

# Hay and Pasture

## 2016 Crop Insurance Information for New York

### **PRF Crop Insurance is Drought Protection for Pasture and Hay Enroll by November 15, 2015 for the 2016 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 2016.

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, 2015 for the 2016 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](http://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. The 2016 Base Value for Pasture is \$72/acre and Hay is valued at \$287/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 \$120 to \$387 of protection per acre for hay/hay crop silage, and approximately \$30 to \$97 of protection per acre for pasture.

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 2016 insurance year, the enrollment/policy change deadline is November 15, 2015.**

#### **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](http://www.rma.usda.gov), and select the company/agent locator tool.

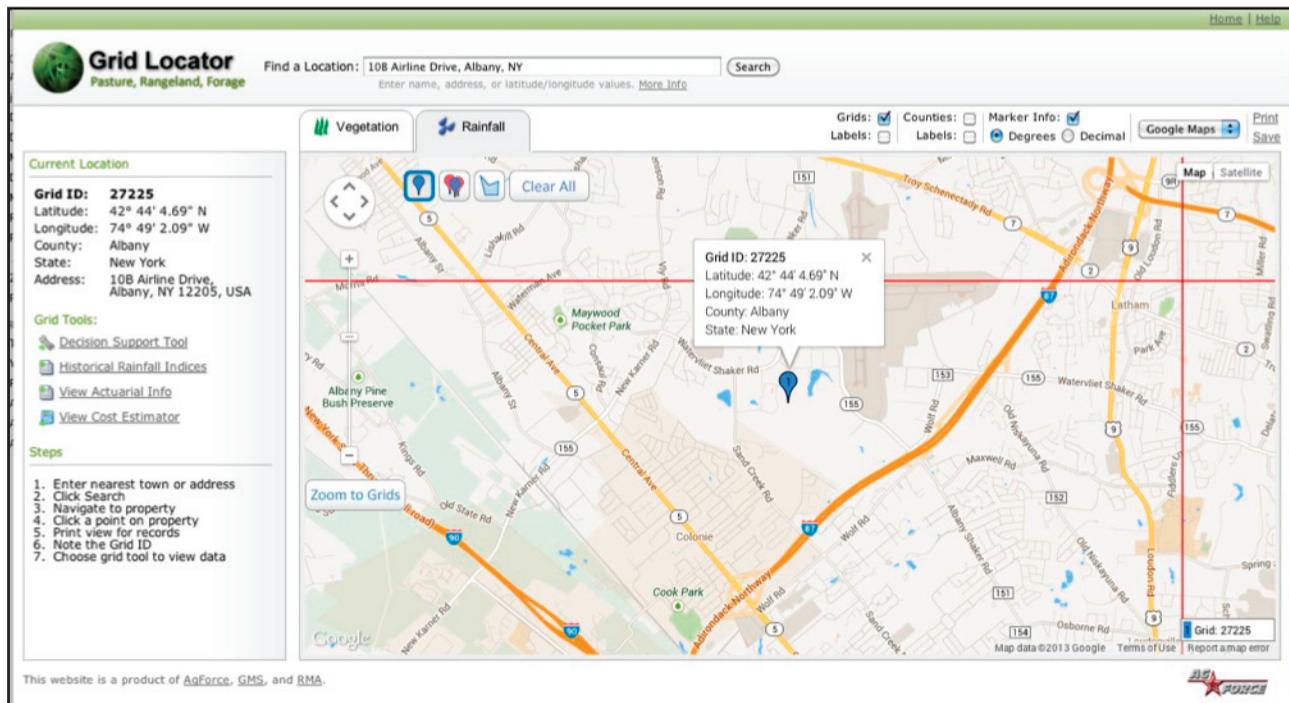
**Enrollment must be completed with an approved crop insurance agent before the November 15, 2015 deadline for insurance coverage in 2016.**

**Important Dates**

Insurance year	January 1 through December 31, 2016
Sales closing, cancellation, deadlines	November 15, 2015
Premium billing date	September 1, 2016
Administrative fee (in addition to premium)	\$30 per policy
Acreage reporting	November 15, 2015
Seeding deadline for insurability	Initial seeding must be completed before <b>July 1</b> 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](http://www.agriculture.ny.gov/AP/CropInsurance.html) or call 800-554-4501. The RMA website is: [www.rma.usda.gov](http://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](http://www.rma.usda.gov/tools/agent.html)