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Inside:

The DDA Crop Insurance Toll Free Info Line: 877-673-2767

How To File A Crop Insurance Claim

What to do. What not to do.

Given this summer's weather conditions in Delaware there is a very good chance that there will be many claims filed on crop insurance polices.

In one very important way crop insurance policies are just like any other insurance policies; everything must be in writing to be binding. That means claims notifications, authorizations to harvest a damaged crop, notification to cancel, everything.

When you file a claim you should also contact your FSA office because there is a very good chance that you may be eligible for benefits under FSA's standing crop disaster program, SURE.

Here are some things to remember when it comes to filing a crop insurance claim.

1. Policies require that written notice of damage be given to your crop insurance agent by crop and by unit/farm...

- Within 72 hours of discovery of damage or loss;
- 15 days before harvest begins; and
- Within 15 days after harvesting is completed on the insurance unit but not later than 12/10 for grain corn and soybeans.

2. Keep good records. Your records will never seem as important as when you are making a crop insurance claim. Ask your agent what records are required to support a claim when you file notice of damage.

3. Prior authorization is required (in writing) to leave sample rows for yield determination. If loss adjusting workload does not permit appraising damaged crop acreage before you are ready to start cutting silage, prior authorization (in writing) must be obtained from your insurance company, through your crop insurance agent, before sample row areas can be left for later yield determination.

4. If you plan to cut damaged crops for silage or other uses, you must contact your crop insurance agent at least 15 days before beginning of harvest. It is important that the grain content be determined before harvesting regardless of whether you insure on a tonnage or grain yield basis.

5. Never destroy a damaged crop before an insurance adjuster determines the amount of loss. Do not disk. Do not plow. Do not harvest. Do not replant. Do nothing to destroy your crop until you have written permission from a claims adjuster or an insurance company representative. ■

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W. Edwin Kee, Jr.
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Dear Delaware Farmers:

This summer's weather has caused serious yield shortfalls, which will result in claims made on crop insurance policies.

It is important to remember to contact your crop insurance agent as soon as you think you may have a claim (in writing).

At the same time, you may want to contact your FSA office. You may be eligible for additional disaster assistance from FSA's standing crop disaster program, SURE. With some exceptions, to be eligible for SURE you must have signed up for crop insurance for all your insurable crops or, for non-insurable crops, coverage through FSA's Noninsured Crop Disaster Assistance Program (NAP). The higher the crop insurance coverage selected, the higher your SURE guarantee will be.

I am a little concerned because about 50% of small grain acreage for 2010 was either uninsured or underinsured (CAT). CAT policies are no longer available and if you don't have your 2011 small grains insured, you run the risk of not being eligible for SURE on your corn, soybeans, and other crops for 2011.

Please contact your crop insurance agent and make arrangements to reduce your risk exposure. In the meantime, like most of you, I will be hoping for better weather.

Sincerely,

Ed Kee

Ed Kee
Delaware Secretary of Agriculture

Delaware Department of Agriculture
Serving Agriculture and Protecting Consumers

Changes For Crop Insurance Policies

When the September 30 crop insurance sign-up deadline for wheat and barley rolls around there will be an interesting surprise waiting for most producers, the policies will be pretty much the same but the names will all be different.

Instead of Crop Revenue Coverage (CRC) there will be "Revenue Protection" (RP). Actual Production History (APH) becomes "Yield Protection" (YP). There will no longer be a Catastrophic (CAT) policy. Instead there will be "Revenue Protection with Harvest Price Exclusion" (50/100).

The fall deadlines for wheat and barley will be Delaware's first encounter with the new policies. If you already have a policy you don't have to actively do anything. Your old policy will roll over into a new name. This new "Common Crop Insurance Policy" (COMBO) kept and combined the principle features in the five plans that producers bought most often. Now all insurance coverage is consistent in insurance protection and cost to producers.

If you want more clarification you should contact your crop insurance agent well before the September 30 deadline. ■

2011 Common Crop Insurance Policy Conversion Chart

2010 Policy	Converted for 2011 Crop Year to
Crop Revenue Coverage (CRC)	**Revenue Protection**
Revenue Assurance (RA) with Fall Harvest Price Option	**Revenue Protection**
Revenue Assurance (RA) without Fall Harvest Price Option	**Revenue Protection with Harvest Price Exclusion**
Actual Production History (APH)	**Yield Protection**
Income Protection (IP)/ **Indexed Income Protection** (IIP)	**Revenue Protection with Harvest Price Exclusion**
CAT Income Protection (IP)/ **Indexed Income Protection** (IIP)	**Revenue Protection with Harvest Price Exclusion** (50/100)

Important Definitions

Revenue Protection – Insurance coverage that provides protection against production loss or price decline or increase or a combination of both.

Revenue Protection with Harvest Price Exclusion – Allows the producer to exclude the use of the harvest price in the determination of the revenue protection guarantee.

Yield Protection – Insurance coverage that only provides protection against a production loss for crops for which revenue protection is available but was not elected.

Commodity Exchange Price Provisions (CEPP) – A part of the policy that is used for all crops for which revenue protection is available, regardless of whether the producer elects revenue protection or yield protection for such crops. This document will include the information necessary to derive the projected price and the harvest price for the insured crop, as applicable.

Projected Price – A price determined in accordance with the Commodity Exchange Price Provisions and used for all crops for which revenue protection is available, regardless of whether the producer elects to obtain revenue protection or yield protection for such crops.

Harvest Price – A price determined in accordance with the Commodity Exchange Price Provisions and used to value production to count for revenue protection.

Revenue Protection Guarantee (per acre) – For revenue protection only, the production guarantee (per acre), times the greater of the projected price or the harvest price. If the harvest price exclusion option is elected, the production guarantee (per acre) is only multiplied by the projected price.

Yield Protection Guarantee (per acre) – When yield protection is selected for a crop that has revenue protection available, the production guarantee times the projected price. ■

Double Cropping Requires Separate Records

Crop Insurance Benefits At Stake

If you practice double cropping (for example soybeans following winter wheat on the same acres for the same crop year), maintaining required records may mean substantial additional benefits.

Those records are especially important if you suffer prevented planting or yield/ revenue losses on the first, second or both crops. In addition to the APH yield and production records for the insurance unit, separate acreage and production records must be maintained for the first and second crops on the specific acreage that is double cropped, within each insurance unit. This requirement must be met each year whether or not there is a crop loss.

In the event of a loss, it is critical that the policyholder has separate records of the acreage and production for the first and second crop(s) for the current year and for previous years. Again, current and previous years' records must be maintained by crop and county.

These records will be needed to substantiate that you did a double cropping practice at least two of the last four years in the county. They will also be used to determine the maximum limit of double crop acres that may be considered eligible for double cropping benefits for a current year loss.

The policyholder may use the records of a previous crop owner of the exact same acreage on newly acquired land provided the previous owner has such record for the specific fields and makes them available. ■

FSA Program At Stake With Crop Insurance Deadline

In Delaware, producers of wheat and barley have until September 30 to sign-up for federally subsidized crop insurance protection. Those who do not sign-up will not be eligible for the Farm Service Agency (FSA) standing disaster program (SURE) on these crops nor any spring planted crops for the 2011 crop year.

Failure to insure your wheat or barley will cause next year's corn and soybeans to be ineligible. The good news is that the higher your level of crop insurance protection, the higher is your SURE guarantee (75 percent coverage vs. only the lowest level of coverage increases the guarantee about 2.5 times in both programs). In a way, SURE is free, additional crop insurance coverage.

Enterprise Units

If you choose to insure all of your wheat or barley acreage as a single unit in the county, you may be able to reduce your premium cost by up to 50 percent. This can apply regardless of whether you insure as revenue or yield protection. To be eligible, you must qualify for at least two optional units and meet certain acreage requirements. The optional units can be the result of being able to qualify for two or more FSA farm serial numbers (FSN), or units by written agreements (very large FSN or unit by sectional equivalents).

Under an enterprise unit, the producer self-insures smaller, isolated losses, but when severe disasters occur due to yield or low prices, the loss payment would be identical to having individual farm basic and optional units. Check with your crop insurance agent to see if you are eligible for an enterprise unit well before the September 30 deadline. ■

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