Connecticut Crop Insurance Facts

Risk Management Agency
Raleigh Regional Office

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The Risk Management Agency offers a **federally subsidized crop insurance program** through private insurance companies. Crop insurance covers disasters such as drought, hail, frost, hurricanes, excessive moisture, fire, insects & plant disease and wildlife damage. This fact sheet only highlights certain features about various crop insurance programs and is not intended to be all-inclusive. You may contact your local crop insurance agent, or visit our website at http://www.rma.usda.gov, for more specific information about crop insurance in your area.

What Programs Are Insurable?

Sales Closing Date	Crop
May 1	Nursery
November 20	Apples
	Peaches
January 31	Adjusted Gross Revenue
March 15	Adjusted Gross Revenue-Lite
	Corn
	Fresh Market Sweet Corn
	Potatoes
	Tobacco
Continuous	Livestock Gross Margin Dairy

Sales closing dates are in place as the deadline to purchase an insurance plan for a particular crop. An application must be submitted to a crop insurance company representative by this date or else the insurance policy will not attach and your crop losses will not be covered.

What If I Have A Crop That Is Not Listed As Insurable?

You may still be eligible to request crop insurance through a *written agreement*. The written agreement is a document designed to provide crop insurance in counties without an established program for the crop or an organic crop. See your crop insurance agent regarding documentation requirements. **Note: Written Agreements are not issued for pilot crops or catastrophic (CAT) policies.**

Are Other Crops Being Considered?

Yes! The RMA is consistently developing new programs. Our agency is working with contractors, universities, and researchers to identify local farmer needs and develop new crop programs. Connecticut currently has a pilot crop program for Adjusted Gross Revenue. Crops usually stay in a pilot program until the insurance plan is deemed fundamentally sound. Check with your insurance agent to see if a pilot crop is available in your county.

How Much Does It Cost?

A $300 administrative fee, per crop per county, will apply for a catastrophic (CAT) insurance plan. The premium on CAT coverage is paid by the Federal government. Catastrophic coverage pays 55 percent of the established price of the commodity on crop losses in excess of 50 percent. Limited resource farmers may have this fee waived. CAT coverage is not available on written agreements or crop revenue coverage. Check with your crop insurance agent to see if you qualify as a limited-resource farmer or for CAT availability.

Are Higher Coverage Levels Available?

Yes. The cost for buy-up levels of insurance coverage is a $30 administrative fee, per crop per county, plus the premium. Simply select the amount of your Actual Production History (APH) yield you wish to insure; from 50 to 75 percent (for some crops in some areas, up to 85 percent).

Are There Other Types of Insurance Plans?

Yes! The agency offers different insurance plans.

Adjusted Gross Revenue: This is a whole-farm insurance program providing insurance coverage for multiple agricultural commodities under one insurance product using income tax information from your operation. A farm report is created to determine coverage eligibility. Covered farm revenue includes income from most crops and agricultural commodities. A limited amount of income (not to exceed 35%) from livestock, animal products, and aquaculture products raised in a controlled environment may be covered. Under this plan, you can also cover revenue generated from commodities that are currently uninsurable (such as forage, fruit, and vegetable crops).

Adjusted Gross Revenue-Lite: This program is a streamlined whole-farm revenue protection package that can be used as a stand-alone coverage or in addition to other individual crop insurance policies (except AGR). It allows you to insure a portion of the revenue generated from crops, animals (such as chickens, dairy cows, hogs, and sheep) and animal products (such as eggs, milk, meat, and wool). Under this plan, you can also cover revenue generated from commodities that are currently uninsurable (such as forage, fruit, and vegetable crops).

Livestock Gross Margin Dairy: This plan provides protection against unexpected declines in gross margin (market value of milk minus feed costs). It uses adjusted futures prices to determine the expected gross margin and the actual gross margin. Adjustments to futures prices are state-and-month specific basis levels.

Revenue Protection: These policies insure producers against yield losses from most natural causes plus revenue losses caused by a change in the harvest price from the projected price. The producer selects amount of average yield he or she wishes to insure; from 50-75 percent (in some areas to 85 percent). The projected and harvest prices are 100 percent of the amounts determined in accordance with the Commodity Exchange Price Provisions and are based on daily settlement prices for certain futures contracts. The amount of insurance protection is based on the greater of the projected price or the harvest price multiplied times the selected yield coverage. If the harvested plus any appraised production multiplied by the harvest price is less than the amount of insurance protection, the producer is paid an indemnity based on the difference. This plan covers crop such as corn.

Revenue Protection with Harvest Price Exclusion: These policies insure producers in the same manner as Revenue Protection polices, without an adjustment in insurance coverage if the harvest price is greater than the projected price. If the harvested plus any appraised production multiplied by harvest price is less than the amount of insurance protection, the producer is paid an indemnity based on the difference. This plan covers crop such as corn.

Yield Protection: These policies insure producers in the same manner as APH polices, except a projected price is used to determine insurance coverage. The projected price is determined in accordance with the Commodity Exchange Price Provisions and is based on daily settlement prices for certain futures contracts. The producer selects the percent of the projected price he or she wants to insure, between 55 and 100 percent. This plan covers crop such as corn.

Can I Contact Someone For More Information?

The Raleigh Regional Office services Connecticut. Crop specialists are available to answer specific questions. Call or write the USDA/Risk Management Agency, Raleigh Regional Office, 4405 Bland Road, Suite 160, Raleigh, North Carolina 27609, telephone (919) 875-4880.

Visit the RMA Web Site
For the latest crop insurance and agricultural risk management information, visit our website at **http://www.rma.usda.gov**