

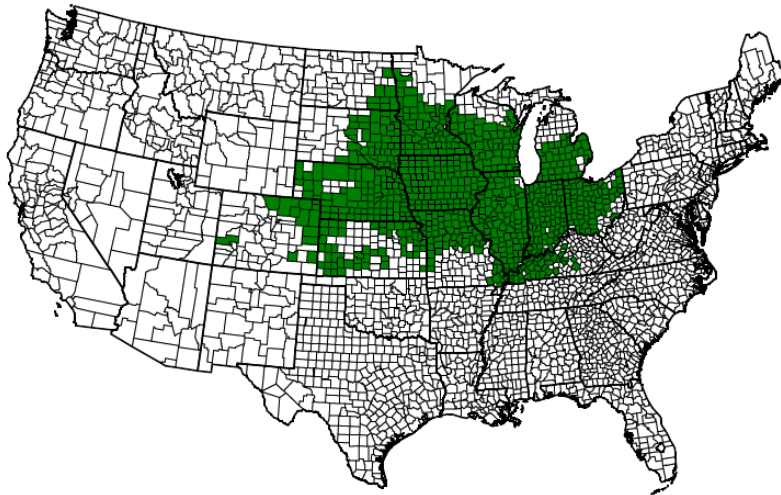
Participation in Trend-Adjusted APH for 2012

The Trend-Adjusted APH program allows growers to revise their past yields upwards to reflect long-term technology trends. This makes a grower's APH better match his or her true yield potential, resulting in improved insurance coverage.

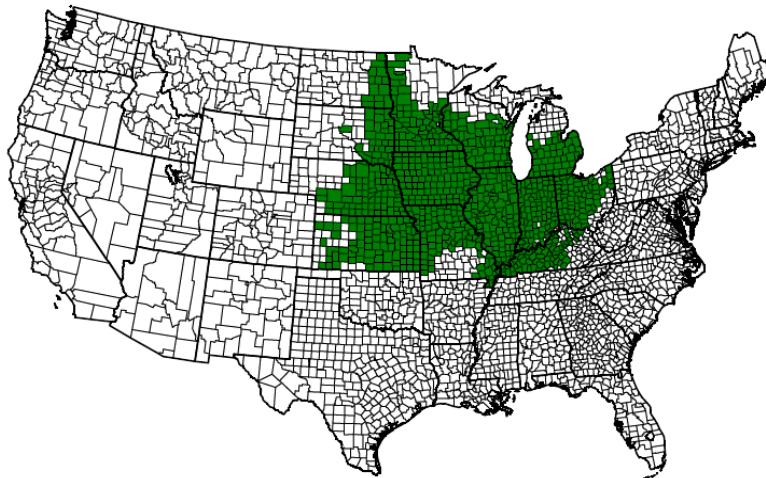
For 2012, the Trend-Adjusted APH program was offered only in the central growing areas for corn and soybeans (see nearby maps). It has since been expanded to additional areas and crops for 2013.

What follows are some summary statistics on grower participation in the Trend-Adjusted APH program for the 2012 crop year.

Corn
Crop Year 2012 Trend-Adjusted Actual Production History Availability



Soybeans
Crop Year 2012 Trend-Adjusted Actual Production History Availability



Participation in Trend Adjusted APH for 2012

State	% Acres w/TA		Acres Per Policy			
	Corn	Soybeans	Corn		Soybeans	
			TA	No TA	TA	No TA
CO	20%		461	268		
IA	85%	79%	222	118	166	109
IL	80%	75%	201	149	151	122
IN	70%	66%	258	175	222	158
KS	42%	28%	244	147	178	110
KY	71%	61%	362	171	332	162
MI	51%	49%	308	196	268	161
MN	86%	77%	276	136	230	164
MO	48%	36%	225	126	257	166
ND	73%	54%	564	301	569	353
NE	61%	56%	264	175	176	123
OH	75%	68%	203	107	216	137
SD	71%	64%	358	179	301	169
WI	55%	50%	267	156	170	101
All	71%	63%	247	155	200	140

Numbers apply only to counties where TA is available

Overall, participation in the Trend-Adjusted APH program in 2012 was high – 71% of eligible acres for corn and 63% for soybeans. Participation tended to be higher in the core growing areas of the Corn Belt and lower elsewhere.

Larger growers tended to use the Trend-Adjusted APH. The average number of acres per corn policy was 247 for those with Trend-Adjusted APH and 155 without. A similar pattern occurred for soybeans.

One question that is frequently asked is whether growers changed their coverage levels in response to the increase in their APH from the trend adjustment. Overall, the average coverage level changed little from 2011 to 2012 for corn and soybeans. As shown in the nearby table, the average coverage level for revenue protection (the most common choice) remained nearly unchanged at around 75% for both crops.

However, this overall average masks some movement at specific coverage levels. The nearby tables show the proportion of policies that changed coverage levels from 2011 to 2012. At higher coverage levels, 80 and 85 percent, growers generally moved down a step. For example, 24 percent of corn policies switched from 85% coverage in 2011 to 80% in 2012 (while 73% of those policies stayed put). At lower coverage levels, growers generally increased their coverage. These two trends appear to have balanced out, leaving the overall coverage level unchanged.

Average Coverage Level by Plan of Insurance (Buy-Up Policies Only)

Insurance Plan	Corn		Soybeans	
	2011	2012	2011	2012
Revenue Protection	75.6%	75.7%	75.1%	75.1%
Revenue Protection - HPEO	76.8%	77.4%	75.7%	75.4%
Yield Protection	65.6%	66.2%	64.6%	64.8%

Change in Coverage Level from 2011 to 2012

(Revenue Coverage for Corn, Policies with Trend Adjustment, All States)

Crop Policy Count	2011 Coverage Level	2012 Coverage Level								
		50%	55%	60%	65%	70%	75%	80%	85%	Other
928	50%	59%	3%	7%	5%	11%	8%	4%	2%	1%
240	55%	8%	54%	14%	6%	5%	10%	2%	0%	2%
1,217	60%	1%	3%	58%	14%	12%	7%	2%	1%	1%
8,344	65%	0%	0%	7%	60%	19%	10%	3%	1%	1%
28,646	70%	0%	0%	0%	5%	71%	17%	5%	1%	1%
53,029	75%	0%	0%	0%	1%	12%	73%	12%	2%	0%
46,735	80%	0%	0%	0%	0%	1%	17%	73%	7%	0%
21,248	85%	0%	0%	0%	0%	0%	2%	24%	73%	0%

Change in Coverage Level from 2011 to 2012

(Revenue Coverage for Soybean Policies with Trend Adjustment, All States)

Crop Policy Count	2011 Coverage Level	2012 Coverage Level								
		50%	55%	60%	65%	70%	75%	80%	85%	Other
839	50%	65%	3%	6%	4%	10%	7%	3%	1%	1%
157	55%	1%	55%	17%	3%	3%	15%	1%	2%	3%
789	60%	2%	1%	64%	13%	11%	6%	2%	1%	1%
6,136	65%	0%	0%	4%	64%	18%	10%	2%	0%	1%
21,519	70%	0%	0%	0%	3%	73%	17%	4%	0%	1%
43,224	75%	0%	0%	0%	0%	11%	76%	11%	1%	0%
40,969	80%	0%	0%	0%	0%	1%	18%	75%	6%	0%
17,498	85%	0%	0%	0%	0%	0%	3%	26%	70%	0%