4-2-1985

Understanding and Evaluating Crop Insurance

Don Pershing
Supplement to EC 612 - Understanding and Evaluating Crop Insurance

This contains corrections and changes to EC 612. Some changes were made known while this was being printed and some were only recently available.

P. 2 Col. 2 - Requests for yield certification is 15 days prior to the acreage reporting date for IYC crops only. The yield certification for APH crops must be made by the sales closing date which is April 15 for corn and grain sorghum.

The crop reporting dates for corn, grain sorghum and soybeans has been changed to June 30 (instead of July 15).

P. 3 Col. 1 - The IYCP yield calculation as well as APH yield calculation include dropping the high and low yield in a 10 year period and dividing by the 8 years. However, if only 1 or 2 years of actual yields are used in APH, the transitional yield is used to complete the 10 years and the total is divided by 10. The first year is the only time that transitional yields may be used in place of no records. In the following years, the yield must be certified by the ASCS office by the sales closing date (April 15 for corn and grain sorghum) to remain eligible for crop insurance.

P. 3 Col. 2 - The level 3, 75 percent coverage, premium is subsidized 19.7% for some crops but is subsidized about 16.9% for the APH crops of corn and grain sorghum.

P. 4 - Table 3 - For 1985, insurance rates for soybean practice are no longer designated wide rows or narrow rows. However, rate tables are available for soybean practice not following another crop or for following another crop harvested in the same calendar year.

P. 5 - Col. 1 - The final planting date for corn is changed from June 10 to June 5. Soybeans final planting date is June 20 in all counties. The term "adverse weather" should be used instead of excessive moisture.

P. 5 - Col. 2 - Final planting dates are April 15 for oats (instead of April 30); June 5 for corn (instead of June 10); June 20 for soybeans in all counties; June 20 for grain sorghum, and soybeans (instead of July 15).

The following table may be helpful to summarize the major dates for Indiana.

<table>
<thead>
<tr>
<th>Crop</th>
<th>Sales Closing</th>
<th>Final Planting</th>
<th>Acreage Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corn</td>
<td>4/15/85</td>
<td>6/5/85</td>
<td>6/30/85</td>
</tr>
<tr>
<td>Soybeans</td>
<td>4/15/85</td>
<td>6/20/85</td>
<td>6/30/85</td>
</tr>
<tr>
<td>Grain Sorghum</td>
<td>4/15/85</td>
<td>6/20/85</td>
<td>6/30/85</td>
</tr>
<tr>
<td>Popcorn</td>
<td>4/15/85</td>
<td>5/31/85</td>
<td>7/15/85</td>
</tr>
<tr>
<td>Oats</td>
<td>4/15/85</td>
<td>5/20/85</td>
<td>*</td>
</tr>
</tbody>
</table>

*Hybrid seed acreage reporting date is June 5 for some counties and June 15 for other counties.
Summary

Much of the details of crop insurance must be obtained locally. The premium tables are according to an area of the county or the yield span depending on the crop insured. Due to the complex nature of multi-peril crop insurance, it is important to select an insurance agent that is well versed about the technicalities of this type of coverage.

This year a transitional yield may be used for APH crops. However, in 1986, all producers who plan to insure corn or grain sorghum, will need actual yields for 1985. Records and supporting documents must be kept so that the yields can be verified by the county ASCS office.