Hurricane Insurance Protection-Wind Index Endorsement CY2027

For more information, visit the HIP-WI page.

What is Hurricane Insurance Protection-Wind Index Endorsement?

The Hurricane Insurance Protection-Wind Index (HIP-WI) Endorsement provides coverage for a portion of the deductible, up to 95% of the expected crop value, of the underlying crop insurance policy when the county, or a county adjacent to it, is within the area of sustained hurricane-force winds from a named hurricane as published by the National Hurricane Center (NHC) at the National Oceanic and Atmospheric Administration (NOAA).

An insured may attach the HIP-WI Endorsement to their crop policy under the Common Crop Insurance Policy, Basic Provisions (Basic Provisions). The coverage can be combined with other endorsements, policies, or policy options that provide additional coverage for a portion of the underlying policy deductible, when such coverage does not duplicate the coverage of HIP-WI and when acreage is also insured by a companion policy.

Where is HIP-WI available and for what crops?

The HIP-WI Endorsement provides coverage for over 70 different crops insured under the Basic Provisions for both Catastrophic Risk Protection (CAT) and additional coverage policies, when provided in the actuarial documents. It will be available in counties in the vicinity of the Gulf of America and the Atlantic, as well as Hawaii. If

HIP-WI is available in the county, it will be available for all crops in that county insured under the Basic Provisions.

Crops include: All Other Citrus Trees, Apples, Avocado Trees, Avocados, Banana Trees, Bananas, Barley, Blueberries, Burley Tobacco, Cabbage, Canola, Carambola Trees, Cigar Binder Tobacco, Cigar Filler Tobacco, Cigar Wrapper Tobacco, Clams, Clary Sage, Coffee, Coffee Trees, Corn, Cotton, Cotton Ex Long Staple, Cranberries, Cucumbers, Dark Air Tobacco, Dry beans, Fire Cured Tobacco, Flue Cured Tobacco, Forage Production, Forage Seeding, Fresh Market Beans, Fresh Market Sweet Corn, Fresh Market Tomatoes, Grain Sorghum, Grapefruit, Grapefruit Trees, Grapes, Grapevine, Green Peas, Hemp, Hybrid Corn Seed, Hybrid Seed Rice, Lemon Trees, Lemons, Lime Trees, Limes, Macadamia Nuts, Macadamia Trees, Mandarins/Tangerines, Mango Trees, Maryland Tobacco, Nursery Value Select (NVS), Oats, Onions, Orange Trees, Oranges, Papaya Trees, Papayas, Peaches, Peanuts, Pears, Pecan Trees, Pecans, Peppers, Popcorn, Potatoes, Processing Beans, Rice, Rye, Sesame, Shellfish (Oysters), Soybeans, Strawberries, Sugarcane, Sunflowers, Sweet Corn, Sweet Potatoes, Tangelos, Tangerine Trees, Tangors, Tomatoes, Triticale, and Wheat.

What are the eligibility requirements for the HIP-WI Endorsement?

To be eligible for the HIP-WI Endorsement, you must:

- Have an insurance policy under the Basic Provisions with the same Approved Insurance Provider;
- Elect the HIP-WI Endorsement on or before the HIP-WI sales closing date (SCD);
- Elect a HIP-WI coverage percentage;
- Not have elected the Occurrence Loss Option (OLO) or the Comprehensive Tree Value (CTV) Endorsement for the underlying policy; and
- Comply with all terms and conditions of the HIP-WI Endorsement.

When do I have to purchase the HIP-WI Endorsement?

On or before the HIP-WI SCD.

When will my crops be covered for hurricane damage?

The insurance period for HIP-WI begins on the insurance attachment date, when provided in the HIP-WI actuarial documents. When no insurance attachment date is provided on the HIP-WI actuarial documents, the insurance period begins on the later of:

- The SCD of the underlying policy; or
- The earliest planting date, for each planting period when applicable, for the underlying policy.

The insurance period ends on the:

- End of insurance date, for each planting period when applicable, when provided in the HIP-WI actuarial documents; or
- End of insurance date, for each planting period when applicable, provided in the underlying policy actuarial documents when not provided in the HIP-WI actuarial documents.

Note: For purposes of calculating the Final Rainfall Amount, if any portion of a Tropical Storm Weather Event occurs within the Insurance Period, all rainfall amount for the duration of the Weather Event will be considered in determining the County Loss Trigger, regardless of whether all days fall within the Insurance Period.

What cause(s) of loss will HIP-WI cover and what triggers an indemnity payment?

The full value of the HIP-WI Endorsement is paid if a county, or adjacent county, is within the area of sustained hurricane-force winds from a named hurricane based on data published by the NHC. You are not required to file a notice of loss. The counties where payments occur will be identified in the actuarial documents. It is possible that your individual farm may experience reduced revenue or reduced yield due to hurricane-related causes and you do not receive an indemnity under HIP-WI.

How much does the HIP-WI Endorsement cost?

An administrative fee and premium for the crop covered by each HIP-WI Endorsement will be due in addition to any administrative fee(s) and/or premium(s) of the underlying policy. However, the HIP-WI administrative fee may be waived if you qualify as a limited resource farmer, a Beginning Farmer and Rancher (BFR), or a Veteran Farmer and Rancher (VFR).

Premium for the HIP-WI Endorsement is calculated by multiplying the Hurricane Protection Amount (HPA) by the premium rate and any premium adjustment percentages that may apply. All information needed to calculate the premium rate is contained in the actuarial documents. The premium subsidy for the HIP-WI Endorsement is fixed at 80 percent.

How does HIP-WI coverage work when combined with the Supplemental Coverage Option (SCO) or the Stacked Income Protection Plan (STAX)?

HIP-WI covers a portion of the deductible above the SCO or STAX layer of insurance, up to 95 percent of the expected crop value, the same as for other crops.

What will my HIP-WI coverage be based on if I have STAX acreage that is later enrolled in the Farm Service Agency (FSA) Agriculture Risk Coverage (ARC) program or Price Loss Coverage (PLC) program? Will my coverage range for HIP-WI be based on the underlying policy or the coverage level including STAX since I will be ineligible for STAX indemnity on those acres?

The HIP-WI Endorsement will remain in effect when an insured adds, modifies, or removes any STAX coverage associated with the underlying policy.

If STAX coverage on a Farm Number (FN) is removed due to the FN being enrolled in either the FSA ARC or PLC program, HIP-WI coverage will be increased to the underlying policy coverage level, unless the change to STAX coverage is not

reported by the insured on or before the ARD.

How will the HIP-WI work with Nursery Value Select?

HIP-WI will cover a portion of the deductible for Nursery Value Select (NVS), up to 95 percent of the expected crop value, the same as for other crops.

Under NVS, if you increase inventory or selected values above what you reported on the original report (for example, Nursery Value Report (NVR)) at any point during the crop year by submitting a revised report (for example, Peak Selected Value Report or revised NVR) allowable by the underlying policy, the value of HIP-WI will not increase, but will remain consistent with the coverage established at the beginning of the insurance period according to the original report.

When will HIP-WI indemnities be paid?

The Risk Management Agency (RMA) releases the data as soon as it is available from NOAA. The rainfall and wind extents data is usually available within 30 days. NOAA also performs quality control to ensure that the data is correct. The final rainfall data is provided approximately 60 days following the storm, at which point RMA will update the tropical storm triggers. The wind extent data is usually available in the spring following the hurricane season and RMA will update the hurricane triggers. RMA will not remove triggers if the final data shows that a county did not trigger.

An indemnity is due when the County Loss Trigger is identified for the insured county, or adjacent county. For hurricanes, only one indemnity payment per insurance period or per planting period, when applicable, per acre is allowed. For Tropical Storms, two payments are allowed. No payments shall exceed the HPA. RMA will identify triggered counties on the actuarial documents.

Losses under HIP-WI will be paid within 30 days after the later of the date:

- The Federal Crop Insurance Corporation (FCIC) releases the list of counties identified as meeting the County Loss Trigger;
- The date the insured provides an acceptable acreage report; or
- The conditions in the Basic Provisions sections 14(f)(2)-(4) are met.

Do I have to buy HIP-WI for all planting periods that have HIP-WI rates?

The HIP-WI Endorsement provides coverage on a per crop basis. If the actuarial documents provide a rate for a planting period, then that planting period must be covered under the HIP-WI Endorsement.

If I only have 5 acres planted when a triggering event occurs, am I only paid on the 5 acres planted, even if I plant 25 more acres after the hurricane occurs and triggers the county?

A HIP-WI indemnity will be due on all eligible acres at the time of the triggering event. If additional acres are planted during the same planting period after an event has occurred, the additional acres will not be eligible for an indemnity payment from the previous triggering event. In this example, only 5 acres were planted when the hurricane occurred, so only those 5 acres would be indemnified. However, if another hurricane triggers the county after the additional 25 acres were planted, then those 25 acres would be indemnified by the HIP-WI Endorsement.

In the case of 1st and 2nd crop, if the underlying policy indemnity is restored to 100% on the 1st crop, would an existing HIP-WI indemnity also be increased?

Any premium and/or indemnity reduction made on the underlying policy will apply to the HIP-WI Endorsement. For example, when the underlying policy premium and indemnity is reduced due to first and second insured crop limitations, the protection under the HIP-WI Endorsement will similarly be reduced. When the HIP-WI payment is limited due to 1st and 2nd crop requirements, if there is a reinstated guarantee on the underlying policy, i.e., the remaining 65% is issued for the 1st crop because there is not a loss on the 2nd crop, the withheld 65% of HIP-WI indemnity will also be issued.

If the triggering event occurs after billing, will the HIP-WI payment offset billing?

HIP-WI indemnity payments can be offset for premium due after the billing.

Do I have to file an acreage report for the HIP-WI Endorsement?

You are not required to submit an acreage report for the HIP-WI Endorsement because the endorsement uses the underlying policy's acreage report. For crops which do not require an acreage report, the crop's equivalent of an acreage report will be used.

Because the HIP-WI Endorsement does not exclude late planted acreage (acreage planted DURING the late planting period), is acreage planted DURING the late planting period eligible for HIP-WI coverage?

Yes, the HIP-WI Endorsement will cover late planted acreage at the late planted guarantee.

How does the eye of the storm affect tracking of the wind speeds? If the track/eye of the hurricane or tropical storm does not land specifically across the U.S. border (for example, the eye of the storm lands just south of the Texas border) will wind speeds be measured by NOAA to meet policy specifications as outlined in the Hurricane Data Provisions (HDP)?

The trigger counties are based on the wind field of a named hurricane or tropical storm, not on the location of the storm center (eye). If the hurricane wind field crosses a county boundary, it will trigger for payment regardless of whether the storm center is in the United States. If a tropical storm wind field crosses a county

boundary, the consecutive four-day rainfall amount for the county is determined in accordance with the HDP, and if such amount is 6 inches or more, a payment would be triggered.

Are counties separated by water still considered adjacent and payable if the other county triggers payment?

In some cases, a triggered county is considered adjacent across a body of water. See the actuarial documents for counties identified as adjacent to your county.

What is the Tropical Storm Option (TS)?

The Tropical Storm Option (TS) is an option on the HIP-WI Endorsement and provides coverage for the same portion of the deductible of the underlying policy that is not otherwise covered, when the county, or a county adjacent to it, is subject to a tropical storm or a hurricane within its boundaries according to NOAA and determined by RMA.

When does TS have to be elected?

The TS must be elected by the HIP-WI SCD. However, for the 2023 crop year only, for crops with a HIP-WI sales closing date of November 1, 2022, or later, an insured must elect the TS on or before April 30, 2023, to be effective. If you do not have an existing HIP-WI Endorsement, you may elect the HIP-WI Endorsement with TS. However, a HIP-WI Endorsement without TS cannot be elected during this extended sales period.

If I elect TS, how will indemnities be paid?

To meet the County Loss Trigger your insured county or county adjacent to your insured county must encounter: a tropical storm with sustained surface wind speeds of 34 knots (39 mph) according to National Oceanic and Atmospheric

Administration’s (NOAA) International Best Track Archive for Climate Stewardship (IBTrACS) **and** the county’s total daily average precipitation over a consecutive four-day period (one day preceding the arrival of the tropical storm, the day of the tropical storm, and two days following the arrival of the tropical storm), must be 6 inches or greater as reported by the NOAA’s National Centers for Environmental Information (NCEI). Both the wind trigger and precipitation trigger must occur for an indemnity to be paid.

Although the HPA does not change, TS provides an additional County Loss Trigger for tropical storms based on a combination of tropical storm windspeeds and rainfall, as determined in accordance with the HDP. When TS is elected, 50 percent of the HPA will be paid as an indemnity whenever a county is triggered, not to exceed 100 percent of HPA in a crop year.

When do I have to purchase TS?

You must elect TS on or before the HIP-WI SCD.

If I elect TS, and a tropical storm hits my county first, followed by a hurricane at a later date, how will indemnities be paid?

An indemnity will be due under TS if the TS County Loss Trigger is identified for the county. When the TS is elected, up to two indemnities are allowed, but the combined indemnities are not to exceed 100 percent of the HPA. FCIC will identify the counties and their adjacent counties meeting the tropical storm trigger. For those crops with multiple planting periods within an insurance period, multiple indemnity payments, not to exceed 100 percent of the HPA, are allowed per eligible planting period, on a per acre basis. A TS indemnity will be 50 percent of the HPA for all eligible acres, inventory, or trees and plants for the crop in the county when a qualifying event triggers the county.

For example, you elect with HIP-WI and the TS and experience two qualifying tropical storm events at the beginning of the season and a qualifying hurricane event 2 months later within the same crop year. The qualifying tropical storm events triggers an indemnity of 50 percent for each event to the maximum of 100 percent of the

HPA. The qualifying hurricane event triggers but all 100 percent of the HPA has been paid. No further indemnity will be paid for any tropical storm or hurricane events after 100 percent of the HPA has been paid.

If I elect TS, and a named tropical storm and hurricane hit my county simultaneously, how will indemnities be paid?

In the event a hurricane and qualifying tropical storm hit your county simultaneously the hurricane event will trigger the full payment and no additional HPA will be available to indemnify the TS.

If I have selected the Enhanced Coverage Option (ECO) on my underlying policy, can I elect HIP-WI with TS in the extended sales closing date period?

The HIP-WI endorsement with or without TS cannot be combined with ECO, as they cover the same portion of the deductible. Insureds who elected ECO at the SCD for the underlying crop policy cannot drop their ECO coverage after the cancellation date (i.e., same as the sales closing date for most crops) for the underlying crop policy. The extended sales closing date for the election of TS does not affect ECO election rules and requirements or the responsibilities of the insured.

If my local rain gauge or a grid in my county reports 6 inches of rainfall, does that mean my county qualifies for a TS indemnity?

Tropical Storm rainfall is measured using an area weighted average total rainfall for all grids that intersect the county. This means one gauge or grid could receive 6 inches of rainfall, but the total weighted average grid precipitation could still be less than the required 6-inch Final Rainfall Amount required to trigger a TS indemnity.

What data sources does RMA use to determine wind extents and rainfall amounts?

NOAA IBTrACS data is used to determine wind extents for Hurricane and Tropical Storm County Loss Triggers. In addition, NOAA NCEI data is used to determine the Final Rainfall amount for Tropical storm County Loss Triggers.

What if a named hurricane or tropical storm occurs before insurance attaches but overlaps the insurance attachment date?

If any portion of a tropical storm weather event is within the insurance period, such rainfall will be included when determining the County Loss Trigger. So, a Weather Event that occurs before the insurance attachment date will be considered in determining the County Loss Trigger, if such event extends into the insurance period.

How will rainfall be measured if the same tropical storm enters my county multiple times?

Each re-entry will trigger a new four-day period during which rainfall received is counted toward the Final Rainfall Amount. If a new four-day period overlaps another four-day period due to re-entry, rainfall on overlapping days will be counted as occurring simultaneously and will not be double counted.

What if a tropical storm hovers over my county beyond the four-day period?

If a named tropical storm is present in your county for a 24-hour period or more, an additional day will be added to the end of the four-day window for each 24-hour period the named tropical storm is in your county.

What if my county experiences wind gusts in excess of 74mph?

A HIP-WI indemnity will be due on all eligible acres at the time of the triggering event based on Sustained Surface Wind, not wind gusts. Sustained Surface Wind is defined in the Endorsement as wind speed determined by averaging observed values over a two-minute period determined by NOAA.

Are written agreements available with HIP-WI?

Yes. HIP-WI can be attached to a written agreement when a written agreement applies to the Underlying Policy, or the Underlying Policy is established by written agreement, and a rate for HIP-WI is available for any crop in your county.

What will my HIP-WI coverage be based on if I have both HIP-WI and Crop and Livestock Income Protection (CLIP) attached to Revenue Protection (RP) policies, and CLIP is retroactively canceled for not meeting the 2-crop requirements? Will my coverage range for HIP-WI extend to the RP policy’s coverage level?

The HIP-WI Endorsement will remain in effect when an insured adds, modifies, or removes any endorsement or policy that covers a portion of the underlying policy deductible.

The HIP-WI coverage range extends to the underlying RP policy’s coverage level when CLIP is retroactively cancelled for not meeting the 2-crop requirement if you report such coverage change to RMA by the acreage reporting date. In other words, your Hurricane Coverage Range will increase proportionate to the additional endorsement, policy, or policy option that was removed.