



# Rainfall Index Annual Forage

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

## New for RY 2024

- Farmers/ranchers are allowed to insure the acres they choose and are not required to insure 100% of their insurable acres.
- The program design was modified from four growing seasons to twelve.
- The Acreage Reporting Date (ARD) was moved to the fifth day of the month after the month of planting, creating twelve ARDs.
- Planting dates were added to designate the planting month and corresponding ARD.
- The RI Basic Provisions were updated to incorporate existing guidance on the record requirements in double cropping situations when one of the crops follow a different plan of insurance.
- Dual Use Option is now available for Growing Seasons (GS) one through four.

## Reporting Acreage

The insured is not required to insure 100% of their insurable acres. However, for the acreage to be eligible for insurance coverage, the insured must select the index intervals and percent of value for the growing season by Sales Closing Date (SCD) and report any planted acres by the fifth day of the month immediately following the planting period for the growing season. Per the crop provisions, acreage planted and not reported by the ARD for the growing season will not be insurable.

**Example:** For coverage in Growing Season two, the AF crop must be planted on/after September 1 and on/before September 30 of the same Crop Year (CY). The planted acreage must be reported by October 5 (the fifth day of the month after the month of planting). The index interval and associated values must be selected by SCD. The available index intervals for this growing season will be from October 1 through April 30 of the same CY.

An Acreage Report (AR) is not required to be filed for each growing season. If no acreage was planted during the month the insured nor the AIP is required to file an AR. If an AR is not timely filed by the ARD, there will be no coverage and the acreage will not be insurable. Failure to file a timely AR does not qualify for modifying an AR.

## Growing Seasons

There are twelve growing seasons available in the AF crop insurance program. Eligibility for each of the growing seasons is dependent on when the AF crop is planted.

CAT growing seasons will only have one index interval for each growing season, which can be found in the actuarial documents.

Not all growing seasons are available in all counties. See the actuarial documents to determine which growing seasons and index intervals are available.

## COVERAGE LEVELS

**70% - 90%**

(in 5% increments)

*\*As provided in the Special Provisions.*

## PRODUCTIVITY FACTORS

**60% - 150%**

(in 1% increments)

*\* For the county by growing season, unless prevented in the Special Provisions.*

## CAT LEVELS

**65%**

Coverage Level

**45%**

Productivity Factor

*\*For CAT coverage, there is only one index interval for each grid ID that includes all the months available in the county for the growing season. If CAT coverage is selected, it will apply to all applicable growing seasons for the CY.*

## Planting Periods, Associated Index Intervals and Growing Seasons

		INTERVALS AND MONTHS																	
GROWING SEASON	PLANTING MONTH	SEPT. OCT.	OCT. NOV.	NOV. DEC.	DEC. JAN.	JAN. FEB.	FEB. MAR.	MAR. APR.	APR. MAY	MAY JUN.	JUN. JUL.	JUL. AUG.	AUG. SEPT.	SEPT. OCT.	OCT. NOV.	NOV. DEC.	DEC. JAN.	JAN. FEB.	
1	AUG.																		
2	SEPT.																		
3	OCT.																		
4	NOV.																		
5	DEC.																		
6	JAN.																		
7	FEB.																		
8	MAR.																		
9	APR.																		
10	MAY																		
11	JUN.																		
12	JUL.																		

### 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
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 AF premium estimates.

CALCULATING LOSS/INDEMNITY (For above Aug. - Sept. liability example)			WHAT IF?					
		INDEMNITY DUE		INDEMNITY DUE		INDEMNITY DUE		INDEMNITY DUE
Assigned Coverage % & Associated Liability	40% - \$8,640							
Final NOAA Rainfall % for Interval & Grid Index	80%							
Indemnity (.90 - .80) / .90 x \$8640	---	\$ 960.00						

\* 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 ARD.**

NON DISCRIMINATION STATEMENT: Hudson Insurance Company is an equal opportunity provider. In accordance with Federal law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating on the basis of race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs).

The information contained in this brochure is for general information only and shall not modify the terms of any insurance policy.



### Hudson Crop

7300 West 110th Street, Suite 400 | Overland Park, KS 66210  
T 866 450-1445 | F 913 345-1671 | [HudsonCrop.com](https://HudsonCrop.com)

