

# PRODUCT MANAGEMENT BULLETIN: PM-20-029

DATE May 01, 2020

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

FROM: Richard H. Flournoy, Deputy Administrator /s/ Richard H. Flournoy 5/1/2020

SUBJECT: Forage Seeding and Forage Production Crop Insurance Changes Effective for the 2021 and Succeeding Crop Years

## Background

The Federal Crop Insurance Corporation (FCIC) amended the Forage Seeding Crop Provisions and Forage Production Crop Provisions for the 2021 and succeeding crop years with the following changes:

### Forage Seeding

- Revised the loss adjustment method to be based on alfalfa stems (Adequate Stand). Therefore, the current insurable types will be converted to new types based on percentage of alfalfa groundcover. The Adequate Stand method more accurately predicts yields in subsequent years by using the number of *live stems* rather than *live plants* (Normal Planting Density) for alfalfa mixes with more than 60% alfalfa.
- Maintained current loss determination method (Normal Planting Density) for forage types that contain less than 60 percent alfalfa or no alfalfa at all, such as red clover. Normal Planting Density will also be used for replant determinations.
- Revised insurable alfalfa types to be based on alfalfa groundcover percentage as the Adequate Stand method is utilized for alfalfa mixes with 60% or more alfalfa groundcover (see Appendix 1).
- Revised provisions and program dates to allow for expansion of the fall planted practice and expansion into additional counties.
- Removed state and county-specific references to allow for more-timely responsiveness to new or evolving regional conditions as needed in the future.

### Forage Production

- Revised the Adequate Stand definition to correspond with the definition in the Forage Seeding Crop Provisions.
- Added the definition of Normal Planting Density to correspond with the definition in the Forage Seeding Crop Provisions and address the loss determination methods for types with less than 60 percent alfalfa or no alfalfa at all.
- Revised insurable alfalfa types to be based on alfalfa groundcover percentage (see Appendix 2).
- Revised the cancellation and termination dates for Arizona from September 30 to October 31 and revised the cancellation and termination dates for Nevada and Utah from October 31 to September 30.
- Removed state and county-specific references to allow for more-timely responsiveness to new or evolving regional conditions as needed in the future.

Final Rule with these changes was published April 30, 2020, in the Federal Register. FCIC invites you to submit comments on this rule through the close of business June 29, 2020, at [regulations.gov](https://www.regulations.gov).

## Action

The Forage Seeding Crop Provisions (21-032) and the Forage Production Crop Provisions (21-033) will be available by close of business today on the RMA website at [www.rma.usda.gov](https://www.rma.usda.gov).

Approved Insurance Providers (AIPs) must follow the actions in Appendix 2 to convert the policies with an Actual Production History (APH) insured under the Forage Production program. The information in Appendix 1 provides AIPs the type changes made to the Forage Seeding program.

Approved insurance providers must notify policyholders of these changes at least 30 days prior to the cancellation date, as required by the policy.

### APPENDIX 1: Forage Seeding Types

New type definitions are:

- Alfalfa 90-100: Alfalfa is 90 percent or more of groundcover
- Alfalfa 60-89: Alfalfa is at least 60 percent but less than 90 percent of groundcover.

The table below shows existing insurable types and new insurable types beginning with the 2021 crop year.

Existing Types	New Types/Insurable Types
Birdsfoot Trefoil	Unchanged
Birdsfoot Trefoil Grass Mixture	Unchanged
Alfalfa Grass Mixture	Uninsurable
Red Clover	Unchanged
Alfalfa	Alfalfa 90-100
	Alfalfa 60-89

## APPENDIX 2: Forage Production Types and APH Conversion

New type definitions are:

- Alfalfa 90-100: Alfalfa is 90 percent or more of groundcover.
- Alfalfa 60-89: Alfalfa is at least 60 percent but less than 90 percent of groundcover.
- Alfalfa 25-59: Alfalfa is at least 25 percent but less than 60 percent of groundcover.
- Alfalfa 1-24: Alfalfa is at least 1 percent but less than 25 percent of groundcover.

The table below can be used to convert APH databases from existing types into new types for the 2021 crop year:

Existing Type	How to Convert
<b>Alfalfa</b>	Use the Forage Underwriting Report (FUR) from prior years to determine if the percent ground cover is 90-100. If it is 90 or greater, then the APH will be converted to Alfalfa 90-100.
<b>Alfalfa</b>	If the percent ground cover is less than 90 percent in the prior years' FUR or the current year's FUR (see above), then the APH will be converted to Alfalfa 60-89, 25-59, or 1-24 based on the percent ground cover.
<b>Alfalfa Grass Mixture</b>	Converts to Alfalfa 25-59
<b>Grass Alfalfa Mixture</b>	Converts to Alfalfa 1-24
<b>Grass</b>	NA
<b>Red Clover</b>	NA
<b>Birdsfoot Trefoil</b>	NA
<b>Timothy Grass/ Orchardgrass</b>	NA

### DISPOSAL DATE:

December 31, 2021