Post-Application Coverage Endorsement (PACE)

PACE has been discontinued starting with the 2027 crop year. The following FAQs apply to the 2026 crop year and prior.

What is PACE?

The Post-Application Coverage Endorsement, known as PACE, is an endorsement that can be added to your underlying insurance policy which will provide you with additional coverage in the event you utilize post-application nitrogen practice and are prevented from post-applying nitrogen in accordance with the policy.

Does PACE have a premium subsidy?

Yes, PACE is eligible for premium subsidy and will vary according to coverage level.

What crops is PACE available for?

PACE can be purchased for non-irrigated corn (grain type, non-organic) in select states. High-risk land is not eligible for coverage under PACE.

What states are eligible for PACE?

PACE is eligible for coverage in all counties where non-irrigated corn is insurable in the following states: Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin. Consult www.rma.usda.gov or your agent for specific counties.

What is needed on the application for PACE?

At the sales closing date, you must elect PACE, select a PACE coverage level, provide the intended split of nitrogen to be applied pre-application and post-application as percentages of the total application (the sum of the percentages must equal 100 percent) and the intended total nitrogen application rate per acre.

What are the PACE coverage levels that I can choose from?

The PACE coverage level percent is determined by you and can be between 75% and 90%.

What underlying/base policies are needed to add the PACE endorsement?

PACE can be purchased as an add-on to your Yield Protection (YP), Revenue Protection (RP), and Revenue Protection with Harvest Price Exclusion (RP-HPE) policies only. PACE may not be purchased with Area Revenue Protection Insurance (ARPI).

Can both PACE and my underlying policy have a claim?

Yes, you can have a claim on both PACE and your underlying insurance policy. Your total indemnities paid will not exceed 100% of the value of your crop. Therefore, PACE will not pay out more than the deductible on your underlying insurance policy. For example, if the coverage level on your underlying crop is 85%, then PACE will not pay out more than 15% of the value of your crop when you also have a claim on your underlying insurance policy. This is known as the offset. The premiums for PACE are calibrated to these caps so you will not overpay premium. See the actuarial documents for preliminary and final PACE loss factors in your county.

How does PACE determine indemnity payments?

PACE indemnifies based on your approved yield, share, PACE coverage level percent, and final PACE Loss Factor when you are physically prevented from post-applying nitrogen due to a covered cause of loss. Your final PACE Loss Factor depends on the amount of pre- and post-apply nitrogen. The lower the pre-apply nitrogen percent, the higher the preliminary PACE Loss Factor (and premium). In the event of a claim, your indemnity is equal to your approved yield X your share X PACE coverage level percent X the maximum of the projected price and harvest price X your final PACE Loss Factor X your affected acres.

For example, suppose approved yield is 200 bu./acre, projected and harvest price is $4.00, PACE coverage level percent is 90%, final PACE Loss Factor is 15%, share is 100%, and affected PACE loss acres is 100. Your PACE indemnity would be 200 x $4.00 x 90% x 100% x 15% = $108/acre, or $10,800.

What if I am only prevented from post-applying on some acres and not others?

PACE will indemnify only on those acres in the unit which you are prevented from post-applying.

What is the maximum nitrogen that can be applied per acre?

In the event of a claim, PACE indemnifies based on your final PACE Loss Factor. The preliminary PACE Loss Factor is determined based on your declared pre-apply percent (the percent of nitrogen you plan to apply prior to or at planting). The preliminary PACE Loss Factor and premium rate increases as the declared pre-apply percent decreases. The planned quantities of nitrogen per acre pre-planting and post-planting are determined by multiplying the percentages by your total planned nitrogen. The total nitrogen planned is calculated not to exceed 1.2 times your approved yield for the purposes of PACE calculations. If you pre-apply more nitrogen than declared, then your claim may be reduced. Therefore, you should not purposely declare a lower pre-apply percent than you plan to apply.

For example, if your approved yield is 200 bu./acre, and your elected pre-apply percent is 60%, then you should pre-apply no more than 1.2 x 200 x 60% = 144 lbs./acre of nitrogen at or before planting. Suppose the preliminary PACE Loss Factor as published is 10% when pre-apply percent is 60%, and 8% when pre-apply percent is 65%. Suppose you actually pre-apply 156 lbs./acre. In the event of a claim, your final PACE Loss Factor will be recalculated in accordance with your actual pre-apply percent of 65% (156 / (1.2 x 200)), and thus your final PACE loss factor if you actually pre-apply more than declared will be 8% (not 10%), and your premium will not be reduced.

In the event that there is no claim, then there is not necessarily any restriction on the amount of nitrogen you may apply. Overapplying nitrogen prior to or at planting, however, may reduce the amount of your claim in the event of a claim.

What is the minimum nitrogen that needs to be applied as a pre-application to qualify for PACE?

The pre-application amount must be at least 20 percent of your total nitrogen to be applied and not more than 75 percent of your total nitrogen applied to qualify for the PACE.

Is PACE eligible for written agreements?

No, written agreements for PACE are not permitted and PACE cannot be elected if the underlying insurance policy is modified with a written agreement.

How long is the post-application window to apply nitrogen?

The insurable window for PACE is published in the actuarial documents and is determined to approximate the V3-V10 growth stages based on growing degree day accumulation in your county, based on your planting date. PACE will indemnify if you do not post-apply any nitrogen and you can demonstrate that you were unable to post-apply nitrogen during the insured window. You may apply nitrogen outside of the window after planting, however, if you do so then you were not prevented from

post-applying and may not submit a claim.

What if I am unable to post-apply nitrogen during the V3-V10 window, how do I submit a claim?

In the event of loss, you should provide a notice of loss that you were prevented from applying the post-application nitrogen to an insured crop within 72 hours after the end of the insurance period, and/or within 72 hours of being physically prevented from post-applying nitrogen, whichever is later.

What if I have custom applicator lined up to post-apply my nitrogen and they are unable to apply it due to weather?

Inability to apply nitrogen due to adverse weather (e.g., flooding) is an insurable cause of loss.

What records do I need to prove my pre-application of nitrogen and my intent for post-application?

Purchase receipts or similar documents that show your name, the date of purchase, the type of fertilizer purchased, the brand name (if applicable), the nitrogen, phosphorus, and potassium content, and the total amount of fertilizer purchased. Additional records include production plans, records of planned nitrogen purchases, precision agriculture data, and other reasonable records.

If a field/unit has multiple planting dates, which is used to determine the post-application window?

The planting date used to determine the post-application window for a set of acres is the planting date of those acres. For example, suppose the first half the unit was planted on May 15th, and the second half was planted May 20th. The post-application window for the acres in the first half of the unit would be determined by

looking up the post-application window for a planting date of May 15th, and the post-application window in the second half would then be that which corresponds to the May 20th planting date.

Can you have the same options on PACE as you can under the Corn policy (i.e., Yield Cup, Yield Exclusion, Trend Adjustment, etc.) and do they need to match between the underlying corn policy and PACE?

PACE is an endorsement to YP, RP, or RP-HPE. PACE uses the approved yield of your underlying policy which includes APH yield and trend adjustment options.

Can you have SCO and ECO on this endorsement? If I have SCO or ECO on the underlying policy how does this affect PACE?

There is no restriction or interaction between PACE and SCO or ECO. Electing SCO or ECO (or not) does not affect PACE in any way.

Can you choose a percentage of projected price for PACE?

No, PACE does not allow you to choose a lower percentage of projected price. However, you can reduce your premium and coverage by electing a lower PACE coverage level percent.

Can I elect PACE coverage on some units and not others?

Yes, you can elect PACE on some units and not others, but elect PACE on all acres that you use post-application practice. For example, if there are 100 insured acres in an insured optional or basic unit on the underlying insurance policy, and PACE is elected on that optional or basic unit, all 100 acres must be insured under this Endorsement.

Can I elect PACE after the sales closing date on my Underlying Policy?

No, you must elect PACE prior to or on the sales closing date, which in the pilot region is March 15th.