United States Department of Agriculture
Risk Management Agency

March 2009

2009 COMMODITY INSURANCE FACT SHEET

Corn

Kansas

Crop Insured

The crop insured will be all corn grown in the county on insurable acreage, for which premium rates are provided, in which you have a share, and planted for harvest as grain under the CRC and RA plans of insurance, or either grain or silage under the APH plan of insurance. Corn insured includes yellow dent or white corn, including mixed yellow and white, waxy, or high-lysine corn. Other corn, such as high-amylose, high-oil, flint, flour, Indian, blue corn, or a variety genetically adapted to provide forage for wildlife, a variety of corn adapted for silage use when the corn is reported for insurance as grain, or any open pollinated corn are not insurable unless a written agreement provides for such insurance. Contact a crop insurance agent for further details on written agreements. Non-irrigated corn planted following another crop that has reached the headed (or budded) stage or where a perennial hay crop was harvested is not insurable.

Counties Available

Corn is insurable in all 105 counties in Kansas.

Causes of Loss

Adverse weather conditions[1]
Failure of irrigation water supply[2]
Fire[3]
Insects[4]
Plant disease[4]
Wildlife

[1]Including hail, frost, freeze, excess precipitation and drought.
[2]If due to an insured cause of loss within the insurance period.
[3]If due to natural causes.
[4]But not damage due to insufficient or improper application of pest or disease control measures.

Insurance Period

Insurance coverage begins on the later of the date we accept your application or the date when the corn is planted, and will end at the earliest of: (1) total destruction of the crop, (2) harvest of the unit, (3) final adjustment of a loss, (4) December 10, 2009 or, (5) abandonment of the crop.

Reporting Requirements

Acreage Report—You must give a report to your crop insurance agent of all your corn acreage in the county by the acreage reporting date.

Important Dates

Sales Closing/Cancellation Date ...... March 16, 2009
Earliest Planting Date[1] .... April 1, 2009
Final Planting Date[1] ....May 31, 2009
Acreage Report Date .... July 15, 2009
Premium Billing ....October 1, 2009
End of Insurance........................December 10, 2009

[1]Excluding Allen, Bourbon, Butler, Chautauqua, Cherokee, Cowley, Crawford, Elk, Greenwood, Labette, Montgomery, Neosho, Wilson, and Woodson Counties, which have an Earliest Planting Date of March 15, 2009, and a Final Planting Date of May 20, 2009.

Coverage Levels and Premium Subsidies

Corn may be insured at the coverage levels shown in the table on the reverse. Crop insurance premiums are subsidized as shown.

Item	Percent							
Coverage Level	50	55	60	65	70	75	80*	85*
Premium Subsidy	67	64	64	59	59	55	48	38
Your Premium Share	33	36	36	41	41	45	52	62

*Where applicable.

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.

This fact sheet gives only a general overview of the crop insurance program and is not a complete policy. For further information and an evaluation of your risk management needs, contact a crop insurance agent.

Catastrophic coverage (CAT) is available at 50 percent of your APH yield and 55 percent of the 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.

Price Elections (APH plan)

Price of compensation in case of loss:
Market price for grain is $4.00/bushel.

Insurance Units

Basic Unit: A basic unit includes all of your insurable corn 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.
Enterprise Unit: Generally, all insured crop acreage in a county. Premium discounts apply (CRC and RA).
Whole Farm Unit: Generally, all the insured crops in the county that are covered by the insurance plan. Premium discounts apply (RA only).

Plans of Insurance

Actual Production History (APH) — Production guarantee based on individual yield history, protection is for yield loss only.
Crop Revenue Coverage (CRC) — APH with upside and downside price protection.
Group Risk Plan (GRP) — Insures against widespread loss of production based on county average yields.
Group Risk Income Protection (GRIP) — Combines GRP with price protection to insure against widespread loss of revenue due to a combination of low yields and/or low prices.
Revenue Assurance (RA**)** — APH with downside price protection, with the option to buy upside price protection.

Replant Provisions (not available under CAT or GRP/GRIP plans of insurance)

A replanting payment is allowed only if the crop is damaged by a covered cause of loss to the extent that the remaining stand will not produce at least 90 percent of your bushel guarantee and it is practical to replant. The maximum replanting payment will be the lesser of 20 percent of the bushel guarantee, or 8 bushels times your price election. No replanting payment will be made on acreage initially planted prior to the earliest planting date.

Late and Prevented Planting

These provisions provide protection on acreage that is planted after the final planting date or that cannot be planted. Not available on GRP or GRIP plans of insurance.

Loss Example

A loss occurs when the bushels of corn produced for the unit fall below the production guarantee as a result of damage from a covered cause of loss. This APH example assumes a 160 bushel per acre APH yield, 75-percent coverage level, 100 percent of the market price, and basic unit coverage.

APH Example

160 bushels per acre APH yield
x .75 coverage level
120.0 bushel guarantee*
- 50.0 bushels per acre actually produced
70.0 bushels per acre loss
x 4.00 price election
$280.00 gross indemnity*

Revenue Product Example:

160	bushels per acre APH yield
x .75	coverage level
120.0	bushel guarantee
x $5.00	base price (est. announced in March)
$600.00	guarantee*
50.0	bushels per acre actually produced
x $4.00	harvest price (est. announced in Dec.)
$200.00	revenue
$400.00	**gross indemnity*** ($600.00 - $200.00)

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

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