

PRODUCT MANAGEMENT BULLETIN: PM-20-064

DATE September 16, 2020

TO: All Approved Insurance Providers
All Risk Management Agency Field Offices
All Other Interested Parties

FROM: Richard H. Flourney, Deputy Administrator /s/ Richard H. Flourney 9/16/2020

SUBJECT: CORRECTED Livestock Risk Protection for Feeder Cattle, Fed Cattle, and Swine
Revisions Effective for the 2021 and Succeeding Crop Years

Background

The Federal Crop Insurance Corporation's Board of Directors (Board) approved revisions to the Livestock Risk Protection (LRP) plan of insurance for Feeder Cattle, Fed Cattle, and Swine, under section 508(h) of the Federal Crop Insurance Act, on August 20, 2020. The following revisions are applicable for the 2021 and succeeding crop years:

- Increase the premium subsidy rate for the 2021 crop year. The rate will increase based on the coverage selected by the livestock producer as outlined below:

Coverage Level (Percent)	Previous Subsidy Rate (Percent)	Revised Subsidy Rate (Percent)
95-100	25	35
90-94.99	30	40
85-89.99	35	45
80-84.99	35	50
70-79.99	35	55

Other approved changes for the 2021 crop year (will be released at a later date):

- Increase head limits to:
 - Feeder Cattle – 6,000 head per endorsement/12,000 head annually
 - Fed Cattle – 6,000 head per endorsement/12,000 head annually
 - Swine – 40,000 head per endorsement/150,000 head annually
- Modify the livestock ownership requirement to 60 days
- Add endorsement length options up to 52 weeks for swine
- Modify the policy and create new feeder cattle and swine types to allow for livestock to be insured before birth

Action

Approved Insurance Providers (AIPs) will need to resubmit any 2021 LRP policies to get the revised subsidy amounts before issuing premium bills to the insured.

If you have any questions, please contact Cody Lovercamp, Product Administration and Standards Division at (816) 926-6389.

DISPOSAL DATE:

December 31, 2021