves seized or quarantined & are not released during the insurance period
• Calf death due to any causes while the calves are under quarantine
• Calves that die while in transit
Duties in Case of Damage/Loss

• Protect the commodity from further damage by providing sufficient care

• For calf death:
  • Establish that any death occurred during insurance period
  • Such death was due to an insured cause of loss
  • Provide acceptable documentation of death (picture, carcass, etc.)

• Obtain Consent from AIP Before:
  • Destroying any of the insured commodity
  • Putting the insured commodity to an alternative use (backgrounding)
  • Abandoning any of the insured commodity
  • Selling any of the insured commodity prior to the date the calves would normally be weaned
  • Selling any of the commodity other than to an auction, sale barn, or other established sale facility or buyer
WCRP Timeline (Spring Calves)

Sales Closing; Cancellation 1/31/24
Projected Price Discovery

Production Reporting 3/17/24

Final Calf Report 8/1/24*
Harvest Price Discovery

Contract Month

End of Insurance Period 1/31/25

Termination 3/31/25

Nov Dec Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec Jan Feb Mar

Contract Change 11/30/23
Calving Period 2/1/24 – 7/31/24
Weaning Period 8/1/24 – 1/31/25
Premium Billing 2/1/25

*Coverage begins with submission of the Calf Report submitted by the insured. The Calf Report may be revised as often as required to report the birth of additional calves during the 60-day period after the date calving begins except that the Calf Report may not be revised after the earlier of the insured’s Calf Reporting Date for the type and unit or the Final Calf Reporting Date for the type specified in the actuarial documents.
WCRP Example-YP

Producer elects WCRP Yield Protection coverage

- 600 lb. approved yield (per calf)
- 75% coverage level
- 450 lbs. production guarantee (per calf) 
  \[(600 \times 75%)\]
- 100 reported calves
- 100% share & price election
- 0.05 premium rate
- 362 lbs. actual weaning weight/calf \textit{(loss due to insurable causes)}

<table>
<thead>
<tr>
<th>Price</th>
<th>Weight</th>
<th>$/lb</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formulated Producer</td>
<td>600</td>
<td>$1.64</td>
</tr>
<tr>
<td>Projected Price</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted Producer</td>
<td>362</td>
<td>$1.83</td>
</tr>
<tr>
<td>Projected Price</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\textbf{Liability}

\[100 \text{ calves} \times 450 \text{ lbs. production guarantee/calf} \times$1.64 \text{ projected price} = $73,800 \text{ liability}\]

\textbf{Premium}

\[$73,800 \text{ liability} \times 0.05 \text{ premium rate} = $3,690 \text{ premium}\]
WCRP Example-YP (continued)

Indemnity Calculation

Steps 1 & 2:
Calves × Yield Protection Guarantee/Calf
100 × 450 lbs. × $1.64/lb. = $73,800

Steps 3 & 4:
Total Production to Count × Price
100 × 362 lbs. × $1.83/lb. = $66,246

Step 5:
Step 2 – Step 4
$73,800 – $66,246 = $7,554

Step 6:
Step 5 × Share
$7,554 × 100% = $7,554 Indemnity

<table>
<thead>
<tr>
<th>Price</th>
<th>Weight</th>
<th>$/lb</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formulated Producer</td>
<td>600</td>
<td>$1.64</td>
</tr>
<tr>
<td>Projected Price</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted Producer</td>
<td>362</td>
<td>$1.83</td>
</tr>
<tr>
<td>Projected Price</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
WCRP Example-RP

Producer elects WCRP Revenue Protection coverage

- 600 lb. approved yield (per calf)
- 75% coverage level
- 450 lbs. production guarantee (per calf)
- 100 reported calves
- 100% share & price election
- 0.11 premium rate
- 2 calves die due to insurable causes (98 remain)
- 362 lbs. actual weaning weight/calf (loss due to insurable causes)

<table>
<thead>
<tr>
<th>Price</th>
<th>Weight</th>
<th>$/lb</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formulated Producer</td>
<td>600</td>
<td>$1.64</td>
</tr>
<tr>
<td>Projected Price</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Formulated Producer</td>
<td>600</td>
<td>$1.55</td>
</tr>
<tr>
<td>Harvest Price</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted Producer</td>
<td>362</td>
<td>$1.76</td>
</tr>
<tr>
<td>Harvest Price</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Liability**

100 calves × 450 lbs. production guarantee/calf × $1.64 projected price = $73,800 liability

**Premium**

$73,800 liability × 0.11 premium rate = $8,118 premium
**WCRP Example-RP (continued)**

**Indemnity Calculation**

<table>
<thead>
<tr>
<th>Steps 1 &amp; 2:</th>
<th>Calves × Yield Protection Guarantee/Calf</th>
<th>100 × 450 lbs. × $1.64/lb. = $73,800</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steps 3 &amp; 4:</td>
<td>Total Production to Count × Price</td>
<td>98 × 362 lbs. × $1.76/lb. = $62,438</td>
</tr>
<tr>
<td>Step 5:</td>
<td>Step 2 – Step 4</td>
<td>$73,800 – $62,438 = $11,362</td>
</tr>
<tr>
<td>Step 6:</td>
<td>Step 5 × Share</td>
<td>$11,362 × 100% = $11,362 Indemnity</td>
</tr>
</tbody>
</table>

### Price Table

<table>
<thead>
<tr>
<th></th>
<th>Weight</th>
<th>$/lb</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formulated Producer</td>
<td>600</td>
<td>$1.64</td>
</tr>
<tr>
<td>Projected Price</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Formulated Producer</td>
<td>600</td>
<td>$1.55</td>
</tr>
<tr>
<td>Harvest Price</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted Producer</td>
<td>362</td>
<td>$1.76</td>
</tr>
</tbody>
</table>
WCRP Example-RP-HPE

Producer elects WCRP Revenue Protection-Harvest Price Exclusion coverage

- 600 lb. approved yield (per calf)
- 75% coverage level
- 450 lbs. production guarantee (per calf)
- 100 reported calves
- 100% share & price election
- 0.08 premium rate
- 2 calves die due to insurable causes *(98 remain)*
- 362 lbs. actual weaning weight/calf *(loss due to insurable causes)*

<table>
<thead>
<tr>
<th>Price</th>
<th>Weight</th>
<th>$/lb</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formulated Producer Projected Price</td>
<td>600</td>
<td>$1.64</td>
</tr>
<tr>
<td>Adjusted Producer Harvest Price</td>
<td>362</td>
<td>$1.99</td>
</tr>
</tbody>
</table>

**Liability**

100 calves × 450 lbs. production guarantee/calf × $1.64 projected price = $73,800 liability

**Premium**

$73,800 liability × 0.08 premium rate = $5,904 premium
WCRP Example-RP-HPE (continued)

Indemnity Calculation

**Steps 1 & 2:**
Calves × Yield Protection Guarantee/Calf
100 × 450 lbs. × $1.64/lb. = $73,800

**Steps 3 & 4:**
Total Production to Count × Price
98 × 362 lbs. × $1.99/lb. = $70,597

**Step 5:**
Step 2 – Step 4
$73,800 – $70,597 = $3,203

**Step 6:**
Step 5 × Share
$3,203 × 100% = $3,203 Indemnity

---

<table>
<thead>
<tr>
<th>Price</th>
<th>Weight</th>
<th>$/lb</th>
</tr>
</thead>
<tbody>
<tr>
<td>Formulated Producer Projected Price</td>
<td>600</td>
<td>$1.64</td>
</tr>
<tr>
<td>Adjusted Producer Harvest Price</td>
<td>362</td>
<td>$1.99</td>
</tr>
</tbody>
</table>
Cost Estimator

https://ewebapp.rma.usda.gov/apps/costestimator/
How to find an agent

https://public-rma.fpac.usda.gov/apps/AgentLocator
Questions

EMAIL: RMA.KC.LIVESTOCK@USDA.GOV

RESOURCES: WWW.RMA.USDA.GOV/EN/POLICY-AND-PROCEDURE/INSURANCE-PLANS/LIVESTOCK-INSURANCE-PLANS