

September, 2017



218-346-7290 or 1-800-582-7290



Guardian Crop Insurance News

Pasture, Rangeland, & Forage (PRF)



If you currently have a forage policy and don't like having to keep records, or some or all of your hayland is too old to insure, and/or you're looking for insurance for your pastures, you may want to consider looking at a Pasture, Rangeland, Forage (PRF) policy.

The PRF policy protects you against low rainfall in the area your hay and/or pastureland is located. You may also elect to insure your alfalfa, red clover & alfalfa-grass ground under your Forage Production policy and insure your pasture and grass land under a PRF policy.

With a PRF policy, you can select which fields you would like insured, you don't need to insure them all. You select at least 2-2 month intervals that you determine are vital months that you need for rain in order for your forage and/or pasture to produce. If one of those intervals fall short of the expected rainfall for that area, a payment will be issued based on the coverage level chosen.

The deadline to sign up for PRF coverage is November 15th.

Forage Production Deadlines

The deadline for adding forage production (established hay) coverage to your policy is September 30th.

Just a reminder, an APH plan of coverage provides individual coverage based on your yield history for hay and does provide winterkill coverage. An AYP plan of coverage provides area protection, meaning there is no winterkill coverage and a loss is only payable when the entire county has low production.

We will be making our rounds for

current forage production policyholders. We will be gathering your 2017 hay yields and going through your established hay fields that you want to insure for 2018. We will be calling you to set up an appointment to meet with you.

Please remember that if you would like to change your coverage level, add or cancel your forage production coverage, we need to do this by September 30th.

Rye Insurance

If you grow rye and would like to insure it, you will need to request insurance coverage. Coverage is only available by written agreement. You will need to provide us with at least 3 years of rye (or similar crop) production. Coverage must be requested and all documentation must be submitted by September 30.

If you would like to proceed with requesting coverage for your rye acres, please contact us immediately to begin the written agreement request process.



Reporting Production for Irr & NI Acreage

If you have optional units (OU) or enterprise units by practice (EP), the following procedures must be followed in order to make a separate claim on your dry land versus irrigation:

1. Separate APH databases need to be set up. If you notice something wrong with any of your databases, please contact our office.
2. The previous year's production must have been harvested and reported separately; you must have records to verify this, if production was commingled.
3. There **MUST** be a visible break. This can be as simple as making one pass with a lawnmower or brusher where the irrigator doesn't reach to visibly divide corners or other non-irrigated parcels.
4. You have to harvest your production separately. This makes it possible to have separate load slips, etc. for proof.

If these guidelines cannot be met, the production will be prorated by practice, and units will be combined where the irrigated and non-irrigated will count against each other. This will also combine other irrigated and/or non-irrigated acreage on the same unit. This can have a detrimental effect at loss time.

Margin Protection

Margin Protection (MP) is an area-based plan of insurance that uses estimates of average revenue and production costs at the county level to determine the amount of coverage and indemnity payments. MP is designed to provide producers protection against loss of margin that exceeds their deductible due to an area-level production loss, a price decline or increase, or cost increase, or a combination of all factors.

The coverage is based on expected margin for each applicable crop, type, and practice in the county. All areas in a county have the same expected margin for a type and practice. Expected margin is equal to the expected revenue minus the expected costs.

What you need to know about this policy:

- ◇ Coverage levels range from 70%-95%.
 - ◇ This policy has a Harvest Price Option, if elected.
 - ◇ It is available for corn, soybeans & wheat in Minnesota.
 - ◇ You must sign up for MP by September 30th for the 2018 crop year.
 - ◇ Your MPCl and MP policies MUST be with the same company.
- ◇ MP premium is due in September 2018.
 - ◇ Any MP loss payment would not be determined or paid until April/May of 2019.
 - ◇ It is an area based coverage, meaning that all numbers are based on county or national averages, costs and prices. **IT IS NOT BASED ON YOUR INDIVIDUAL FARMING SITUATION.**
 - ◇ There is a marginal discount in premium on the MP policy if you have an MPCl policy.
 - ◇ If you have an MPCl loss in 2018, the amount of your MPCl loss will be subtracted from any MP loss, thus, if your MPCl loss exceeds the amount of loss on the MP policy, there will be **NO PAYABLE LOSS ON THE MP POLICY.**
 - ◇ This policy is very expensive in our area. You may be better off spending the MP premium dollars on your own individual MPCl policy that provides coverage on your own individual farming operation rather than a plan that is based on area yields, prices & costs.

Production Fed To Livestock

As you begin harvest and the possibility of a claim is not apparent, keep in mind that if you feed your production to livestock, you need to maintain livestock feeding records. If you would rather not keep feeding records, **we strongly encourage you to have your production meas-**

ured prior to feeding it to your livestock. Please call our office and we will have an adjuster come out and measure your production. It does not cost you anything for this procedure and if you are selected for a production audit, you will be glad you had it done.

Old Crop Stored On Farm

If you have old grain in your bins or other structures and you plan on putting new crop with it, **CALL US TO HAVE AN ADJUSTER COME TO MEASURE IT.**

With the unknown still in the forecast for this

fall, you may or may not have a production loss. Also, you may have a revenue loss. If the old production is not measured prior to putting new crop on top,

YOU NEED TO HAVE OLD PRODUCTION MEASURED PRIOR TO ADDING CURRENT CROP YEAR PRODUCTION

that production will count against any loss you may have. It just takes a call to us to have an adjuster stop out and measure.

Dates to keep in mind:

- **9/30** Forage production & rye sign up and coverage changes
- **9/30** 2017 unpaid forage premiums & fees **MUST** be paid to prevent termination for 2018
- **11/15** Pasture, Rangeland, Forage coverage sign up

Timely Claim Submittal

Please contact our office as soon as



you think you may have a claim. You are responsible for letting us know

so that we can pass that information on to your insurance provider. If you notice damage or production loss, please try to let us know within 72 hours of discovery. All claims must be turned in within 60

days after the insurance period ends for all acreage in a given unit. The insurance period ends upon harvest or a calendar date listed in your crop provisions. All claims turned in after this date will be denied.