

Here are very simple definitions for some of the abbreviations used with crop insurance. Please let us know if you would like a quote or more information. Deadline for changes: September 30.

#### **PLAN OF INSURANCE:**

**YP** – Yield Protection, a straight bushel guarantee

**RP** – Revenue Protection, converts the bushel guarantee into dollars and then later a harvest price comes in and can increase coverage

**APH** – Actual Production History, the old standard bushel guarantee policy

**RI** – Rainfall Index, only used on the Pasture Rangeland Forage (PRF) policy

#### **OPTIONS:**

**YA** – Yield Adjustment, replaces your *actual* yield with 60% of the T-yield in years when the production is poor, it helps to keep your approved yield higher

**WO** – Winter Option, gives you the choice to take a replant payment OR you can take your winter wheat claim, decide whether or not to reseed and to what crop, and then choose to insure or not insure that second crop. Without the winter option, if the winter wheat needs reseeding in the spring you are required to reseed to spring wheat.

**YC** – Yield Cup, keeps your approved yield from falling more than 10% in a single year due to low crop yield

**TA** – Trend Adjustment, increases the approved yield due to improved farming practices. In our area, quotes have been expensive and little benefit.

**YE** – Yield Exclusion, allows you to remove production from years that qualify.

**QLO** – Quality Loss Option, allows you to keep your actual production when poor quality has reduced the production to count. Several rules apply.

**P** – New Producer, if you add a new crop and have not raised it for more than two years in the county

**CP** – Contract Pricing, allows organic crop under contract to be insured for the contract price

#### **Unit Structure:**

**OU** – Optional Units, each section is paid separately unless you farm across section lines

**BU** – Basic Units, each crop share by landlord is a unit, may have 10% premium discount

**EU** – Enterprise Units, whole farm is one unit regardless of crop shares, can now have EU by crop type or by practice or by organics; *special requirements to qualify*, most levels are 80% subsidized; works best for very small producers.

**CAT or C** – the CATastrophic policy covers at the 50% level and 55% of the price. Units are like basic units: one unit per landlord on a crop share basis and 100% share is a separate unit. Many options are not available; no prevent plant, no written agreements. There no premium, only \$655 administrative fee per crop per county (there is a policy maximum).