



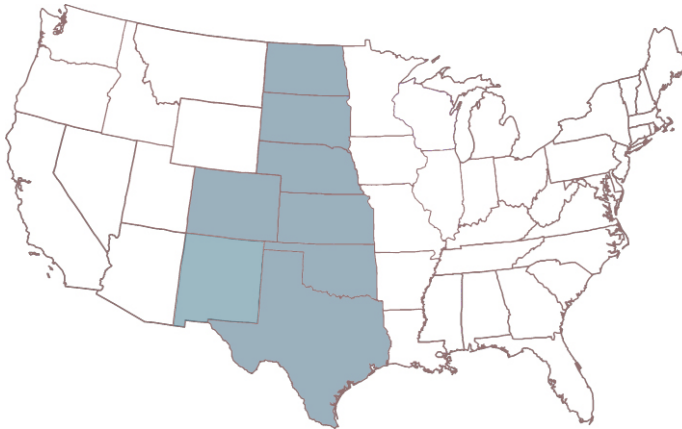
# RAINFALL INDEX - ANNUAL FORAGE

## ANNUAL FORAGE - OVERVIEW

The Rainfall Index - Annual Forage is a federally-reinsured pilot program that provides coverage for acreage planted annually to forage, used for grazing or as hay for livestock.

This program consists of four growing seasons - September through March, December through June, March through September and June through November. Producers may select from a variety of coverage levels, productivity factors and two-month index intervals to personalize their plan. Losses are calculated based on the deviation from normal precipitation for the grid and index interval(s) selected.

### Availability



### Important Dates

	Growing Season One (Sept. 1 - March 31)	Growing Season Two (Dec. 1 - June 30)	Growing Season Three (Mar. 1 - Sept. 30)	Growing Season Four (June 1 - Nov. 30)
Sales Closing Date	July 15	July 15	July 15	July 15
Earliest Planting Date	July 16	October 16	January 16	April 16
Final Planting Date	October 15	January 15	April 15	July 15
Acreage Reporting Date	October 15	January 15	April 15	July 15
Premium Billing Date	August 30 of following year	August 30	August 30	August 30
End of Insurance	November 30 of following year	November 30	November 30	November 30

### COVERAGE LEVELS

**70% - 90%**

(in 5% increments)

### PRODUCTIVITY FACTORS

**60% - 150%**

(in 1% increments)

### CAT LEVELS

**65%**

Coverage Level

**45%**

Productivity Factor

*CAT Level coverage not available for crops/grasses intended for grazing.*

## By the Numbers

CALCULATING LIABILITY			WHAT IF?						
PRODUCTIVITY FACTOR		120							
COVERAGE LEVEL		90%							
COUNTY BASE VALUE		20.00							
DOLLAR PROTECTION/AC		\$ 21.60							
* The insured must now choose the percentage of total coverage to assign to intervals.									
			WHAT IF?						
	ASSIGNED COVERAGE %	\$ OF COVERAGE	ASSIGNED COVERAGE %	\$ OF COVERAGE	ASSIGNED COVERAGE %	\$ OF COVERAGE	ASSIGNED COVERAGE %	\$ OF COVERAGE	ASSIGNED COVERAGE %
ACRES	1,000	\$ 21,600.00							
APR - MAY	25%	\$ 5,400.00							
AUG - SEPT	40%	\$ 8,640.00							
OCT - NOV	35%	\$ 7,560.00							

\* Total of Interval % must equal 100%.

\* \$ of Coverage = Interval's Assigned Coverage % x Dollar Protection Per Acre x Acres

\* All losses are calculated using NOAA data. It is possible that a grower 1) experiences a production loss and receives no indemnity OR 2) does not experience a production loss and does receive an indemnity.

\* Premium rate and liability varies by county and land's intended use.

Visit <https://ewebapp.rma.usda.gov/apps/costestimator/> to generate Annual Forage premium estimates.

CALCULATING LOSS/INDEMNITY <i>(For above liability example)</i>			WHAT IF?					
	% OF NOAA RAINFALL	INDEMNITY DUE	% OF NOAA RAINFALL	INDEMNITY DUE	% OF NOAA RAINFALL	INDEMNITY DUE	% OF NOAA RAINFALL	INDEMNITY DUE
HARVEST COST/ACRE	40%	\$ 3,000.00						
* HARVEST MARGIN/AC	80%	\$ 960.00						
* INDEMNITY	95%	\$ 0.00						

\* To trigger an indemnity, the % Rainfall Index must be lower than the selected coverage level

\* Indemnity = (Coverage Level - NOAA Rainfall % for Period) / Coverage Level x \$ of Coverage

Ex. Aug - Sept Interval = (.90-.80)/.90 x 8,640 = \$960.00

\* For Oct - Nov. example, Index Rainfall % is greater than coverage level, so no indemnity is due.

Note: No indemnities will be paid prior to acreage reporting date.

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