

PRODUCT MANAGEMENT BULLETIN: PM-20-042

DATE June 26, 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 6/26/2020

SUBJECT: Livestock Risk Protection for Feeder Cattle, Fed Cattle, and Swine Revisions 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 May 21, 2020. The following revisions are applicable for the 2021 and succeeding crop years:

- Allow premium to be paid at the end of the endorsement period;
- Increase premium subsidy. Premium subsidy will increase based on the coverage selected by the livestock producer as outlined below:

Coverage Level		Current Subsidy Level	Revised Subsidy Level
Equal to or Greater Than	Less Than		
0.70	0.80	35%	35%
0.80	0.90	30%	35%
0.90	0.95	25%	30%
0.95	1.00	20%	25%

- Minor editorial edits to Section 11 Mediation, Arbitration, Appeal, Reconsideration, and Administrative and Judicial Review; Section 13 Conformity to Food Security Act of 1985, and Section 16 Concealment, Misrepresentation or Fraud.

Action

The following materials will be available by close of business today on the RMA website at www.rma.usda.gov:

- 2021 LRP Policy
- 21-LRP Handbook
- 21-LRP-Feeder Cattle Underwriting Rules
- 21-LRP-Fed Cattle Underwriting Rules
- 21-LRP-Swine Underwriting Rules
- LRP Feeder Cattle- Fact Sheet
- LRP Fed Cattle- Fact Sheet

Approved Insurance providers (AIPs) will not need to get an updated application for carryover insureds for the new practice field i.e. premium date required on the application. AIPs must submit one valid practice code for carryover insureds. For any additional Specific coverage endorsement the insured purchases, the AIP will need to endorse the application to include the additional practice code for the additional premium billing date.

If you have any questions, please contact Michael Ciliege or Cody Lovercamp, Product Administration and Standards Division at (816) 926-7730.

DISPOSAL DATE:

December 31, 2020