



# Livestock Risk Protection

## Fed Cattle

Revised May 2009

### General Background

Livestock Risk Protection (LRP)-Fed Cattle is designed to insure against declining market prices. Beef producers may select from a variety of coverage levels and insurance periods that correspond with the time their market-weight cattle would normally be sold.

LRP-Fed Cattle may be purchased throughout the year from approved livestock insurance agents. Premium rates, coverage prices, and actual ending values are posted online daily.

### Coverage Availability

Beef producers submit a one-time application for LRP-Fed Cattle coverage. After the application is accepted, specific coverage endorsements may be purchased for up to 2,000 head of heifers and steers (weighing between 1,000 and 1,400 pounds) that will be marketed for slaughter near the end of the insurance period. The annual limit for LRP-Fed Cattle is 4,000 head per producer for each crop year (July 1 to June 30). All insured cattle must be located in a State approved for LRP-Fed Cattle at the time insurance is purchased.

### RMA Web Site

Daily LRP Coverage Prices, Rates, and Actual Ending Values: <http://www.rma.usda.gov/tools/livestock.html>

Premium Calculator:  
<http://www.rma.usda.gov/tools/premcalc.html>

Approved livestock agents and insurance companies:  
<http://www.rma.usda.gov/tools/agent.html>

Related AMS online livestock reports:  
[http://marketnews.usda.gov/portal/lg?paf\\_dm](http://marketnews.usda.gov/portal/lg?paf_dm)

The length of insurance coverage available for each specific coverage endorsement is 13, 17, 21, 26, 30, 34, 39, 43, 47, or 52 weeks.

LRP-Fed Cattle is available to producers with fed cattle in the following 37 States: Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, Wisconsin, and Wyoming.

### Coverage Levels, Prices, and Rates

Beef producers may select coverage prices ranging from 70 to 100 percent of the expected ending value. At the end of the insurance period, if the actual ending value is below the coverage price, the producer will be paid an indemnity for the difference between the coverage price and actual ending value.

The LRP-Fed Cattle program's coverage prices, rates, actual ending values, and per hundredweight cost of insurance may be viewed on the Risk Management Agency's Web site. The actual ending values are based on weighted prices reported by USDA's Agricultural Marketing Service. Actual ending values will be posted on the Risk Management Agency's Web site at the end of the insurance period.

### About the Application Process

LRP-Fed Cattle insurance must be purchased through a livestock insurance agent. An application can be filled out at any time; however, insurance does not attach until a specific coverage endorsement is purchased.

Insurance coverage will not attach unless the premium is paid on the day coverage is purchased. Multiple specific coverage endorsements may be purchased with one application. Insurance coverage starts the day a specific coverage endorsement is purchased and the purchase is approved by Risk Management Agency.

There are funding limitations for all livestock programs; therefore, Risk Management Agency tracks total policy sales against available underwriting capacity using a real-time, Web-based program. Sales will cease when underwriting capacity is reached.

### Contact Us

USDA/RMA

1400 Independence Ave., SW, Stop 0801

Washington, D.C. 20250-0801

**RMA Web site:** <http://www.rma.usda.gov>

**E-mail:** [rmaweb.content@rma.usda.gov](mailto:rmaweb.content@rma.usda.gov)

### Download Copies from the Web

Visit our online publications/fact sheets page at: <http://www.rma.usda.gov/pubs/rme/>

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination write to: USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.