

## **PM-20-035**

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Date

June 9, 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 6/9/2020

Subject

Changes to Livestock Risk Protection for Feeder Cattle, Fed Cattle, and Swine  
Effective for the 2021 and Succeeding Crop Years

## **Background**

The Federal Crop Insurance Corporation's (FCIC) Board of Directors (Board) approved changes 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 Board approved the following changes requested by Applied Analytics Group, the submitters of the LRP plan of insurance:

- 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:

<b>Coverage Level</b>		<b>Current Subsidy Level</b>	<b>Revised Subsidy Level</b>
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<b>Coverage Level</b>		<b>Current Subsidy Level</b>	<b>Revised Subsidy Level</b>
<b>Low</b>	<b>High</b>		
0.7	0.799999	35%	35%
0.8	0.899999	30%	35%
0.9	0.949999	25%	30%

Coverage Level	Current Subsidy Level	Revised Subsidy Level
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0.95	1	20%	25%
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## Action

The Risk Management Agency (RMA) is working with Applied Analytics Group and the Approved Insurance Providers to get these changes implemented by July 1. 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