INTRODUCTION
MULTI-PERIL CROP INSURANCE IS A VALUABLE RISK MANAGEMENT TOOL THAT ALLOWS GROWERS TO INSURE AGAINST LOSSES DUE TO ADVERSE WEATHER CONDITIONS AND WILDLIFE. IT SHIFTS UNAVOIDABLE PRODUCTION RISKS TO AN INSURANCE COMPANY FOR THE PAYMENT OF A FIXED AMOUNT OF PREMIUM PER ACRE. CROP INSURANCE IS AVAILABLE FOR AT LEAST ONE COMMODITY IN EVERY COUNTY IN CONNECTICUT, WITH A TOTAL OF 6 CROPS REPRESENTED ACROSS THE STATE.

Participation in the crop insurance program in Connecticut has increased dramatically since the early 1990’s. Currently, sign up for crop insurance exceeds 23,000 acres and protection in force exceeds $78 million.

The federal government has decided that a crop insurance program is preferable to disaster payments. Disaster programs often involve political tradeoffs that can lead to deficit spending. It is better to have an insurance program in place that is available nationwide and gives farmers the freedom to choose the level of coverage they need based on their own yield history. A minimum level of crop insurance, called Catastrophic (CAT) insurance, is available to all farmers regardless of size at no premium cost (all premiums are paid by the federal government). Higher levels of crop insurance (buy-up protection) are also federally subsidized, with farmers nationwide paying only 33 to 62 percent of the actual cost of the insurance (depending on the level of coverage selected). Under the 2008 Farm Bill, all acreage must be covered by crop insurance or under the noninsured assistance program (NAP, available through USDA-Farm Service Agency) to be eligible for future disaster assistance programs.

The only advantage of not having crop insurance is saving the premium cost. Elimination of this cost would have a minor positive impact on cash flow during good years and a potentially disastrous impact on cash flow in a poor year. Choosing a level of coverage is a personal business decision. Not everyone feels the same about production risk and everyone has different financial resources. One way to choose would be to determine how much cash-flow protection you need and pick a coverage level and price election combination that accomplishes your goal.

The purpose of this publication is to introduce the types of crop insurance available to vegetable, fruit, field and nursery and greenhouse crop producers by:

- explaining how an actual production history (APH) is calculated.
- illustrating how insurance premiums are calculated.
- comparing the cost of crop insurance and the levels of cash-flow protection available.
- discussing what is meant by insurance units.
- listing important dates for buying vegetable crop insurance in Connecticut.

Before considering a particular kind of crop insurance policy, you should first consider how much risk you are willing to accept and what you need to protect. The following are some common objectives:

1) reducing year-to-year income variability.
2) providing a minimum cash flow to cover input costs.
3) securing adequate credit.
YIELD-BASED INSURANCE COVERAGE

Actual Production History (APH) insurance protects producers against losses due to natural causes such as drought, excessive moisture, hail, wind, frost, insects, and disease. These plans are sometimes referred to as Multiple Peril Crop Insurance (MPCI).

Growers select from 50 to 75 percent of the amount of their average yield to insure. Growers can also select between 55 and 100 percent of the predicted crop price established annually by the United States Department of Agriculture, Risk Management Agency (USDA, RMA). If the harvest is less than the yield insured, the grower is paid for the loss based on the difference. Loss payments are calculated by multiplying this difference by the insured percentage of the established price selected when crop insurance was purchased.

Catastrophic crop insurance (CAT) was introduced in 1995 to replace ad hoc disaster assistance programs enacted by Congress with an insurance-based producer safety net that reflects a grower’s actual production history and insurance principles. Per acre insurance premiums for CAT are totally paid by the federal government. For a flat application fee of $300/crop/county, producers get a crop insurance yield guarantee of 50 percent of their farm’s actual production history yield, with any losses reimbursed at 55 percent of the established crop price. Compared to higher levels of coverage, CAT provides only a low level of protection against yield losses. For some diversified growers this level of coverage is enough to protect them against severe cash-flow shortfalls.

Supplemental Revenue Assistance Payments (SURE) program provides benefits for farm revenue losses due to natural disasters. It is the 2008 Farm Bill’s successor to the Ad Hoc Crop Disaster Programs also known as the CDP or Crop Disaster Programs, administered by USDA, FSA. Unlike the prior USDA Disaster Programs, SURE is legislated through 2011. For the 2008 crop year, producers could “buy in” to participate in the SURE program by September 16, 2008. Beginning with the 2009 crop year, however, to maintain eligibility for the Supplemental Disaster Programs producers must obtain a policy or plan of insurance of at least catastrophic (CAT) level coverage for 2009. For those crops that are noninsurable, coverage under the Noninsurable Crop Disaster Assistance Program must also be obtained. Consult a crop insurance agent for more details.

Dollar Plan (Dollar) coverage provides protection against declining value due to damage that causes a yield shortfall. The amount of insurance is based on the cost of growing a crop in a specific area. A loss occurs when the annual value of the crop is less than the amount of insurance. The maximum dollar amount of insurance is stated on the actuarial document. Growers may select a percent of the maximum dollar amount equal to CAT (catastrophic level of coverage) or additional coverage levels.

Written Agreements may be obtained to provide insurance for specific crops if there is no separate MPCI policy available for that crop, or if the MPCI for a crop is only available in selected counties in a State. The RMA Crop Insurance Handbook allows the RMA Regional Office (Raleigh, NC for Connecticut) to issue additional guidelines to determine the adaptability of a particular crop for a written agreement. For example, currently there is no MPCI coverage available for Vinifera grapes grown in Connecticut. However a Vinifera grape producer may be able to obtain crop insurance coverage through a written agreement. Consult a crop insurance agent for more details.

REVENUE INSURANCE PLANS

Adjusted Gross Revenue (AGR and AGR-Lite) insure the revenue of the entire farm rather than an individual crop by guaranteeing a percentage of average gross farm revenue. These plans use information from the past five consecutive years of a producer’s Schedule F tax forms to calculate the policy revenue guarantee. Depending on the number of commodities grown, producers have the choice of three coverage levels (65, 75, and 80%) and two payments rates (75 and 90%).

AGR insurance is currently available in all 8 counties in Connecticut. A major limitation of this product is that only farms with 35 percent livestock revenue or less are eligible for coverage. An additional requirement of AGR coverage is that if crops with individual crop insurance availability exceed 50 percent of farm revenues, MPCI coverage is also required (CAT insurance can be used to meet this requirement). The maximum policy size for AGR is $6.5 million (based on maximum adjusted gross revenues of $13.3 million and the 65% coverage level and 70% payment rate). The sign-up deadline for AGR is January 31.

AGR-Lite represents a major improvement on the original AGR product, expanding it to provide protection for all crops and animal revenues (no limitation on livestock income). The application process for AGR-Lite is also streamlined in various ways and there is no requirement for the purchase of MPCI (but it may be purchased at the producer’s option). The maximum policy size for AGR-Lite is $1 million (based on maximum adjusted gross revenues of $2,051,282 and the 65% coverage level and 70% payment rate). The sign-up deadline for first-time AGR-Lite policyholders is March 15.
Late and Prevented Planting Coverage provide reduced protection on acreage that is planted late or that cannot be planted by the final planting date or within the late planting period. Consult a crop insurance agent for more details.

LIVESTOCK GROSS MARGIN (LGM) – DAIRY

LGM— Dairy insurance has been available in Connecticut since 2008 and was established to help reduce dairy producers’ vulnerability to volatile commodity markets. LGM Dairy is a program based on milk income over feed costs which are referred to as “gross margin”. The program covers the difference between the insurance guarantee and the actual gross margin for the insurance period selected by the farmer, based on a targeted amount of milk. A loss payment will be triggered when the actual “gross margin” is less than the insured “expected gross margin”. New features of this program, available with the 7/31/09 enrollment period, include a longer enrollment period and use of either a USDA authorized milk to feed ratio or actual numbers. Enrollment periods begin the last business Friday of each month. Producers interested in LGM— Dairy should contact a crop insurance agent.

DEVELOPING A CROP INSURANCE PROGRAM

Determining the Actual Production History.
The first step in developing a crop insurance program is to establish your actual production history (APH). This is used to set the guarantees under the APH and CAT plans of insurance. A proven APH yield is not required for crops insured under the dollar plan because the amount of coverage is based on the cost of growing the crop in a specific area. Assessing the need for production risk protection must be based on your farm’s production potential and yield variability. It is a good idea to establish the APH for each insurance unit with a crop insurance agent long before the sign-up date. An APH yield is needed even if you are only interested in the CAT level of coverage.

Establishing an APH yield requires a minimum of four years of records for each crop and land unit to be insured. Examples of information used to prove crop yields include field records, sale receipts, and farm or commercial storage records. The records must be for continuous years, starting with the most recent year and continuing back in time.

Once a missing year is reached, no yield data before that year may be used. Dropping out yield from one year because of poor production is not allowed. It is not considered a missing year of records if the crop to be insured was not planted in a certain year. In that case, a zero acreage report is submitted and continuous records are maintained even without data for that year. This is especially important for growers who rotate crops.

If at least four successive years of records are not available, a transitional or “T”-yield is substituted for each missing year. Each insured crop within a county has an assigned “T”-yield. It is usually based on the latest available 10-year county average yield. Growers with no records at all are assigned 65 percent of the “T”-yield as their APH yield. Growers with one year of records receive 80 percent of the “T”-yield for the other three years to calculate their APH yield. Growers with two records receive 90 percent of the “T”-yield for the other two years. Growers with three years of records receive 100 percent of the “T”-yield for the one remaining year. Once each year has been assigned a yield, the APH is an average of the four yields. If only a couple years of yield records exist, the APH yield may be considerably below the actual expected yield, because of the reduced “T”-yields. New growers or those who have never planted the crop to be insured receive 100 percent of the “T”-yield for determining their APH yield. If they continue to plant the crop for four years, the “T”-yields will be replaced with the actual production each year.

New producers who have previously been closely associated with a particular farming operation, such as children taking over a family farm, can use the previous operator’s records to establish their APH yield.

Once at least four years of production history are available, the APH is the average of all of the yearly reported yields. Additional years of data will be averaged into the APH yield until 10 years are included. Once 10 years of yields are available, the APH becomes a moving 10-year average. When a new year of production history is added, the oldest record is dropped from the APH calculation.

When a new yield record is added to the APH history, the APH cannot decrease by more than 10 percent in any one year. The APH can not fall to less than 70 percent of the “T”-yield for growers with only one year of yield records, 75 percent for growers with two to four years of yield records, and 80 percent for growers with five or more years of yield records. This “floor” prevents one year with a severe crop failure from having a disproportionately large influence on the APH yield, especially when only a few years of yield records are available. There is also an option to substitute 60 percent of the “T”-yield for actual yields that are less than 60 percent of the “T”-yield. There is a slightly higher premium when this option is selected.

Selecting an Insurance Unit for Crop Insurance.
You have two options on how you divide your land to determine APH yields, loss payments, and premiums under crop insurance. Each parcel of land for which claims are calculated is called an “insurance unit.” Unit types include basic and optional units. One farming operation may have several insurance units. In this situation, it is possible to have a crop loss on one unit and...
receive a loss payment, while the other units on the same farm produce a record crop. As a result, many growers prefer to divide their land into as many units as possible. You should check with a crop insurance agent to find out how many and what type of insurance units your crops qualify for, and how this could affect your premiums.

You receive one basic unit for the land you own and cash rent within a county. You also receive one basic unit for each landlord with whom you crop share rent. Each crop share landowner can also insure their own interest in the crop as a separate unit. Each different crop also creates a separate unit, and tracts of land in different counties must be insured as separate units. Each crop/county can have a different type of policy and level of coverage, and could receive a loss payment separate from the other units. Separate production records must be kept for each basic unit. Insuring all acres as basic units entitles producers to a 10 percent discount on their premiums.

Basic units may be divided into optional units when a crop is being grown under distinctly different production practices. For example, a grower with both irrigated and non-irrigated acres of the same crop may qualify for optional units. Other special farming types or practices may also qualify acres to be insured as separate units. Organically grown crops may also be eligible for crop insurance coverage. Premiums are adjusted to recognize any additional risk associated with covering organic crop acreage. Optional units may also be established by FSA farm serial number or by section equivalents (similar to one square mile blocks) using a written agreement.

How Crop Insurance Premiums are Calculated.
Crop insurance premiums depend on your APH yield (or maximum dollar amount of insurance for dollar plans crops), the coverage level you select, the price election you select, and the premium rate for your county. Based on the level of coverage and the crop being insured, you pay between 33 and 62 percent of the calculated premium, with the federal government paying the balance. If you use basic units rather than optional units, you are eligible for the additional 10 percent discount.

You can select a coverage level of 50, 55, 60, 65, 70, or 75 percent of your APH yield (or maximum dollar amount of insurance for Dollar plan crops). In a sense, this establishes your “deductible,” similar to the deductible on your automobile or homeowners insurance. For example, if a coverage level of 75 percent is selected, then you “self insure” for the first 25 percent of the loss. If the loss was more than 25 percent, crop insurance would cover the difference. The level of coverage also affects the amount of protection that is available. Like other insurance, high levels of deductible have lower premiums, but also more risk. You also have some choice of the price election (percent of the established crop price), depending on the yield guarantee selected. Selecting a lower level of price election lowers premiums slightly. In practice, however, most growers select the 100 percent price election.

An important thing to remember about crop insurance premiums is that they are directly tied to the value of the crop they are insuring. If commodity prices increase, then crop insurance protection and premiums will also increase.

Some important crop insurance equations:

**APH Plan yield guarantees and premiums:**

\[
\text{Yield guarantee} = \text{APH yield} \times \text{coverage level}
\]

\[
\text{Total premium/acre} = \frac{\text{Yield guarantee} \times \text{price election} \times \text{county premium rate}}{}
\]

\[
\text{Subsidy amount} = \text{Total premium/acre} \times \text{subsidy factor}
\]

\[
\text{Producer premium/acre} = \text{Total premium/acre} - \text{subsidy amount}
\]

**APH Plan Loss payments:**

If actual yield is less than the yield guarantee:

\[
\text{Loss payment} = (\text{yield guarantee} - \text{actual production}) \times \text{price election}
\]

If actual yield is equal to or greater than the yield guarantee:

\[
\text{Loss payment} = 0
\]

**Dollar Plan amount of coverage and premiums:**

\[
\text{Dollar guarantee} = \text{County maximum amount of coverage} \times \text{coverage level}
\]

\[
\text{Total premium/acre} = \frac{\text{Dollar guarantee} \times \text{county premium rate}}{}
\]

\[
\text{Subsidy amount} = \text{Total premium/acre} \times \text{subsidy factor}
\]

\[
\text{Producer premium/acre} = \text{Total premium/acre} - \text{subsidy amount}
\]

**Dollar Plan Loss payments:**

If the value of production to count is less than the dollar guarantee:

\[
\text{Loss payment} = \text{Dollar guarantee} - \text{value of production to count}
\]

If the value of production to count is greater than or equal to the Dollar guarantee:

\[
\text{Loss payment} = 0
\]

How Can I Find a Crop Insurance Agent?

- Ask your neighbors for their recommendations. Other growers are one of the best sources of information on where to find a knowledgeable crop insurance agent.
- Check with businesses or organizations you use for farm business management services. Your banker, cooperative, or a farm organization you belong to may be able to recommend insurance agencies who handle crop insurance.
• Use the USDA Risk Management Agency’s Web site (www.rma.usda.gov) to locate an agent in your area. This can be done by clicking on the “Agent/Company Locator” under “Quick Links” on the RMA home page.

Deadlines for sales closing, final planting date, acreage reporting, and billing for Connecticut vegetable, fruit, field and nursery and greenhouse crops are listed in Table 1. As a crop insurance user you should be aware of several important dates for filing information and reporting losses:

**VEGETABLE CROPS**

### Table 1. Important deadlines for vegetable, fruit, field and nursery and greenhouse crop insurance in Connecticut.

<table>
<thead>
<tr>
<th>Fruit</th>
<th>Type of Insurance</th>
<th>Sales Closing*</th>
<th>Production Reporting</th>
<th>Acreage Reporting</th>
<th>End of Insurance</th>
<th>Premium Billing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apples</td>
<td>APH</td>
<td>11/20</td>
<td>1/31</td>
<td>1/31</td>
<td>11/5</td>
<td>9/15</td>
</tr>
<tr>
<td>Peaches</td>
<td>APH</td>
<td>11/20</td>
<td>1/31</td>
<td>1/31</td>
<td>9/30</td>
<td>9/15</td>
</tr>
</tbody>
</table>

* Prior to year of harvesting

<table>
<thead>
<tr>
<th>Vegetable (fresh market)</th>
<th>Type of Insurance</th>
<th>Sales Closing*</th>
<th>Production Reporting</th>
<th>Acreage Reporting</th>
<th>End of Insurance</th>
<th>Premium Billing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sweet corn</td>
<td>Dollar</td>
<td>3/15</td>
<td>6/30</td>
<td>7/15</td>
<td>9/30</td>
<td>10/01</td>
</tr>
<tr>
<td></td>
<td>APH</td>
<td>3/15</td>
<td>6/10</td>
<td>6/30</td>
<td>10/31</td>
<td>10/01</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Field</th>
<th>Type of Insurance</th>
<th>Sales Closing*</th>
<th>Production Reporting</th>
<th>Acreage Reporting</th>
<th>End of Insurance</th>
<th>Premium Billing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corn (grain)</td>
<td>APH, CRC</td>
<td>3/15</td>
<td>6/10</td>
<td>7/15</td>
<td>12/10</td>
<td>10/01</td>
</tr>
<tr>
<td>Corn (silage)</td>
<td>APH</td>
<td>3/15</td>
<td>6/10</td>
<td>7/15</td>
<td>10/20</td>
<td>10/01</td>
</tr>
<tr>
<td>Tobacco (Type 61)</td>
<td>APH</td>
<td>3/15</td>
<td>6/10</td>
<td>7/15</td>
<td>4/30</td>
<td>1/01</td>
</tr>
<tr>
<td>Tobacco (Type 51)</td>
<td>APH</td>
<td>3/15</td>
<td>6/30</td>
<td>7/15</td>
<td>4/30</td>
<td>1/01</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Nursery &amp; Greenhouse</th>
<th>Dollar Amount</th>
<th>AGR</th>
<th>AGR-Lite</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales closing (existing policy)</td>
<td>5/1</td>
<td>1/31</td>
<td>1/31</td>
</tr>
<tr>
<td>Sales closing (new policy)</td>
<td>5/1**</td>
<td>1/31</td>
<td>3/15</td>
</tr>
<tr>
<td>Waiting period</td>
<td>30 days</td>
<td>10 days</td>
<td>10 days</td>
</tr>
<tr>
<td>Insurance year</td>
<td>6/1 - 5/31</td>
<td>1/1 - 12/1</td>
<td>1/1 - 12/31</td>
</tr>
<tr>
<td>PIVR Existing Policy</td>
<td>5/1</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>PIVR New Policy</td>
<td>w/ application</td>
<td>n/a</td>
<td>n/a</td>
</tr>
</tbody>
</table>

**Dairy Gross Margins**

Enrollment begins last business Friday each month

**Sales closing date**—last day to apply for coverage or make changes to the policy; the sign up deadline.

**Final planting date**—last day to plant with full coverage. Late planting may be insurable at reduced coverage for some crops.

**Acreage reporting date**—last day to report the acreage planted. If not reported, insurance may not be in effect.

**Date to file notice of crop damage**—within 72 hours of initial discovery of damage (but not later than 15 days after the end of the insurance period). There may be additional requirements by crop. An adjuster must have the opportunity to inspect the crop before it is destroyed or put to another use.

**End of insurance period**—date when crop insurance coverage ceases for the crop year.

**Payment due date**—last day to pay the premium without being charged interest.

**Cancellation date**—last day to request cancellation of policy for the next year (same date as sales closing date).

**Production reporting date**—last day to report production for Actual Production History (APH).

**Debt termination date**—date insurance company will terminate policy for nonpayment.

**Billing date**—date crop insurance premiums are due. Crop insurance premiums are not due until after the cropping season is almost over.
Vegetable crops covered in Connecticut include fresh market sweet corn and potatoes. Insurance for sweet corn is available in all counties while potatoes are only covered in Hartford County; however, potatoes can be insurable by written agreement in other counties if specific criteria are met.

**Fresh Market Sweet Corn**
Acreage planted to sweet corn to be harvested and sold as fresh market sweet corn is insurable, including non-irrigated acreage. To be insurable, the producer must have grown sweet corn for commercial sale or participated in managing a sweet corn farming operation in at least one of the three previous years. Excludable is sweet corn interplanted with another crop or in established grasses or legumes is not covered.

**Insurable causes of loss include:**
- Adverse weather conditions (e.g. natural weather perils such as hail, frost, freeze drought, excess precipitation, etc.)
- Fire
- Insects (only if sufficient and proper control measures are used)
- Plant disease (only if sufficient and proper control measures are used)
- Wildlife
- Failure of irrigation water supply (if caused by an insured peril during the insurance period)

Note: The policy does not insure against loss of production from damage occurring after potatoes are placed in storage. Even if a storage coverage endorsement is in effect, the cause of the damage nonetheless must have occurred before the end of the insurance period.

**Insurance Period**
Coverage begins when the sweet corn is planted and ends the earliest of:
- Total destruction of the crop
- Abandonment of the crop
- Completion of harvest
- Final adjustment of a claim
- September 30 of the year the crop is planted.

**Potatoes**
Potatoes planted with certified seed for harvest as either certified seed stock or for human consumption may be insured. The policy does not cover any acreage where potatoes are:
- Planted into an established grass or legume; or
- Planted without following crop rotation requirements specified in the Special Provisions.

**Insurable causes of loss include:**
- Adverse weather conditions (e.g. natural weather perils such as hail, frost, freeze drought, excess precipitation, etc.)
- Fire
- Insects (only if sufficient and proper control measures are used)
- Plant disease (only if sufficient and proper control measures are used)
- Wildlife
- Failure of irrigation water supply (if caused by an insured peril during the insurance period)

Note: The policy does not insure against damage due to insufficient or improper application of pest or disease control measures, or revenue losses caused by low market prices or low consumer demand.

**Insurance Period**
Coverage begins when the potatoes are planted and ends the earliest of:
- Total destruction of the crop
- Abandonment of the crop
- Completion of harvest
- Final adjustment of a claim
- October 31 of the year the crop is planted.

**Comparing Crop Insurance Alternatives for Vegetable Crops.**
Vegetable growers may select from various crop insurance policies. Standard Multiple Peril Crop Insurance (MPCI) at CAT and buy-up levels are available as well as insurance protection on a whole-farm basis through AGR insurance and AGRLite.

To demonstrate the different levels of crop insurance protection available to a vegetable producer, potatoes and fresh-market sweet corn will be used as examples. The examples compare gross returns for various levels of crop insurance coverage versus having no insurance (Tables 2 and 3).
By comparing the various options in these examples you can see how farm cash flow is protected by using crop insurance. If a potato grower (Table 2) had a total crop loss, CAT would pay $566/A for the loss. Higher levels of coverage provide even more cash-flow protection for the grower. A minimum cash flow of $1,012 to $1,482/A is guaranteed in exchange for a producer-paid premium of $16.30-$60.70/A. If a fresh-market sweet corn grower (Table 3) had a total crop loss, CAT would pay $333/A for the loss. Higher levels of coverage would guarantee a minimum cash flow of $576-$798/A in exchange for a producer-paid premium of $29.45 to $109.45/A. As the level of crop insurance protection goes up, growers of both crops are guaranteed a less-variable cash flow. The only advantage of having no crop insurance is saving the premium cost. Elimination of this cost would have a minor positive impact on cash flow during good years and a potentially disastrous impact on cash flow in a poor year.

### Table 2. Example of the cost of actual production history (APH) insurance for potatoes and gross returns under various yields (Hartford Co., 220 cwt. APH yield, $9.35 indemnity price, $10.00 market price).

<table>
<thead>
<tr>
<th>Level of crop insurance protection¹</th>
<th>Type of coverage:</th>
<th>No Insurance</th>
<th>CAT</th>
<th>APH</th>
<th>APH</th>
<th>APH</th>
<th>APH</th>
<th>APH</th>
<th>APH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yield guarantee:</td>
<td>0%</td>
<td>50%</td>
<td>50%</td>
<td>55%</td>
<td>60%</td>
<td>65%</td>
<td>70%</td>
<td>75%</td>
<td></td>
</tr>
<tr>
<td>Price guarantee:</td>
<td>0%</td>
<td>55%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Producer premium²:</td>
<td>n/a</td>
<td>$0</td>
<td>$16.30</td>
<td>$21.40</td>
<td>$26.00</td>
<td>$36.00</td>
<td>$44.60</td>
<td>$60.70</td>
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</tr>
<tr>
<td>Application fee:</td>
<td>n/a</td>
<td>$300</td>
<td>$30</td>
<td>$30</td>
<td>$30</td>
<td>$30</td>
<td>$30</td>
<td>$30</td>
<td></td>
</tr>
<tr>
<td>Actual yield (bu/A)</td>
<td>Gross return minus insurance cost ($/acre)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0</td>
<td>$0</td>
<td>$566</td>
<td>$1,012</td>
<td>$1,110</td>
<td>$1,208</td>
<td>$1,301</td>
<td>$1,395</td>
<td>$1,482</td>
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<tr>
<td>25</td>
<td>$250</td>
<td>$687</td>
<td>$1,028</td>
<td>$1,126</td>
<td>$1,224</td>
<td>$1,317</td>
<td>$1,412</td>
<td>$1,498</td>
<td></td>
</tr>
<tr>
<td>50</td>
<td>$500</td>
<td>$809</td>
<td>$1,045</td>
<td>$1,142</td>
<td>$1,241</td>
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<td>$1,714</td>
<td>$1,705</td>
<td>$1,689</td>
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<td>$2,729</td>
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<td>$2,714</td>
<td>$2,705</td>
<td>$2,689</td>
<td></td>
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<tr>
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<td>$3,000</td>
<td>$3,000</td>
<td>$2,984</td>
<td>$2,979</td>
<td>$2,974</td>
<td>$2,964</td>
<td>$2,955</td>
<td>$2,939</td>
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<td>Yield guarantee:</td>
<td>0</td>
<td>110</td>
<td>110</td>
<td>121</td>
<td>132</td>
<td>143</td>
<td>154</td>
<td>165</td>
<td></td>
</tr>
</tbody>
</table>

1. CAT: catastrophic crop insurance (APH); available at no premium cost to the producer (flat application fee of $300/crop/county). APH: higher levels of APH insurance (“buy-up protection”) available for additional premium ($30/crop application fee).
2. Producer premium is for 2008 and takes into account only federal premium subsidies.

### FRUIT CROPS

Fruit crops covered in Connecticut include apples and peaches. Insurance for apples is available in all counties while peaches are only covered in Litchfield and Middlesex counties; however, peaches can be insurable in other counties by written agreement if specific criteria are met.

### Apples

Insurable apples are any variety of apples adapted to the area and located on insurable acreage that has produced at least 150 bushels per acre in one of the past four years. Policy offers basic coverage against damage from natural perils resulting in fresh or processing fruit that fails to grade U.S. No. 1 Processing or better. An orchard inspection may be required.
Table 3. Example of the cost of dollar plan insurance for fresh market sweet corn and gross returns under various yields (Hartford Co., $12/box (50 ears) market price).

Level of crop insurance protection¹

<table>
<thead>
<tr>
<th>Coverage level:</th>
<th>No CAT Dollar Dollar Dollar Dollar Dollar Dollar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Producer premium²:</td>
<td>n/a $0 $39.50 $51.70 $62.70 $87.20 $107.80 $147.00</td>
</tr>
<tr>
<td>Application fee:</td>
<td>n/a $300 $30 $30 $30 $30 $30 $30</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Actual yield (50 ear boxes/A)</th>
<th>Gross return minus insurance cost ($/acre)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>$0  $449  $776  $845  $915  $973  $1,033  $1,075</td>
</tr>
<tr>
<td>40</td>
<td>$480 $480 $776 $845 $915 $973 $1,033 $1,075</td>
</tr>
<tr>
<td>80</td>
<td>$960 $960 $921 $908 $915 $973 $1,033 $1,075</td>
</tr>
<tr>
<td>120</td>
<td>$1,440 $1,440 $1,401 $1,388 $1,377 $1,353 $1,332 $1,293</td>
</tr>
<tr>
<td>160</td>
<td>$1,920 $1,920 $1,881 $1,868 $1,857 $1,833 $1,812 $1,773</td>
</tr>
<tr>
<td>200</td>
<td>$2,400 $2,400 $2,361 $2,348 $2,337 $2,313 $2,292 $2,253</td>
</tr>
<tr>
<td>240</td>
<td>$2,880 $2,880 $2,841 $2,828 $2,817 $2,793 $2,772 $2,733</td>
</tr>
</tbody>
</table>

2008 Dollar guarantee: $0 $449 $815 $897 $978 $1,060 $1,141 $1,222

1. CAT: catastrophic crop insurance (Dollar plan); available at no premium cost to the producer (flat application fee of $300/crop/county).
   Dollar: higher levels of Dollar plan insurance ("buy-up protection") available for additional premium ($30/crop application fee).
2. Producer premium is for 2008 and takes into account only federal premium subsidies.

**Insurable causes of loss include:**
- Adverse weather conditions (e.g. natural weather perils such as hail, frost, freeze drought, excess precipitation, etc.)
- Fire (unless weeds or undergrowth are not controlled, or unmulched pruning debris is not removed)
- Insects (only if sufficient and proper control measures are used)
- Plant disease (only if sufficient and proper control measures are used)
- Wildlife
- Failure of irrigation water supply (if caused by an insured peril during the insurance period)

Note: Policy does not cover loss of income due to market fluctuations.

**Insurance Period**
Coverage begins on November 21 and ends at the earliest of:
- Total destruction of the crop
- Abandonment of the orchard
- Completion of harvest
- Final adjustment of a claim
- November 5.

**Peaches**
Peaches (including nectarines) may be insurable if they are grown within the county:
- For the production of fresh or processing peaches
- From tree varieties having a chilling hour requirement appropriate for the area
- From a rootstock adapted to the area
- In an orchard that is considered acceptable if inspected
- On trees that have reached at least the fourth growing season after being set out.

Note: If trees have not reached the fourth year, the acreage may still be insurable by written agreement if the trees have produced at least 100 bushels per acre.

**Insurable causes of loss include:**
- Adverse weather conditions (e.g. natural weather perils such as hail, frost, freeze drought, excess precipitation, etc.)
• Fire (unless weeds and undergrowth are not controlled or unmulched pruning debris is not removed.)
• Insects (only if sufficient and proper control measures are used)
• Plant disease (only if sufficient and proper control measures are used)
• Insufficient number of chilling hours (to effectively break dormancy)
• Wildlife (unless wildlife control measures have not been taken)
• Failure of irrigation water supply (if caused by an insured peril during the insurance period)

Note: This policy does not cover damage or loss of production resulting from split pits (regardless of cause) or inability to market the peaches for any reason other than actual damage from an insurable cause (for example, events such as quarantine, boycott, or refusal to accept production are not covered).

Insurance Period
Coverage begins on November 21 and ends at the earliest of:
• Total destruction of the crop
• Abandonment of the crop
• Completion of harvest
• Final adjustment of a claim
• September 30.

Comparing Crop Insurance Alternatives for Fruit Crops.
Fruit growers have the choice of standard Multiple Peril Crop Insurance (MPCI) at CAT and buy-up levels for apples and peaches. Insurance protection is also available on a whole-farm basis through AGRI insurance and AGRI-Lite.

To demonstrate the different levels of crop insurance protection available to a fruit producer, an apple grower with a 500-bushel APH yield will be used as an example. The grower wants to compare gross returns for various levels of APH insurance (CAT and buy-up levels of protection) versus having no insurance (Table 4).

### Table 4. Example of the cost of actual production history (APH) insurance for apples and gross returns under various yields (Windham Co., 500 bu. APH yield, $10.10 indemnity price, $12.00 market price).

<table>
<thead>
<tr>
<th>Level of crop insurance protection¹</th>
<th>No</th>
<th>CAT</th>
<th>APH</th>
<th>APH</th>
<th>APH</th>
<th>APH</th>
<th>APH</th>
<th>APH</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yield guarantee:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>0%</td>
<td>50%</td>
<td>50%</td>
<td>55%</td>
<td>55%</td>
<td>60%</td>
<td>60%</td>
<td>65%</td>
</tr>
<tr>
<td>Price guarantee:</td>
<td>0%</td>
<td>55%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>Producer premium²:</td>
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<td>$53.70</td>
<td>$74.85</td>
<td>$97.40</td>
<td>$132.00</td>
<td>$161.70</td>
<td>$216.40</td>
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<td>$30</td>
<td>$30</td>
<td>$30</td>
<td>$30</td>
<td>$30</td>
<td>$30</td>
</tr>
<tr>
<td>Actual yield (cwt/A)</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
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<td>$0</td>
<td>$1,389</td>
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<td>$3,666</td>
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<td>$2,661</td>
<td>$2,893</td>
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<td>$6,000</td>
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<td>$7,146</td>
<td>$7,125</td>
<td>$7,103</td>
<td>$7,068</td>
<td>$7,038</td>
<td>$6,984</td>
</tr>
</tbody>
</table>

Yield guarantee:  0 250 250 275 300 325 350 375

1. CAT: catastrophic crop insurance (APH); available at no premium cost to the producer (flat application fee of $300/crop/county).
APH: higher levels of APH insurance (“buy-up protection”) available for additional premium ($30/crop application fee).
2. Producer premium is for 2008 and takes into account only federal premium subsidies.

Table 5. Example of the cost of actual production history (APH) insurance for corn grain and gross returns under various yields (Tolland Co., 100 bu. APH yield, $4.75 indemnity price, $5.75 local cash price).

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<th>No Yield guarantee:</th>
<th>Insurance CAT</th>
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<th>APH</th>
<th>APH</th>
<th>APH</th>
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<th>APH</th>
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</thead>
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<td></td>
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</tr>
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<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
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<tr>
<td>Producer premium²:</td>
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<td>$5.52</td>
<td>$7.03</td>
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<td>$30</td>
<td>$30</td>
<td>$30</td>
<td>$30</td>
<td>$30</td>
<td>$30</td>
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</table>

<table>
<thead>
<tr>
<th>Actual yield (bu/A)</th>
<th>Gross return minus insurance cost ($/acre)</th>
</tr>
</thead>
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<td>$0</td>
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<tr>
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<table>
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<th>60</th>
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<th>70</th>
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</tr>
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<td>$527</td>
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<td>$585</td>
<td>$604</td>
<td>$623</td>
<td>$643</td>
<td>$663</td>
</tr>
</tbody>
</table>

2. Producer premium is for 2008 and takes into account only federal premium subsidies.

By comparing the various options you can see how farm cash flow is protected by using crop insurance. If the grower had a total crop loss, CAT would pay the grower $1,389/A for the loss. Buy-up coverage provides even more cash-flow protection for the grower. A minimum cash flow of $2,471 to $3,571/A is guaranteed in exchange for a producer-paid premium of $53.70 to $216.40/A. Even higher levels of protection can be obtained under the various quality and variety options for an additional premium cost. As the level of crop insurance protection goes up, the grower is guaranteed a less-variable cash flow. The only advantage of having no crop insurance is saving the premium cost. Elimination of this cost would have a minor positive impact on cash flow during good years and a potentially disastrous impact on cash flow in a poor year.

**FIELD CROPS**

Field crops covered in Connecticut include corn and tobacco. Insurance for corn is available in all counties while tobacco is only covered in Hartford and Tolland counties; however, tobacco can be insurable by written agreement in other counties if specific criteria are met.

**Corn**

Insurable corn includes field corn planted for harvest as grain or silage (if provided for on the county actuarial tables). Corn may be of yellow dent, white, mixed yellow and white, waxy, or high-lysine varieties. Excluded from coverage are any varieties of high-amylase, high-oil, high-protein, flint, flour, Indian, or blue corn. Corn varieties genetically adapted to provide forage for wildlife and open-pollinated varieties are not insurable. Silage-only corn varieties cannot be insured for grain.

**Insurable causes of loss include:**

- Adverse weather conditions (e.g. natural weather perils such as hail, frost, freeze drought, excess precipitation, etc.)
- Fire (unless weeds or undergrowth are not controlled, or unmulched pruning debris is not removed)
- Insects (only if sufficient and proper control measures are used)
- Plant disease (only if sufficient and proper control mea-
Insurance Period
Coverage begins when the crop is planted and ends at the earliest of:
- Total destruction of the crop
- Abandonment of the orchard
- Completion of harvest
- Final adjustment of a claim
- December 10 (grain)
- October 20 (silage).

Corn CRC
Grain type corn may be insured under the Crop Revenue Coverage (CRC) plan of insurance if planted on insurable acreage located in a county with applicable actuarial documents. CRC provides protection against a fluctuation in market prices as well as a shortfall in production. The guarantee is in dollars and a loss situation occurs when the dollar value of your production, based on board of trade prices falls below your dollar guarantee. CRC offers protection whether prices rise or fall:

- In most years when the price usually declines as harvest approaches, you are guaranteed a predetermined amount of income per acre.
- In a year of rising prices, a production shortfall would be compensated at the higher market-based harvest price. This is critical if any lost production must be replaced at higher market prices for on-farm feeding or to fulfill delivery on a forward contract.

Insurable causes of loss include:
- Adverse weather conditions (e.g. natural weather perils such as hail, frost, freeze drought, excess precipitation, etc.)
- Fire
- Insects (only if sufficient and proper control measures are used)
- Plant disease (only if sufficient and proper control measures are used)
- Wildlife
- Harvest price is less than base price

Insurance Period
Coverage begins when the crop is planted and ends at the earliest of:
- Total destruction of the crop
- Abandonment of the orchard
- Completion of harvest
- Final adjustment of a claim
- December 10.

Tobacco
The tobacco production guarantee policy covers the following tobacco types in Connecticut:
- Type 51—Cigar Binder
- Type 61—Cigar Wrapper

Insurable causes of loss include:
- Adverse weather conditions (e.g. natural weather perils such as hail, frost, freeze drought, excess precipitation, etc.)
- Fire
- Insects (only if sufficient and proper control measures are used)
- Plant disease (only if sufficient and proper control measures are used)
- Wildlife
- Failure of irrigation water supply (if caused by an insured peril during the insurance period)

Insurance Period
Coverage begins at transplanting and ends at the earliest of:
- Total destruction of the crop
- Weighing-in at point of delivery
- Removal of the tobacco from the field where grown (except for curing, grading, packing, or immediate delivery to a buying point),
- Final adjustment of a claim
- April 30 following harvest

Comparing Crop Insurance Alternatives for Field Crops.
Farmers who grow field crops may select from various crop insurance policies. Yield-based actual production history (APH) insurance at CAT and buy-up levels is available for major crops. Revenue insurance and dollar value policies may also be available. Insurance protection is also available on a whole farm basis through AGR insurance and AGR-Lite.

To demonstrate the different types of crop insurance coverage available to a field crop producer, a corn farmer with a 100-bushel APH yield in a medium-risk county will be used as an example. The farmer wants to compare gross returns for various levels of APH coverage (CAT and higher levels of protection) versus having no insurance (Table 5).

By comparing the various options you can see how farm cash flow is protected by using APH coverage. In this example, CAT would pay the farmer $131/A for a total crop loss. Higher levels of coverage provide even more cash-flow protection for this farmer. A minimum cash flow of $232 to $365/A is guaranteed in exchange for a producer-paid
premium of $5.52 to $38.35/A. As the level of crop insurance protection goes up, the grower is guaranteed a less-variable cash flow. The only advantage of having no crop insurance is saving the premium cost. Elimination of this cost would have a minor positive impact on cash flow during good years and a potentially disastrous impact on cash flow in a poor year.

The farmer also has the option of using a revenue-based insurance coverage like CRC, which uses future prices to set the value of the crop and pay for revenue losses (because of yield losses or price declines) rather than only yield losses as under APH. The farmer also wants to compare gross returns for various levels of CRC coverage versus having no insurance (Table 6). By comparing the various coverage options you can see how farm cash flow is protected even better by using CRC.

If the grower had a total crop loss, a minimum cash flow of $262 to $392/A is guaranteed in exchange for a producer-paid premium of $8.50 to $66.66/A. As the level of CRC protection goes up, the farmer is guaranteed a less-variable cash flow when compared to either having no insurance or APH coverage. In years when the harvest time CRC price is less than the early price (set from futures prices in February), the effective loss payment trigger point will be higher than the selected level of coverage (example: early price $5.40/$5.00 harvest time price x 75 percent level = 81 percent loss trigger point (effective level of coverage)).

<table>
<thead>
<tr>
<th>Actual yield (bu/A)</th>
<th>Gross return minus insurance cost ($/acre)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>$0 $262 $286 $311 $333 $355 $374 $387 $392</td>
</tr>
<tr>
<td>10</td>
<td>$58 $265 $289 $314 $337 $359 $377 $391 $396</td>
</tr>
<tr>
<td>20</td>
<td>$115 $269 $293 $318 $340 $362 $381 $394 $399</td>
</tr>
<tr>
<td>30</td>
<td>$173 $272 $296 $321 $344 $366 $384 $398 $403</td>
</tr>
<tr>
<td>40</td>
<td>$230 $276 $300 $325 $347 $369 $388 $401 $406</td>
</tr>
<tr>
<td>50</td>
<td>$288 $279 $303 $328 $351 $373 $391 $405 $410</td>
</tr>
<tr>
<td>60</td>
<td>$345 $337 $334 $332 $354 $376 $395 $408 $413</td>
</tr>
<tr>
<td>70</td>
<td>$403 $394 $391 $389 $385 $380 $398 $412 $417</td>
</tr>
<tr>
<td>80</td>
<td>$460 $452 $449 $447 $442 $437 $429 $415 $420</td>
</tr>
<tr>
<td>90</td>
<td>$518 $509 $506 $504 $500 $495 $486 $473 $451</td>
</tr>
<tr>
<td>100</td>
<td>$575 $567 $564 $562 $557 $552 $544 $530 $508</td>
</tr>
<tr>
<td>110</td>
<td>$633 $624 $621 $619 $615 $610 $601 $588 $566</td>
</tr>
<tr>
<td>120</td>
<td>$690 $682 $679 $677 $672 $667 $659 $645 $623</td>
</tr>
<tr>
<td>130</td>
<td>$748 $739 $736 $734 $730 $725 $716 $703 $681</td>
</tr>
<tr>
<td>140</td>
<td>$805 $797 $794 $792 $787 $782 $774 $760 $738</td>
</tr>
<tr>
<td>150</td>
<td>$863 $854 $851 $849 $845 $840 $831 $818 $796</td>
</tr>
</tbody>
</table>

Table 6. Example of the cost of crop revenue coverage (CRC) insurance for corn grain and gross returns under various yields (Tolland Co., 100 bu. APH yield, $5.40 early Chicago Board of Trade price, $5.75 local cash price).

<table>
<thead>
<tr>
<th>Type of coverage:</th>
<th>Level of crop insurance protection¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coverage level:</td>
<td>No Insurance CRC CRC CRC CRC CRC CRC CRC CRC CRC</td>
</tr>
<tr>
<td>Producer premium²:</td>
<td>n/a $8.50 $11.04 $13.17 $17.90 $22.59 $31.16 $45.00 $66.66</td>
</tr>
<tr>
<td>Administrative fee:</td>
<td>n/a $30 $30 $30 $30 $30 $30 $30 $30</td>
</tr>
</tbody>
</table>

1. CRC: crop revenue coverage ($30/crop application fee).
2. Producer premium is for 2008 and takes into account only federal premium subsidies.
NURSERY AND GREENHOUSE CROPS

Nursery crop insurance is available to wholesale nurseries that meet certain criteria. Insurance coverage will apply by selected practice(s) (field-grown and/or container) to all of your nursery plants in a county that:

- Are on the eligible plant list;
- Meet all the requirements for insurability; and
- Are grown in an appropriate medium using acceptable production practices.

Nursery containers containing two or more different genera, species, subspecies, varieties, or cultivars cannot be insured. Also, Plants grown for sale as Christmas trees cannot be insured if the plants are available for sale (harvesting the edible fruit or nuts does not affect insurability). Your insurance company will inspect your nursery before insurance coverage begins.

Comparing Crop Insurance Alternatives for Nursery and Greenhouse Crops.

Farmers who grow nursery and greenhouse crops may select from various crop insurance policies, including yield-based coverage through the dollar amount of insurance plan and at CAT and buy-up levels. Insurance protection is also available on a whole farm basis through AGR insurance and AGR-Lite.

Nursery Dollar Amount of Insurance Plan.

Nursery crop insurance for both containerized and field-grown plants may be insured separately. A nursery is insurable if at least 50 percent of the nursery’s gross income is from the wholesale marketing of plants. Nursery crop insurance is available only for plants on the eligible plant list. Eligible plants may be grouped into 15 plant types, or 15 different basic units (listed below) which are insured separately with Buy-up coverage.

Plants eligible for Nursery Crop Insurance are:

- annuals
- broadleaf evergreen trees
- broadleaf evergreen shrubs
- coniferous evergreen trees
- coniferous evergreen shrubs
- deciduous trees (shade and flower)
- deciduous trees and shrubs
- fruit and nut trees
- foliage
- ground cover and vines
- herbaceous perennials
- liners
- roses
- small fruits
- palms and cycads

Each insured grower is required to submit a Plant Inventory Value Report (PIVR), for each practice. Nursery crop insurance is available in all counties in all states, provided certain criteria are met. Insurance coverage will apply to all nursery plants and plant types in each practice (field-grown and containers) that meet the following criteria:

- are shown on the Eligible Plant List
- meet all the requirements for insurability and are grown using acceptable production practices
- are grown in an appropriate medium acceptable for the plant
- have cold protection, if required by the eligible plant list for that plant in the specified hardiness zone
- liner plants have a pot size of 1 inch in diameter or greater (including trays containing 200 or fewer individual

<table>
<thead>
<tr>
<th>County</th>
<th>AGR</th>
<th>AGR-Lite</th>
<th>apple (APH)</th>
<th>corn (APH, CRC)</th>
<th>dairy LGM</th>
<th>nursery/ greenhouse</th>
<th>peach (APH)</th>
<th>potato (APH)</th>
<th>sweet corn (DO)</th>
<th>tobacco (APH)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fairfield</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Hartford</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Litchfield</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Middlesex</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
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<td>x</td>
<td>x</td>
</tr>
<tr>
<td>New Haven</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>New London</td>
<td>x</td>
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<td>x</td>
<td>x</td>
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<td>x</td>
<td>x</td>
<td>x</td>
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</tr>
<tr>
<td>Tolland</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Windham</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td><strong>Total counties</strong></td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>8</td>
<td>2</td>
<td>1</td>
<td>8</td>
<td>2</td>
</tr>
</tbody>
</table>

Table 7. Crop insurance availability in Connecticut, by county.
The Eligible Plant List and Plant Price Schedule (EPLPPS) is available on CDROM from your crop insurance agent and lists all insurable plants by genus, species, subspecies, variety, or cultivar and includes approximately 20,500 insurable plants. The software allows for searching for a plant by botanical name, commercial botanical name, common name, or keyword. The program also is intended to compile a plant inventory list for estimating the value of the nursery plant inventory (PIVR).

All eligible nursery plants are considered either field-grown or container-grown, with plant sizes listed for each practice. Field-grown plants are listed by plant size for height, width, or caliper. Caliper is determined by measuring tree diameter six inches above the soil line up to and including a caliper of four inches and twelve inches above the soil line for larger sizes. Plant sizes below the smallest listed in the Base Price Table are not insurable. Containerized plants are listed by the container size with volume units of measure. Each cell of insurable multiple-cell nursery containers (cell-packs, jumbo packs, six packs, pony packs, plug packs, etc.) will be valued as a separate nursery container.

Most other plants can be insured under written agreement except for cut flowers. Bulbs, aquatic plants, and air plants are not insurable unless, the bulbs, aquatic plants, and air plants have an established root system, are grown in an appropriate medium, and the bulbs, aquatic and air plants are priced as ornamental plants in the grower's wholesale catalog or price list (for example, the price is for a tulip plant, not a tulip bulb).

To avoid large fluctuations in prices for the same plant among growers, a maximum insurable price must be determined. For price verifications purposes, growers must submit two copies of their most recent wholesale catalog or price list each year.

**Insurable causes of loss include:**
- adverse weather conditions including wind, hurricane, and flood
- fire (provided weeds and undergrowth are chemically or mechanically controlled)
- failure of the irrigation water supply (if due to an insurable loss)
- delay in marketability of plants resulting in reduced plant value (if due to an insurable loss)
- wildlife

**Uninsurable causes of loss include:**
- disease or insect infestation (unless effective control measures for the infestation do not exist)
- cold temperatures if cold protection is required for the plants as described on the Eligible Plant List and the required cold protection is not used
- inadequate power supply (unless such inadequacy is a result of an insurable cause of loss)
- inability to market your nursery products due to quarantine, boycott, or buyer refusal
- collapse or failure of buildings/structures (unless caused by an insurable cause of loss)
- failure of plants to grow to an expected size.

Example of Plant Price Insurance Calculation.
Botanical Plant Name: Acer x freemanii “jeffersred,” common name: Autumn Blaze Maple (5-gallon container)

Price on the nursery eligible price list schedule = $19.78
Grower's Lowest Wholesale Price = $23.50
Insurance is the lesser of the Eligible Plant List Price ($19.78) or Grower's Lowest Wholesale Price ($23.50)
Insurance price - $19.78

Example of a nursery loss covered under the Dollar Amount of Insurance Plan:
$100,000  Plant Inventory Value
  x .65  Coverage Level
$ 65,000  Unit Amount of Insurance
In the event of a loss:
$100,000  Field Market Value before loss
–$50,000  Field Market Value after loss
$50,000  Amount of loss
–$35,000  Deductible (100% – Level of Coverage) x Inventory Value = (100% – 65%) x $100,000
= $15,000  Insurance Claim Paid to Grower

**Cold Protection Requirements.**
Cold protection requirements and minimum hardiness zones are listed in the eligible plant list for both container and field-grown plants. Each county is assigned hardiness zone designations for insurance purposes. Some container plants are not insurable in certain hardiness zones, and others require cold protection in certain hardiness zones to retain insurance coverage against cold damage. The eligible plant list also designates the minimum hardiness zone for each insurable field-grown plant. Field-grown plants are not insurable below the minimum hardiness zone specified for each plant. Growers must follow good nursery practices for protecting plants from cold damage; however, if you installed cold protection equipment or facilities, and low temperatures or its duration exceeds the ability of the cold protection equipment or facilities to keep the plants from sustaining cold damage, then...
freeze damage may be covered.

Optional Endorsements to Nursery Crop Policies:
The nursery policy contains provisions for optional peak inventory, rehabilitation, and pilot nursery grower’s price endorsements if the grower selects buy-up coverage.

Peak Inventory Endorsement allows growers to temporarily increase the amount of inventory reported on their PIVR for a specified amount of time without paying a full year’s premium. Growers declare the amount of the inventory value increase, and the dates the peak coverage begins and ends. The grower pays premium for the whole month for any portion of a month in which the endorsement is in effect. This endorsement may be elected anytime during the crop year, subject to a 30-day waiting period for coverage to come into effect. Growers may purchase one Peak Inventory Endorsement for each basic unit, unless you incurred an insured loss and have restocked your nursery; then an additional Peak Inventory Endorsement may be purchased after each insured loss.

Rehabilitation Endorsement helps growers cover the cost of rehabilitating damaged field-grown plants. If selected, the endorsement must be carried on all field-grown plants. Rehabilitation costs are limited to expenditures for labor and materials for pruning and setup of damaged plants. The plants must have been damaged by an insurable cause of loss and have a reasonable expectation of recovery.

Pilot Nursery Grower’s Price Endorsement (NGPE) permits nursery growers who purchase buy-up coverage to insure specific plants at prices higher than those shown on the Eligible Plant List/Plant Price Schedule. Producers must purchase this endorsement at the time they apply for coverage.

SOURCES


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Visit us online at:

www.ctfarmrisk.uconn.edu or www.ctgrown.gov

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