United States Department of Agriculture
Risk Management Agency

September 2012

2013 COMMODITY INSURANCE FACT SHEET

Cranberries

Wisconsin

Crop Insured

The crop insured will be all the cranberries in the county in which you have a share that are grown: for harvest as cranberries, in a bog considered acceptable by us, on vines that have completed four growing seasons after the vines were set out.

Counties Available

Cranberries are insurable in Adams, Clark, Douglas, Eau Claire, Jackson, Juneau, Lincoln, Monroe, Oneida, Portage, Price, Sawyer, Vilas, Washburn, and Wood counties. Cranberries may be insurable in other counties and states by written agreement.

Causes of Loss

Adverse weather conditions[1]
Failure of irrigation water supply[2]
Failure/breakdown of irrigation equipment or facilities[3]
Fire[4]
Insects[5]
Plant disease[5]
Wildlife

[1]Including hail, frost, freeze, drought, and excess precipitation.
[2]If caused by an insured cause of loss.
[3]If due to direct damage from an insurable peril and the crop is damaged by freezing temperatures within 72 hours of such failure and repair or replacement was not possible before damage occurred..
[4]If due to natural causes, unless weeds or undergrowth were not controlled, or pruning debris was not removed from the bog.
[5]Only if adverse weather (a) prevents or negates the proper application of control measures, or (b) causes disease or insect infestation for which no effective control mechanism is available..

Important Dates

Sales Closing Date .... November 20, 2012
Acreage Reporting Date .... January 15, 2013
Premium Billing Date ....August 15, 2013
Insurance Begins .... November 21, 2012
Insurance Ends at harvest or...... November 20, 2013
Production Reporting Date .... January 15, 2013

Definitions

APH Yield — Actual production history (APH) yield used to determine the production guarantee. The APH yield is based on 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 barrels guaranteed per unit. Multiply your APH yield per acre *x* the coverage level percentage you select *x* the number of acres in the unit.

Coverage Levels and Premium Subsidies

Cranberries may be insured at the coverage levels shown 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. 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 $300 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.

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

Price Elections

Price of compensation per barrel in case of loss:
Established price: $40.00 per barrel

Insurance Units

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

Optional Unit: Generally, all the insured crop acreage located on noncontiguous land. The 10 percent premium discount will not apply.

Plans of Insurance

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

Loss Example

A loss occurs when the barrels of cranberries produced for the unit fall below the production guarantee as a result of damage from a covered cause of loss. This example assumes an APH yield of 200 barrels per acre, 75-percent coverage level, 100 percent of the established price, and basic unit coverage.

200 barrels per acre APH yield
x .75 coverage level
150 barrels per acre guarantee*
- 90 barrels per acre actually produced
60 barrels per acre loss
x $40 price election
$2400 gross indemnity*
- $163 premium per acre (varies by county)
$2,237 net indemnity*

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

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