



United States Department of Agriculture
Risk Management Agency

September 2008

2008 COMMODITY INSURANCE FACT SHEET

Potatoes

Missouri

Crop Insured

The crop insured will be all the irrigated potatoes you have in the county planted with certified seed on insurable acreage, for which premium rates are provided, in which you have a share, and planted for harvest as certified seed or human consumption. Other potatoes are not insurable unless a written agreement provides for such insurance. See your crop insurance agent for details on requesting a written agreement.

Insurance will not attach to any acreage on which potatoes were planted in each of the four previous crop years.

Counties Available

Potato insurance is available in the following counties: Mississippi and Scott.

Causes of Loss

Adverse weather conditions¹
Failure of irrigation water supply²
Fire⁴
Insects³
Plant disease³
Wildlife

¹Including hail, frost, freeze, excess precipitation, and drought.

²If caused by an insured cause of loss within the insurance period.

³Only if effective control measures do not exist for such infestation.

⁴If due to natural causes.

Insurance Period

Insurance coverage will begin on the later of the date we accept your application or the date when the potatoes are planted, and will end at the earliest of: (1) total destruction of the crop, (2) abandonment of the crop, (3) completion of harvest, (4) final adjustment of a loss or, (5) July 15, 2008.

Reporting Requirements

Acreage Report — You must give a report of all your potato acreage in the county by the acreage reporting date (April 30).

Important Dates

Sales Closing December 31, 2008
Cancellation Date December 31, 2008
Final Planting Date March 30, 2009
Acreage Report Date April 30, 2009
Premium Billing Date October 1, 2009
End of Insurance..... July 15, 2009

Definitions

APH Yield — Actual production history (APH) yield used to determine the production guarantee. The APH yield is based up to 10 years of actual and/or assigned yields.

Unit — The insurable acreage used to determine the APH yield, the production guarantee, and any indemnity (loss payment).

Production Guarantee — Number of hundredweight (cwt.) guaranteed per unit. Multiply your APH yield per acre times the coverage level percentage you select times the number of acres in the unit..

Coverage Levels and Premium Subsidies

Potatoes may be insured at the coverage levels show in the table below. Crop insurance premiums are subsidized as shown. For example, if you select the 75-percent coverage level, your coverage will be 75 percent of your approved APH yield, the premium subsidy is 55 percent, and your premium share is 45 percent of the base premium.

Item	Percent					
Coverage Level	50	55	60	65	70	75
Premium Subsidy	67	64	64	59	59	55
Your Premium Share	33	36	36	41	41	45

Catastrophic coverage (CAT) is available at 50 percent of your APH yield and 55 percent of the established price election. The total cost for CAT coverage will be an administrative fee of \$100 per crop per county, regardless of the acreage.

Administrative fees, in addition to premium costs, for coverage levels above CAT are \$30 per crop per county.

Price Elections

Price of compensation per cwt. in case of loss:
Established price is \$5.60/cwt.

Insurance Units

Basic Unit: A basic unit includes all of your insurable potato acreage in the county by share arrangement. Premiums are reduced 10 percent for a basic unit.

Optional Unit: If a basic unit consists of two or more sections of land, and certain record keeping requirements are met, you may apply for optional units by section. The 10-percent premium discount will not apply.

Plans of Insurance

APH is the only plan of insurance available for potatoes. The production guarantee is based on your individual yield history.

Late and Prevented Planting

The late planting period begins the day after the final planting date (March 30) and ends 25 days after the final planting date.

Your prevented planting coverage will be 25 percent of your production guarantee for timely planted acreage. Limited or additional coverage may vary. These provisions provide protection on acreage that is planted after the final planting date or that cannot be planted. Please consult a crop insurance agent for details.

Loss Example

A loss occurs when the hundredweight (cwt.) of potatoes produced for the unit falls below the production guarantee as a result of damage from a covered cause of loss. This example assumes a 400-cwt.-per-acre APH yield, 65-percent coverage level, 100 percent of the established price and a basic unit coverage.

$$\begin{array}{r} 400 \text{ cwt. per acre APH yield} \\ \times .65 \text{ coverage level} \\ \hline 260 \text{ cwt. guarantee*} \\ - 100 \text{ cwt. per acre actually produced} \\ \hline 160 \text{ cwt. per acre loss} \\ \times \$5.60 \text{ price election} \\ \hline \mathbf{\$896.00 \text{ gross indemnity*}} \end{array}$$

*Figures shown on a per acre basis; guarantees and losses paid are on a unit basis. See policy provisions.

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