

PM-17-027: Margin Protection Plan of Insurance - Modifications Effective for 2018 and Succeeding Crop Years

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Date

May 15, 2017

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 5/15/2017

Subject

Margin Protection Plan of Insurance - Modifications Effective for 2018 and Succeeding Crop Years

Background

The Federal Crop Insurance Corporation (FCIC) Board of Directors (Board), on February 15, 2017, approved the following modifications to the Margin Protection (MP) Plan of Insurance for corn, wheat, rice and soybeans pilot program beginning with the 2018 crop year:

- Expanded MP for Corn and Soybeans to the following states: Illinois, Indiana, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin;
- Changed the data source for Urea, diammonium phosphate, and monoammonium phosphate price discovery from Freight Investor Services to the Chicago Mercantile Exchange;

- Revised the methodology for determining the variable input quantities for corn and soybeans;
- Added a Harvest Price Option for all MP Crops; and
- Modified the process for determining Liability, Deductible, Coverage Level, and Indemnity.

Action

The following materials will be available by close of business today on the Risk Management Agency Web site at www.rma.usda.gov/about-crop-insurance/managing-farm-risk/insurance-plans.

- Margin Protection Plan Provisions (18-MP)
- Margin Price Provisions Section I: General Information (18-MPP)
- Margin Price Provisions Section II Commodity Price Definitions and Section III Commodity Input Definitions: Crop-Specific
 - Corn
 - Rice
 - Soybeans
 - Wheat
- Margin Protection Plan Insurance Standards Handbook

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, 2017