Shellfish Frequently Asked Questions

The Shellfish pilot crop insurance program is an actual production history-price component (APH-PC) plan of insurance for container-grown oysters commercially cultivated for the fresh, half-shell market.

Where is the Shellfish program available?

The Shellfish program is available in select counties in Alabama, California, Delaware, Florida, Louisiana, Maine, Maryland, Massachusetts, Mississippi, New Hampshire, New Jersey, New York, North Carolina, Rhode Island, South Carolina, Texas, and Virginia.

State	County	State	County	State	County
Alabama	Baldwin, Mobile	**Maryland**	Calvert, Dorchester, St Mary's, Wicomico, Worcester	**North Carolina**	Carteret, Dare, Hyde, Onslow, Pamlico, Pender
California	Humboldt, Marin	**Massachusetts**	Barnstable, Plymouth	**Rhode Island**	Newport, Washington
Delaware	Sussex	**Mississippi**	Harrison	**South Carolina**	Beaufort, Charleston, Colleton

State	County	State	County	State	County
Florida	Dixie, Escambia, Franklin, Gulf, Indian River, Levy, Manatee, Santa Rosa, Volusia, Wakulla	**New Hampshire**	Rockingham, Strafford	**Texas**	Aransas, Calhoun, Galveston, Matagorda, Nueces
Louisiana	Cameron, Iberia, Jefferson, Lafourche, Plaquemines, St Bernard, St Mary, Terrebonne, Vermilion	**New Jersey**	Atlantic, Cape May, Ocean	**Virginia**	Accomack, Gloucester, Lancaster, Mathews, Middlesex, Northumberland, Richmond, Westmoreland, York
Maine	Cumberland, Lincoln	**New York**	Nassau, Suffolk		

Oysters are not currently insurable in my county. Is there a way I can get crop insurance coverage?

Coverage is only available in the counties listed in the actuarial documents. Written agreements are not available at this time. You may be eligible for a Farm Service Agency (FSA) program, such as Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program (ELAP) or Non-insured Crop Disaster Assistance Program (NAP). Contact your local FSA office.

How did you determine the pilot area?

We focused on areas that met the following criteria:

- Predominantly container-grown production methods for at least four years;
- Provided data that supported an actuarially sound program; and
- Perils covered under the program were of greatest concern.

For future crop years, we will consider expansion to additional areas and production methods.

What commodities are insured under the Shellfish program?

We insure containerized oyster that are expected to be harvested in the current crop year for the fresh, half-shell market.

What documentation do I need to provide to my crop insurance agent by the January 15 production reporting date (PRD)?

You must submit:

For the first year of coverage:

- At least the most recent four crop years of annual production reports for mature harvested oysters. Your production reports must include the following information:
    - The total seed purchased by seed size and seed source.
        - These numbers must be supported by your seed purchase receipts and, if applicable, producer nursery system records.
        - The seed purchase receipts must include the name of the private or commercial shellfish nursery or hatchery, for each year for the growing interval.

        - For example, if the most recent four years of harvested production records are provided for 2021-2024, you must report your seed information for at least the:
            - Total dollar sales of your mature oysters; and
            - Total sold production of the mature oysters.
                - These numbers must be supported by your seed purchase receipts and, if applicable, producer nursery system records.
                - The seed purchase receipts must include the name of the private or commercial shellfish nursery or hatchery, for each year for the growing interval.
                - For example, if the most recent four years of harvested production records are provided for 2021-2024, you must report your seed information for at least the:
                    - 2020-2023 years for Growing Interval I;
                    - 2019-2022 years for Growing Interval II; and
                    - 2018-2021 years for Growing Interval III.

For subsequent crop years:

- All information detailed above for the most recent crop year. If you do not provide this information to your agent, you will receive and assigned yield.

What are growing intervals?

Growing intervals are determined by the time between the calendar year the seeds were placed in containers and the crop year you plan to harvest your mature oysters. The growing interval must be based on the majority of the seeds in your operation.

- Growing Interval I – You placed the majority of your seeds in containers one calendar year prior to the year you plan to harvest (e.g., for crop year 2025, seeds are placed in containers in 2024).

- Growing Interval II – You placed the majority of your seeds in containers two calendar years prior to the year you plan to harvest (e.g., for crop year 2025, seeds are placed in containers in 2023).

- Growing Interval III – You placed the majority of your seeds in containers three calendar years prior to the year you plan to harvest (e.g., for crop year 2025, seeds are placed in containers in 2022).

What documentation do I need to provide to my crop insurance agent by the January 15 commodity reporting date (CRD)?

You must submit, for your basic unit and growing interval:

- A list of all your oyster growing locations in the county. For each location, you must provide the:

    - Lease identification numbers (or other applicable identification numbers); and

    - Global Positioning System (GPS) coordinates (latitude and longitude).

- The number and size of seed you placed in containers for the current crop year. The information you provide must be supported by your seed purchase receipts and, if applicable, producer nursery system records, as specified in the Special Provisions.

What documentation do I need to provide to my crop insurance agent by the November 30 sales closing date (SCD)?

You must submit:

- A pre-acceptance worksheet (PAW). Your agent will be able to provide this form to you and may assist in the completion of this form. The PAW is the current assessment of your operation.
- Seed purchase receipts for the current crop year. The seed purchase receipts required will be determined by the growing interval you choose for your operation.

What information must be included on my seed purchase receipts?

The seed purchase receipts you provide to your agent must include:

- Your name (operation name);
- Commodity (oysters);
- Date of purchase (MM/DD/YYYY);
- Number of seeds purchased by seed size; and
- The name of the private or commercial shellfish nursery or hatchery from which you purchased your seeds.

What is a producer nursery system?

A producer nursery system is a system used by you to grow shellfish seed purchased at an uninsurable size to an insurable size. Producer nursery systems include upwellers, downwellers, raceways, field nurseries, and other systems recognized by the industry as acceptable. Your insurance provider may inspect your producer nursery system.

What are producer nursery system records?

Producer nursery system records are records that support the seeds you place in and remove from your producer nursery system. Producer nursery system records include the following:

- The number of seed, by seed size, you removed from your producer nursery system and placed in containers for each year (corresponding to your production records of the harvested mature commodity based on the applicable growing interval); and
- The number of seed, by seed size, you removed from your producer nursery system and placed in containers for harvest in the current crop year.

What happens if, after I submit the original PAW, I purchase additional seeds that I expect to harvest in the current crop year or I acquire additional leases for expected harvest in the current crop year?

In both scenarios, you must submit a revised PAW by the January 15 CRD.

Do I need to submit farm and tract number(s) on the commodity report?

No, you must submit lease identification numbers (or other applicable identification numbers) and GPS coordinates (latitude and longitude of the shellfish location) on the commodity report.

The Shellfish Crop Provisions require the seed purchase receipts to include the name of the private or commercial shellfish nursery or hatchery where I buy my seeds. I purchase my seeds from universities. Would universities be considered as a private or commercial shellfish nursery or hatchery?

Purchasing seeds from universities meets this requirement.

A local university provides seeds to me at no cost. I have receipts that support the seed purchase receipt requirement in the Crop Provisions, but I didn’t purchase the seeds. May I still insure these seeds?

A seed purchase receipt is valid if it meets all explicit policy requirements. There is no policy requirement for the receipt to include a purchase price. Therefore, seed purchase receipts may be acceptable without a price if the oysters are otherwise insurable under the policy (for example, not being grown for experimental purposes (7 CFR 457.8 section 8(b)(5))).

What unit structures are available for oysters?

Currently only basic units are allowed for oysters.

My shellfish operation is in more than one county. The program is available in one county, but not in the other. Can I insure all my shellfish in both counties under one policy?

No, you can only insure your oysters in the program county. Oysters from multiple counties cannot be covered under one policy.

If I expand my operation into another county and I do not have four years of records from that county, can that other county be insured?

If you expand your growing operation into a county where the Shellfish crop insurance program is available, you may use your records from an adjacent county to establish coverage in the county where you expanded. Refer to the Special Provisions for county adjacency exceptions.

What are the requirements to insure my oysters in available program counties?

You must:

- Have a share in the oyster production;
- Submit an application that is accepted by the insurance provider;
- Grow your oysters for the half-shell market;
- Grow your oysters in containers;
- Place oyster seed that are at least 4mm in size in containers;
- Provide your seed purchase receipts from a private or commercial shellfish nursery or hatchery that:
    - Show the purchase of 4mm or larger seed; or
    - If you purchased seed at a size smaller than 4mm, you must provide producer nursery system records that contain the number of seed, by size, you removed from your producer nursery system and placed in containers:
        - For each year (corresponding to your production records of the harvested mature commodity based on the applicable growing interval); and
        - For harvest in the current crop year.
- Have grown oysters or participated in managing an oyster operation for at least four crop years in the county where the oysters will be insured or an adjacent county;
- Grow your oysters using generally acceptable production methods; and
- Grow your oysters in an operation that, if inspected, is acceptable to your insurance provider.

Can I insure oysters grown in nurseries, hatcheries, or producer nursery systems under this program?

No, oysters grown in nurseries, hatcheries, and producer nursery systems during the crop year are not insurable under this program. Insurable oysters must be grown in open water by containerized methods.

How is my production guarantee determined?

Your production guarantee is the approved yield for the basic unit multiplied by your coverage level percentage.

What is my approved yield?

The **approved yield** for the basic unite is the lesser of:

- The capped yield, which is the average yield for the basic unit multiplied by 1.25; or
- The expected yield, which is the result of the number of seeds purchased from a private or commercial nursery or hatchery or the number of seed removed from a producer nursery system that are placed into containers for the crop year (as determined by the applicable growing interval) multiplied by the adjusted mean survival rate.

The **adjusted mean survival rate** is the simple average of the standardized survival rates for the APH base period for the applicable growing interval that is used to determine your expected yield for the current crop year.

The **standardized survival rate** is the observed survival rate for the applicable seed size for each crop year in the APH base period multiplied by the standardized survival factor for that seed size.

The **observed survival rate** is the percentage determined by dividing the harvested production for each crop year by the number of seed placed in containers in the calendar year corresponding to the growing interval (e.g., for Growing Interval II, divide the harvested production from the 2025 crop year by the number of seed placed in containers in 2023).

The **standardized survival factor** is a percentage established by the Federal Crop Insurance Corporation (FCIC) based on different seed sizes that are used to calculate your standardized survival rate. The seed size factors are shown below and contained in the Special Provisions.

	Size of Seed for APH Crop Year				
Size of Seed Placed in Containers for Crop Year (Insured)	Seed Size 4mm to less than 6mm	Seed Size 6mm to less than 8mm	Seed Size 8mm to less than 10mm	Seed Size 10mm to less than 12mm	Seed Size 12mm or greater
4mm to less than 6mm	100%	93%	90%	87%	81%
6mm to less than 8mm	108%	100%	97%	93%	88%
8mm to less than 10mm	112%	104%	100%	97%	91%
10mm to less than 12mm	115%	107%	103%	100%	94%
Greater than 12mm	123%	114%	110%	107%	100%

What is an example of the approved yield calculation?

Assume you select Growing Interval II.

You purchased 110,000 seeds during the 2023 crop year for expected harvest during the 2025 crop year. All seeds purchased in 2023 were 10mm, but all seeds purchased in 2019 through 2022 were 6mm. Using the Standardized Survival Factor Conversion Table (in prior question), the 6mm seed size purchased in 2019 through 2022 will apply a 107% standardized survival factor.

(1) Adjusted Mean Survival Rate Calculation

Harvest Year	Harvested	Seed Purchase Year	Seed Purchased	Observed Survival Rate	Seed Size	Standardized Survival Factor	Stand Surviv
2021	73,700	2018	125,000	59%	6mm	107%	6
2022	60,800	2019	80,000	76%	6mm	107%	8
2023	88,750	2020	130,000	68%	6mm	107%	7
2024	77,375	2021	140,000	55%	6mm	107%	5
Adjusted Mean Survival Rate						69%	

The annual observed survival rates are calculated using at least the most recent four calendar years of harvested records. The corresponding seed purchase record period is equal to the harvest record calendar year minus 2, because the average time between planting and harvest in Growing Interval II is approximately two years. For harvest years 2021-2024, the corresponding seed purchase record period 2019-2022.

Additional harvest and seed purchase records may be submitted, not to exceed a maximum of ten crop years. Once the observed survival rates are calculated, they are converted to standardized survival rates using the standardized survival factor. The adjusted mean survival rate is the simple average of standardized survival rates. In this example, the adjusted mean survival rate used to determine the 2025 expected yield is 69%.

(2) Expected Yield

Crop Year	Seed Purchase Year	Seed Purchased	Adjusted Mean Survival Rate	Expected Yield
2025	2023	110,000	69%	75,900

The expected yield is calculated by applying the adjusted mean survival rate to the seeds which are expected to be harvested during the 2025 crop year. For Growing Interval II, the 2023 seed purchased would be used to calculate the 2025 expected yield.

(3) Harvested Average Yield Used in the Capped Yield Calculation

Harvest Year (APH Crop Year)	Harvested
2021	73,700
2022	60,800
2023	88,750
2024	77,375
Harvested Average Yield	75,156

(4) Approved Yield Steps:

Adjusted Mean Survival Rate = 0.69 (Average of Standardized Survival Rates)

Expected Yield = 75,900 of the commodity (0.69 Adjusted Mean Survival Rate × 110,000 Seeds (10mm) purchased in 2022)

Capped Yield = 93,945 of the commodity (75,156 Four-Year Harvested Average Yield × 1.25)

Approved Yield = 75,900 of the commodity (Lesser of 75,900 Expected Yield or 93,945 Capped Yield)

I sell my oysters for more than the Risk Management Agency's (RMA) published price election. May I get a higher price for my crop insurance coverage?

Yes. If you purchased additional levels of coverage, you may elect the Producer Price Option.

What is the Producer Price Option?

The Producer Price Option allows you to increase your insured price to reflect the average price you received in the most recent four crop years. Your average will be determined by your total dollar sales of mature oysters divided by the total number of mature oysters sold, for each crop year. You can elect a Producer Price Option that is no greater than the maximum over established price provided for your county in the actuarial documents.

Example:

Year	Number of Shellfish Sold	Dollar Sales	Average Price
2021	75,700	$52,475	$0.69
2022	65,800	$48,640	$0.74
2023	92,750	$59,870	$0.65
2024	78,375	$55,550	$0.71
		4-Year Average Price	$0.70

Maximum over established price published in the actuarial documents is $0.73.

The Producer Price Option will be $0.70.

If I place seeds in containers after I submit my commodity report, can I revise the commodity report to include those seeds?

No. If you place seeds in containers after the beginning of the crop year, they will be reported on a subsequent crop year's commodity report and be factored into the approved yield for a subsequent crop year depending on the growing interval.

Does this program only insure the seeds that I place in containers during the current crop year or does it include seeds placed in containers but not harvested from a previous crop year?

Your coverage is based on the number of mature oysters you expect to harvest in the current crop year.

If I select Growing Interval I, what happens if I harvest seeds in 2024 that were placed in containers in 2022 and in 2023?

In Growing Interval I, it would have been expected that the oysters placed in container in 2022 were to be harvested in 2023. In 2024, all mature oysters that were harvested, regardless of the year they were placed in containers, will be considered in production to count. This will be reflected in the subsequent crop years' survival rates.

Are there seed size requirements for each growing interval? For example, can a 12mm seed be placed in containers in anything other than Growing Interval I (assuming the majority of seed is Growing Interval I)?

No, there are no maximum size requirements. However, you cannot place seeds smaller than 4mm in containers.

My operation propagates spat and I grow my own seed. Do I need to submit records?

You are required to provide seed purchase receipts from a private or commercial shellfish nursery or hatchery.

The minimum insurable seed size is 4mm. What if I buy 2mm seed and upwell to 4mm before I place them in containers?

Seeds purchased at a size smaller than 4mm may be insurable once they have been in containers at a minimum size of 4mm. You will need to provide seed purchase receipts from a private or commercial shellfish nursery or hatchery and producer nursery system records.

Are there plans for the program to allow upwelling to grow out to 4mm?

Yes. Beginning with the 2025 crop year, seeds purchased at a size smaller than 4mm and placed in producer nursery systems (such as upwellers) may be insurable once they reach the insurable size and are placed in containers.

Are there plans for the program to allow bottom culture?

We are researching how this program might be tailored to allow coverage for bottom culture; however, we need additional data to provide adequate and appropriate coverage for this practice.

What if I place multiple seed sizes in containers?

If you place multiple seed sizes in containers, your seed purchase receipts must show that multiple sizes were purchased and the associated quantities. This information will be used to determine the approved yield.

The policy states that four years of records are required. What if I had major loss events for two years and two years with no loss event, how will that affect my normal mortality rate?

Your observed survival rate and production guarantee would be reduced based on the records, which would reflect your losses, provided for your oyster operation.

Can I direct market my oysters? If so, will I need to provide a direct marketing certification?

Direct marketing is allowed, provided you have acceptable harvest records. The direct market certification is not required.

I am a vertically integrated oyster grower and I cultivate my own seed. Does that exclude me from the program?

Yes, you must have seed purchase receipts from a from a private or commercial shellfish nursery or hatchery to qualify for coverage.

What are the insurable causes of loss?

There are four insurable causes of loss. You will only be paid for a production loss if there is a county loss trigger for any of the insurable causes of loss.

1. Qualifying storms:
    1. Hurricanes (including adjacent county triggers); and
    2. Nor'easters
2. Excessive heat during a low tide event;
3. Freeze during a low tide event; or
4. Low salinity caused by excessive rainfall.

5. *Low tides may not be applicable to excessive heat and freeze in certain subtidal growing locations as identified in the Special Provisions.

What is a county loss trigger?

A county loss trigger is an occurrence of an insurable cause of loss as determined in accordance with the Shellfish Data Provisions. A county meeting the county loss trigger will be specified in the actuarial documents.

Is disappearance of my oysters due to a hurricane a covered cause of loss?

Yes, if there is a county loss trigger for hurricanes, any loss of oysters (including disappearance) is an insurable cause of loss.

I practice pitting (my oysters are not in the water during the winter months). Are my oysters insurable?

Your oysters are only insurable when they are in the water. If you practice pitting, you must submit a pre-acceptance worksheet when you finish removing all of your oysters from the water and when you begin returning any of your oysters to the water. You will not receive an indemnity during this pitting period. However, the Winter Removal Option (WRO) is available in select counties in Massachusetts. The WRO allows growers to receive a reduced premium when oysters are pitted, and the option is elected by the sales closing date.

Could you detail how market closures (e.g., vibrio) and thus lost sales are addressed?

Inability to harvest mature oysters due to water closures or quarantine from bacteria or other water quality issues are not covered under this program. This program only provides coverage for oysters that are physically damaged by insured causes of loss. We also will not pay an indemnity for oysters that are not accepted by the buyer.

Will the hurricane county loss trigger work the same as it does under Hurricane Insurance Protection-Wind Index (HIP-WI)? What if I have hurricane damage, but the hurricane did not come on shore?

Hurricane triggers are determined by the U.S. Census county boundaries, which can exist over water. However, there could be instances where a hurricane damages your operation but doesn't result in a county loss trigger..

How will low salinity be applied as a qualifying loss condition? Low salinity is one factor of a multi-stress condition that can cause mortality, meaning the oysters can withstand different

levels of salinity depending on different conditions so it is impossible to set a ppm for salinity.

Details on when low salinity is considered a county loss trigger can be found in the Shellfish Data Provisions. The criteria that triggers the low salinity due to excess rainfall cause of loss is based on the precipitation in the watershed during any 30-day period combined with a temperature threshold.

What if I have a production loss?

You must:

- Protect the commodity from further damage by providing sufficient care;
- Establish that damage to the insured commodity occurred during the insurance period;
- Provide notice to your approved insurance provider within 72 hours of your initial discovery of damage or loss (but not later than 15 days after the end of the insurance period). Such notices must be given without regard to the insured county meeting the county loss trigger; and
- Submit a claim not later than 60 days after the date the insurance period ends.

How are losses determined?

Losses are calculated and based on production to count from appraised mature shellfish and harvested mature shellfish. You must provide acceptable records from a disinterested third party necessary to complete the loss adjustment process.

How will I know if I am due an indemnity?

An indemnity will be payable when:

- Your county meets the county loss trigger determined in accordance with the SDP; and
- You have an insurable loss of production.

If I am due an indemnity, when will I receive it?

We will pay any indemnity you are owed for your loss under these Commodity Provisions within 30 days after the later of the date:

- FCIC releases the list of counties identified as meeting the county loss trigger and your insured county is contained on the list;
- We determine your production to count for the unit under these Commodity Provisions for the insured crop; or
- Any applicable determinations are made under section 14(f) of the Basic Provisions.

Can you provide a copy of the training presentation or let us know where it is posted?

The presentation is available on RMA's website at www.rma.usda.gov.

What is the cost of the policy?

You can determine the premium associated with this policy by using the Cost Estimator tool on RMA’s website: ewebapp.rma.usda.gov/apps/costestimator/. Select the APH-PC (plan 91) plan of insurance and then enter the details of your operation.

What reinsured companies are carrying the policy?

The Shellfish Crop Insurance Program is a pilot program, which means all reinsured companies must offer the program for sale.

How and where do I purchase Shellfish insurance?

Shellfish is available for purchase from a crop insurance agent. You can find a crop insurance agent at the following link on the RMA website: https://www.rma.usda.gov/tools-reports/agent-locator.

Am I required to submit the FSA Form AD-1026 for Conservation Compliance on the Shellfish program?

To ensure eligibility for premium subsidy (including for oysters), you must complete the FSA form AD-1026 (Conservation Compliance). You must complete and sign this form on or before the RMA crop insurance premium billing date of August 15. Oyster-only growers should mark Box 5A, which will minimize any additional paperwork.

You should contact the applicable FSA County Office to discuss Form AD-1026. You can find your FSA office at the following link: offices.sc.egov.usda.gov/locator/app.