



United States Department of Agriculture
Risk Management Agency

March 2012

2012 COMMODITY INSURANCE FACT SHEET

Corn

Montana, Wyoming, North and South Dakota

Crop Insured

Corn planted for harvest as grain (or corn as silage for corn where applicable) is covered under the coarse grains policy. Corn must be grown on insurable acreage, for which premium rates are shown on the actuarial table.

Counties Available

Corn is insurable in many counties in this region. Where insurance is unavailable corn may be insurable by written agreement if specific criteria are met. Contact an agent for more details.

Causes of Loss

Adverse weather conditions¹
Failure of irrigation water supply²
Fire
Insects³
Plant disease³
Wildlife

¹Includes excessive moisture that prevents timely harvesting and abnormal temperatures that result in bypassed acreage because too much acreage was ready for harvest than could be feasibly harvested, or the processing of such production was beyond the capacity of the processor.

²If caused by an insured cause of loss.

³But not due to insufficient or improper application of control measures.

Insurance Period

Coverage begins when the corn is planted, and ends at the earliest of:

- (1) total destruction of the unit;
- (2) harvest of the unit;
- (3) abandonment of the unit;
- (4) final adjustment of a unit; or
- (5) the date for the end of the insurance period in the coarse grains provisions. (September 30 for silage and December 10 for Grain).

Reporting Requirements

Acreage Report — You must report all acreage of the insured crop, both insured and uninsured.

Important Dates

Sales Closing/Cancellation	March 15
Acreage Reporting	July 15
Premium Billing	August 15

Production Guarantee

Number of bushels or tons guaranteed determined by multiplying your average yield (based on your records) by the coverage level percentage you elect.

Duties in the Event of Damage or Loss

- (1) Protect the crop from further damage by providing sufficient care; and
- (2) notify your agent within 72 hours of your initial discovery of damage (but not later than 15 days after the end of the insurance period.)

Coverage Levels and Premium Subsidies

Coverage levels range from 50 to 75 percent (80 and 85 percent for corn in MT, ND, and SD) of your average yield. For example, an average yield of 100 bushels per acre would result in a guarantee of 75 bushels per acre at the 75 percent coverage level. Crop insurance premiums are subsidized as shown below. For example, if you select the 75 percent coverage level, your premium share would be 45 percent of the base premium:

Item	Percent							
Coverage Level	50	55	60	65	70	75	80	85
Premium Subsidy *	67	64	64	59	59	55	48	38
Your Premium Share	33	36	36	41	41	45	52	62

*Basic and Optional

Catastrophic (CAT) coverage is fixed at 50 percent of your average yield and 55 percent of the price election. The cost for CAT coverage is an administrative fee of \$300, regardless of the acreage.

Price Elections

The price is set according to the Commodity Exchange Price Provisions (CEPP) or the contract price (if applicable). The CEPP is on the RMA Public Web Site under the 2012 Common Crop Insurance Policy. An organic price election is available for corn in 2012.

Insurance Units

Your insurable acreage will be grouped into one or more units to establish the approved yield, calculate a guarantee, and determine any indemnity.

Basic Unit: A basic unit includes all of your applicable crop acreage in the county by share arrangement.

Optional Units: If a basic unit consists of two or more sections or irrigated and non-irrigated acreage, and certain record-keeping criteria are met, you may apply for optional units.

Enterprise Units: All your insurable corn acreage in the county in which you have a share (consisting of two or more basic or optional units). An additional premium discount applies.

Whole Farm Units: Must contain all of the insurable acreage of at least two crops; and at least two of the insured crops must each have planted acreage that constitutes 10 percent or more of the total planted acreage liability of all insured crops in the whole-farm unit (crops for which revenue protection is available, liability will be based on the applicable projected price only for this purpose). An additional premium discount applies.

Production to Count

The total production counted for a unit includes the amount of production of any un-harvested (appraised) and harvested production.

Replant Provisions

Replant provisions are applicable, with the exception of catastrophic (CAT) coverage policies.

Prevented Planting

Prevented planting coverage may be available.

Loss

(Based on Actual Production History insurance plan)

A loss occurs when crop production falls below the guaranteed bushel or ton amount as a result of damage from a covered cause of loss. If, due to insurable causes, your harvested and appraised production to count

(adjusted for quality) is less than your unit guarantee, an indemnity will be paid at the price election you selected.

Insurance Plans Available

Yield protection
Revenue protection
Revenue protection with Harvest Price Exclusion
Group risk plan *
Group risk income protection *

* South Dakota only

Where to Buy

All multi-peril crop insurance, including catastrophic coverage insurance policies, are available from private insurance agents. A list of crop insurance agents is available on the RMA Web site at: <http://www3.rma.usda.gov/tools/agents/>

Regional Contact

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