

Hay and Pasture

2015 Crop Insurance Fact Sheet for New York

PRF Crop Insurance is Drought Protection for Pasture and Hay Enroll by November 15, 2014 for the 2015 Insurance Year

- Covers lack of precipitation for pasture, hay and hayland forage.
- No historical production records are required.
- Producers choose acreage and months to cover.
- If an indemnity payment is owed, payment is mailed automatically.
- Available in all New York Counties for 2015.

The PRF program insures pasture, hay and hayland forage against drought by using reported rainfall versus the historical average rainfall for the period to represent pasture and hay yield loss due to drought. The program compares estimated rainfall during an insured two-month window with the historical “normal” rainfall index in a 12-square mile grid where the insured acreage lies. Historical precipitation data based on more than 50 years of data from the National Oceanic and Atmospheric Administration (NOAA) defines “normal” rainfall for each 12-mile square region.

How do I enroll?

Your crop insurance agent will guide you through the enrollment steps, which must be completed before **November 15, 2014 for the 2015 insurance year**:

1. Locate your acreage on RMA's PRF grid map. Each grid is a 12 square mile block, with a unique grid ID and a historical “normal” rainfall value that is based on more than 50 years of data from the National Oceanic and Atmospheric Administration (NOAA). On the web, go to www.rma.usda.gov/policies/pasturerangeforage, and click on the link for the Grid ID Locator under Rainfall Index.
2. Select at least two non-overlapping two-month intervals during the year when precipitation is important for the growth and production of your perennial forage crops. There are eleven intervals, each covering a two-month period (Jan/Feb, Feb/Mar, etc.).
3. Choose the acreage to insure. A producer may insure the entire hay or pasture land during the year, or the portion(s) most important to their grazing and/or hayland operations. However, only 10 to 70% of total pasture and/or hayland acres may be insured in a time interval. Base value of pasture varies by county: \$41.53- \$59.86 /acre. Hay is valued at \$270.27/ acre statewide.
4. There are two choices that can increase or decrease the insured value of this policy:
 - a) You can adjust your “County Base Value” per acre to between 60 and 150%, to better match your farm's forage production value.
 - b) Adjust your deductible from 10% to 30%. The deductible sets the “trigger” where a policy pays. A 10% deductible would trigger indemnity payments when rainfall falls below 90% of average rainfall. At 30% deductible, there would be no payment until rainfall is below 70% of average rainfall.

With these two adjustments, the Pasture, Rangeland, Forage (PRF) Rainfall Index program provides from approximately \$114.00 to \$366.00 of protection per acre for hay/hay crop silage, and approximately \$17 to \$60 of protection per acre for pasture. This example uses 2015 values.

The premium cost is federally subsidized from 51 to 59% to make the protection more affordable.

What record-keeping is required?

Producers must submit an annual acreage report to their insurance agent by the enrollment deadline that includes your intended use (hay or pasture), grid ID, and the FSA Farm Number(s), FSA Tract Number(s), and FSA Field Number(s). Producers should discuss this selection with their insurance agent. **For the 2015 insurance year, the enrollment/policy change deadline is November 15, 2014.**

How do I file a claim?

A payment is based on estimated rainfall in your grid, so there is no claim paperwork to file. If the rainfall index for a selected two-month period (interval) and grid area is less than the historical index, minus a deductible, then the producer receives a loss payment. Loss payments are determined separately for each two-month interval within the area (grid), and are mailed automatically.

How do I find an agent?

PRF insurance can only be purchased from certified Crop Insurance Agents. To find an agent, go to www.rma.usda.gov, and select the company/agent locator tool.

Enrollment must be completed with an approved crop insurance agent before the November 15, 2014 deadline for insurance coverage in 2015.

Important Dates

Insurance year	January 1 through December 31, 2015
Sales closing, cancellation, deadlines	November 15, 2014
Premium billing date	September 1, 2015
Administrative fee (in addition to premium)	\$30 per policy
Acreage reporting	November 15, 2014
Seeding deadline for insurability	Initial seeding must be completed before July 1 Prior to the year of insurance.
Price or contract changes for policy issued by RMA	August 31

Finding your acreage on the RMA Grid Map

Applicants will be asked to locate their property on a special grid map to obtain historic rainfall data. Your crop insurance agent can help you do this, or you can find the map utility on the web at: <http://www.rma.usda.gov/policies/pasturerangeforage>, for Pasture, Rangeland, Forage; and then select Grid ID Locator under Rainfall Index. Your acreage may be located in one or more grids with separate IDs, depending on farm size and location.

Loss Payment Example

A producer selects the minimum 10% deductible, representing a rainfall index of 90, or 90% of normal rainfall. If the actual precipitation is 80% of normal, the loss payment would be approximately 10% of the amount of protection purchased.

For More Information

USDA/RMA Website, Forage Policy <http://www.rma.usda.gov/policies/pasturerangeforage/>



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The New York State Department of Agriculture and Markets has partnered with USDA Risk Management Agency (RMA) to provide crop insurance education to New York State farmers. For more information, please visit the NYS Crop Insurance Education website at www.agriculture.ny.gov/AP/CropInsurance.html or call 518-457-4531. The RMA website is: www.rma.usda.gov. To find a crop insurance agent, ask a neighbor for a recommendation, contact your local Farm Service Agency (FSA) office or use the USDA RMA crop insurance agent locator tool on the web at www.rma.usda.gov/tools/agent.html