United States Department of Agriculture
Risk Management Agency

January 2013

2013 COMMODITY INSURANCE FACT SHEET

Soybeans

Colorado

Crop Insured

Soybeans are insurable if:

- They are irrigated soybeans grown in the county on insurable acreage;
- Premium rates are provided;
- You have a share;
- They are adapted to the area based on days to maturity and are compatible with agronomic and weather conditions in the area; and
- They are planted for harvest as beans under the Common Crop Insurance Policy.

Soybeans are not insurable if they are:

- Grown on any acreage on which dry beans, potatoes, sunflowers, soybeans, canola, rapeseed or mustard have been planted the preceding crop year; and
- Planted into an established grass or legume.

Contact a crop insurance agent for more details.

Counties Available

Soybeans are insurable in Baca, Bent, Kit Carson, Phillips, Prowers, Washington, and Yuma counties. Coverage in other counties may also be available by written agreement if certain criteria are met, including records for at least 3 years of production history. Contact a crop insurance agent for more details.

Causes of Loss

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

[1]Such as hail, freeze, excess wind, excess rain, drought, and tornado.
[2]If caused by 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.

Important Dates

Sales Closing	March 15
Earliest Planting Date	May 5
Final Planting Date[1]	June 15
Final Planting Date[2]	June 25
Acreage Report Date	July 15
Premium Billing Date	August 15
End of Insurance	December 10

[1]Kit Carson, Phillips, Washington, and Yuma Counties
[2]Baca, Bent, and Prowers Counties

Insurance Period

Insurance coverage begins on the later of:

1) Date we accept your application; or
2) Date when the soybeans are planted.

Insurance coverage ends at the earliest of:

1) Total destruction of the crop;
2) Harvest of the unit;
3) Final adjustment of a loss;
4) December 10; or
5) Abandonment of the crop.

Reporting Requirements

Acreage Report: You must give your insurance agent a report of all your soybean acreage in the county by the acreage reporting date.

Coverage Levels and Premium Subsidies

Soybeans may be insured at the coverage levels shown in the table. Crop insurance premiums are subsidized as shown. For example, if you select the 75-percent coverage level with optional units, your coverage will be 75 percent of your approved actual production history (APH) yield, the premium subsidy is 55 percent and your premium share is 45 percent of the base premium.

	Coverage Level	0.50	0.55	0.60	0.65	0.70	0.75	0.80	0.85
Subsidy Factors	Enterprise Unit	0.80	0.80	0.80	0.80	0.80	0.77	0.68	0.53
	Basic Unit	0.67	0.64	0.64	0.59	0.59	0.55	0.48	0.38
	Optional unit	0.67	0.64	0.64	0.59	0.59	0.55	0.48	0.38
	Whole Farm Unit[1]	0.80	0.80	0.80	0.80	0.80	0.80	0.71	0.56

[1]Not available for Yield Protection Plan

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

Catastrophic Risk Protection 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 is an administrative fee of $300 per crop per county. Administrative fees and premium costs for coverage levels above CAT are $30 per crop per county. Available for Yield Protection Plan only.

Price Elections

Prices are calculated according to the Commodity Exchange Price Provisions. Colorado soybeans prices are based on the November futures market price for soybeans. The projected price discovery period is February 1 through February 29. The harvest price discovery period is October 1 through October 31. These prices will be released no later than 3 business days following the end of the price discovery period. Depending on the insurance plan, these prices will be used for compensation per bushel in case of loss. Contact your agent or for more information see: http://www.rma.usda.gov/tools/pricediscovery.html

Insurance Units

Basic Unit: A basic unit includes all of your insurable soybean 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.
Whole Farm Unit: Generally, all the insured crops in the county that are covered by the insurance plan. Premium discounts apply (Not available under the Yield Protection Plan).

Insurance Plans

Common Crop Insurance Policy Basic Provisions (11br).
Yield Protection Plan: An insurance plan that only provides protection against a production loss.
Revenue Protection Plan: An insurance plan that provides protection against loss of revenue due to a production loss, price decline or increase, or a combination of both.
Harvest Price Exclusion: Revenue protection with the use of the harvest price excluded when determining your revenue protection guarantee.

Replant Provisions*

A replanting payment is allowed only if the crop is damaged by a covered cause of loss so 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 3 bushels times your price election. No replanting payment will be made on acreage first planted before the earliest planting date.

*Replant provisions are not available with the Catastrophic Risk Protection insurance plan.

Late and Prevented Planting

These provisions provide protection on acreage that is planted after the final planting date or that cannot be planted. Haying or grazing a cover crop will not impact eligibility for a prevented planting payment provided such action did not contribute to the acreage being prevented from planting. Contact a crop insurance agent for more details.

Loss Example

Under yield protection a loss occurs when the bushels of soybeans produced for the unit fall below the production guarantee because of damage from a covered cause of loss. Under revenue protection a loss occurs when the value of production-to-count is less than the revenue protection guarantee because of a production loss and/or a loss of revenue.

Assume a 40 bushel per acre APH yield, 75-percent coverage level, 100 percent of the price, a Projected price of $12.55, a Harvest price of $15.39, and basic unit coverage.

Yield Protection

40	APH yield bushels/acre
x .75	Coverage level
30	Bushel guarantee
x $12.55	Projected price
$376.50	Insurance guarantee
20	Bushels per acre produced
x $12.55	Projected price
$251.00	Value of production
$376.50	Insurance guarantee
- $251.00	Value of production
$126.00	**Gross indemnity***

Revenue Protection

40	APH yield bushels/acre
x .75	Coverage level
30	Bushel guarantee
x $15.39	Price used to determine value*
$461.70	Insurance guarantee
20	Bushels per acre produced
x $15.39	Harvested price
$307.80	Value of production
$461.70	Insurance guarantee
- $307.80	Value of production
$154.00	**Gross indemnity****

* Higher of projected price or harvest price
**Figures shown per acre; guarantees and losses are paid by unit. See policy provisions or ask your crop insurance agent for more information.

Where to Buy Crop Insurance

All multi-peril crop insurance, including CAT policies, are available from private insurance agents. A list of crop insurance agents is available at all USDA service centers or on the RMA web site at: http://www3.rma.usda.gov/apps/agents/

Regional Contact

USDA/Risk Management Agency
Topeka Regional Office
2641 SW Wanamaker Rd., Suite 201
Topeka, KS 66614
Telephone: (785) 228-5512
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