

Crop Insurance

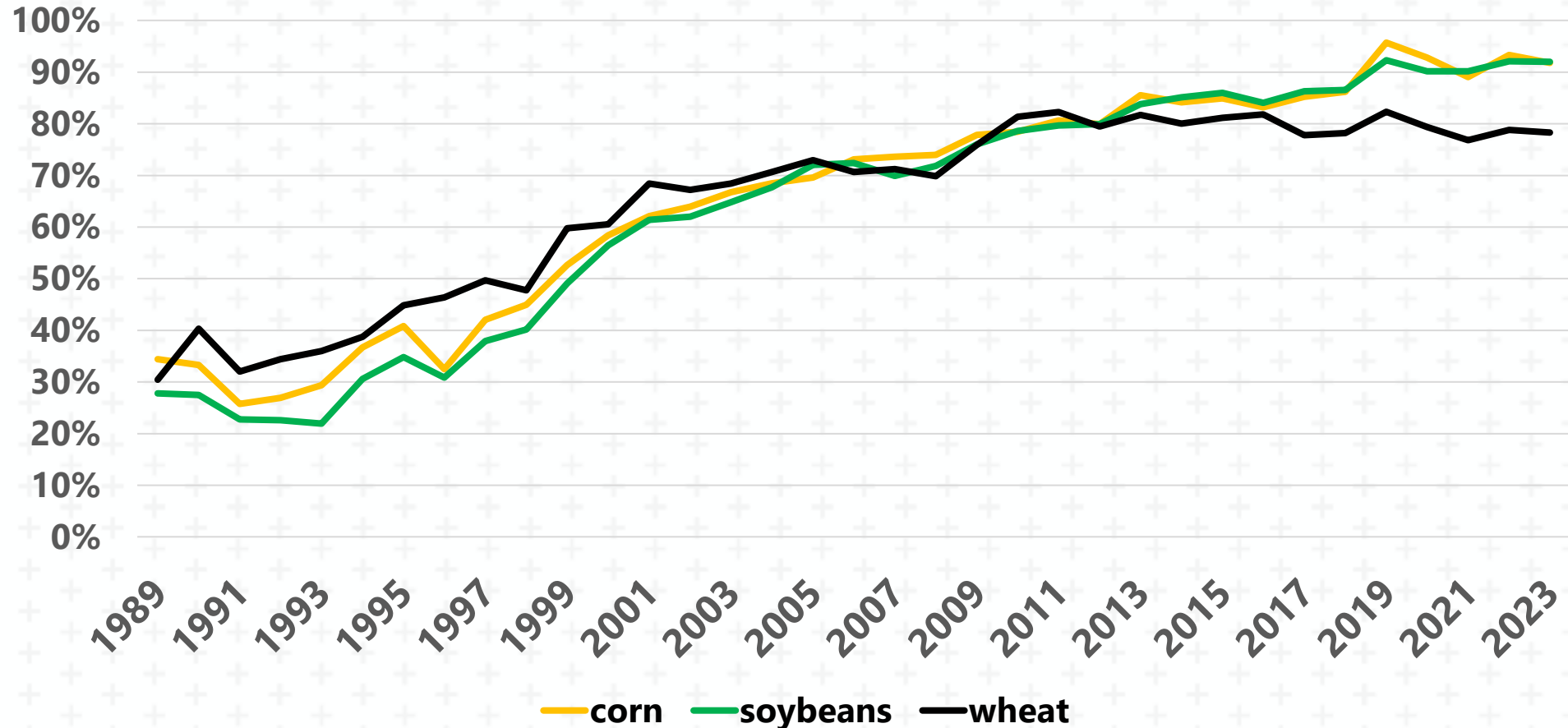
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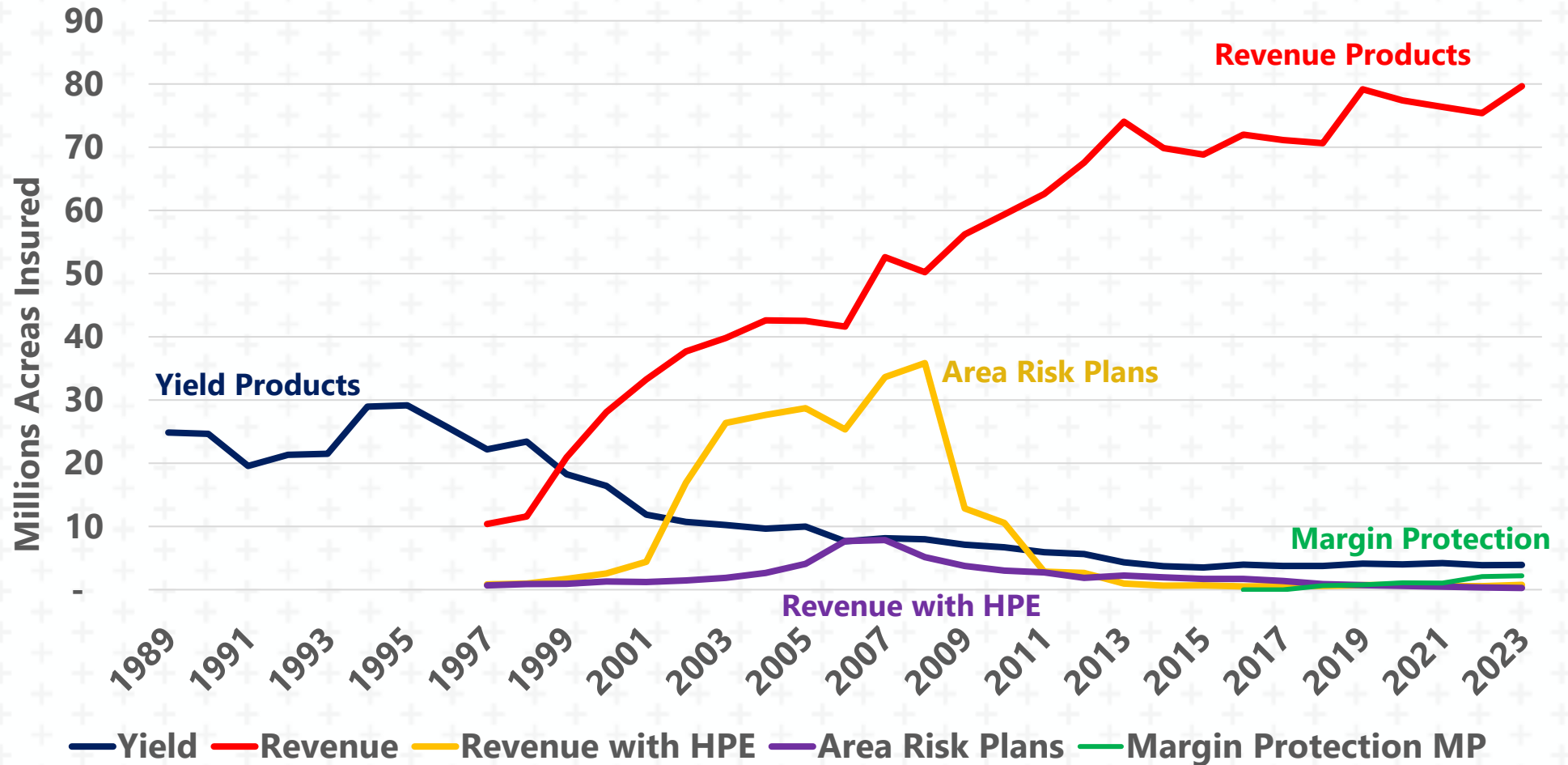
Insured Acres vs. Planted Acres

Percent of Acres Insured, 1989 to 2023

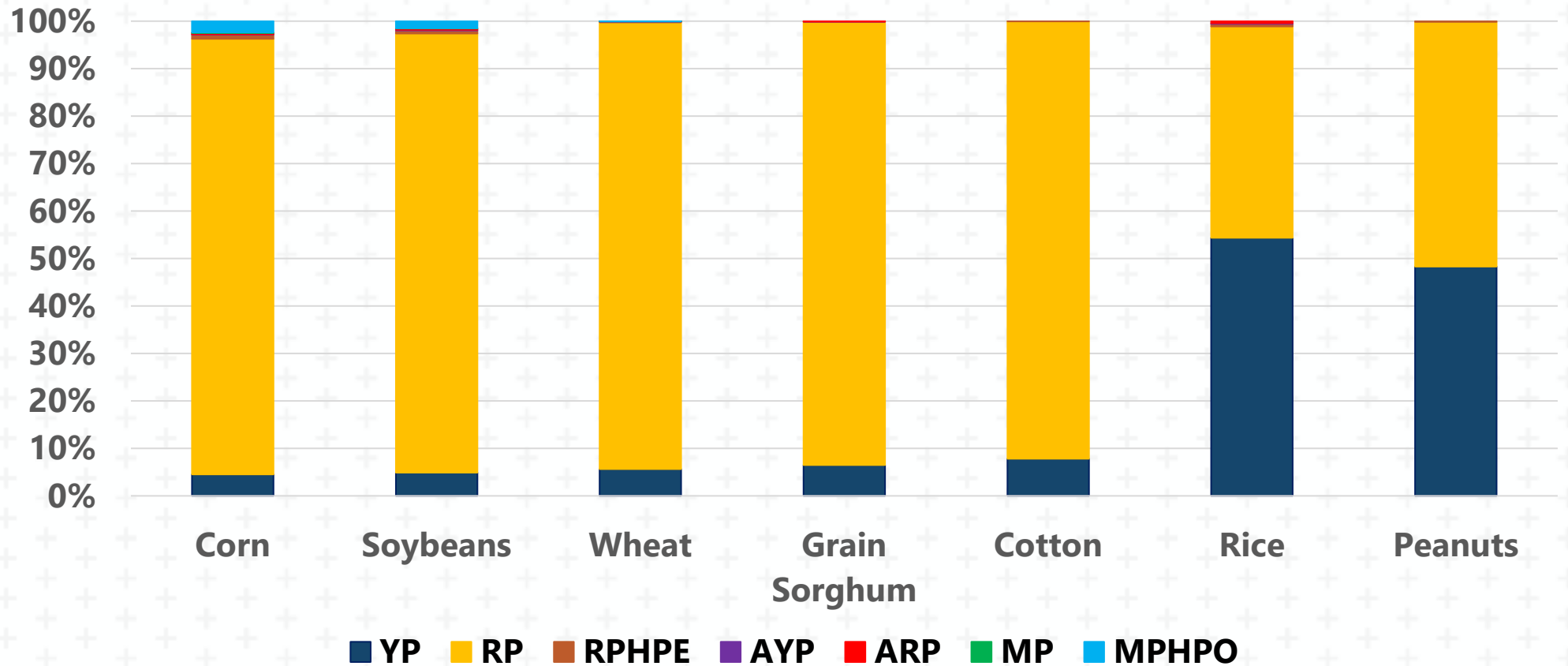


Source: USDA RMA Summary of Business, USDA NASS

Acres Insured by Product, Corn, 1989-2023

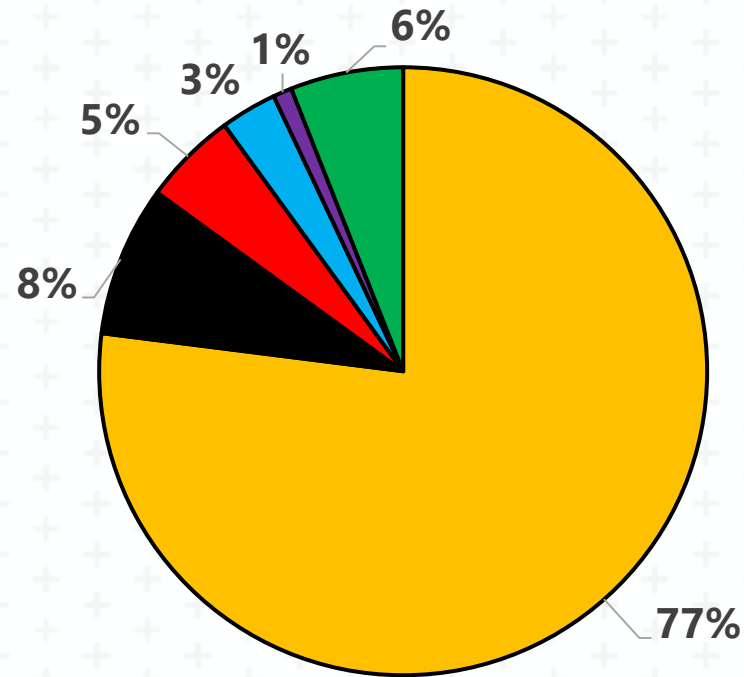


Share of Insured Acres, 2023



Source: USDA RMA Summary of Business

Cause of Loss in Missouri, 2023



■ Drought

■ Heat

■ Excess Moisture/Precipitation/Rain

■ Decline in Price

■ Wind/Excess Wind

■ Others

Major Crop Insurance Products

	Products	Units	Insures	Guarantee Increase
RP	Revenue Protection	Farm	Revenue	Yes
RPHPE	RP with Harvest Price Exclusion		Revenue	No
YP	Yield Protection		Yield	No
ARP	Area Revenue Protection	County	Revenue	Yes
ARPHPE	ARP with Harvest Price Exclusion		Revenue	No
AYP	Area Yield Plan		Yield	No

Supplemental Coverage (Add-ons to Farm-Level Products):

- **SCO (Supplemental Coverage Option):** county-level coverage from 86% to underlying YP, RP, RPHPE
- **ECO (Enhanced Coverage Option):** county-level coverage from 90% or 95% to 86%

Percent Acres Insured, Corn, 2023

coverage level	YP	RP	RPHPE	ARP	AYP
50	0.8%	1.2%	0.0%		
55	0.1%	0.1%	0.0%		
60	0.5%	1.4%	0.0%		
65	0.5%	2.1%	0.0%		
70	0.7%	10.9%	0.1%	0.0%	0.0%
75	0.8%	29.1%	0.2%	0.0%	0.0%
80	0.4%	25.5%	0.2%	0.0%	0.0%
85	0.3%	13.8%	0.3%	0.0%	0.0%
90				0.2%	0.0%
Total	4%	84%	1%	0%	0%

- **17%** of acres in supplemental coverage options
- **2.7%** of acres with Margin Protection

Percent Acres Insured, **Missouri Corn**, 2023

coverage level	YP	RP	RPHPE	ARP	AYP
50	1.8%	1.2%	0.0%		
55	0.1%	0.2%			
60	1.0%	1.6%			
65	0.4%	2.0%			
70	0.7%	11.9%	0.0%		
75	0.4%	37.6%	0.0%	0.0%	
80	0.1%	29.4%	0.0%		
85	0.0%	2.5%			
90				0.0%	0.0%
Total	4%	86%	0%	0%	0%

- **3%** of acres in supplemental coverage options
- **0%** of acres with Margin Protection

Percent Acres Insured, Soybeans, 2023

coverage level	YP	RP	RPHPE	ARP	AYP
50	1.2%	1.4%	0.0%		
55	0.1%	0.2%	0.0%		
60	0.8%	1.5%	0.0%		
65	0.5%	1.9%	0.0%		
70	0.7%	10.9%	0.0%	0.0%	0.0%
75	0.7%	30.8%	0.1%	0.0%	0.0%
80	0.3%	25.5%	0.2%	0.0%	0.0%
85	0.2%	12.9%	0.2%	0.0%	0.0%
90				0.2%	0.1%
Total	4.5%	85.1%	0.6%	0.2%	0.1%

- **15%** of acres in supplemental coverage options
- **1.7%** of acres with Margin Protection

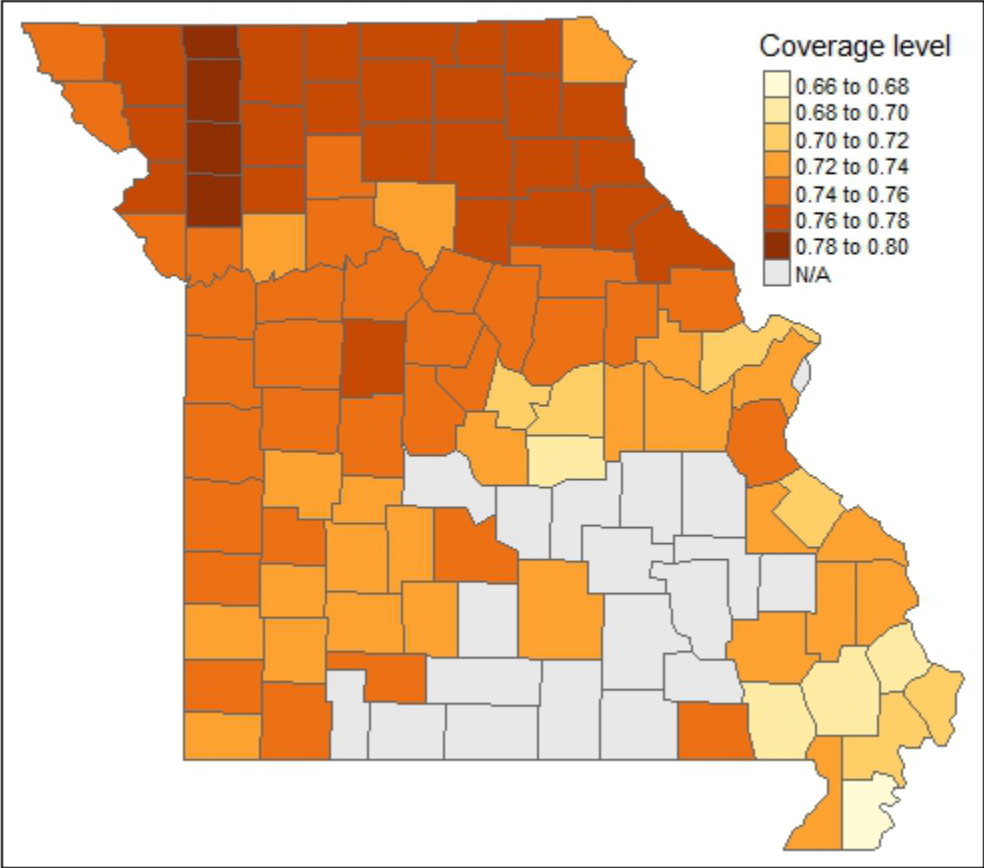
Percent Acres Insured, **Missouri Soybeans,** 2023

coverage level	YP	RP	RPHPE	ARP	AYP
50	3.7%	2.0%			
55	0.2%	0.4%			
60	1.0%	1.8%			
65	0.5%	2.5%			
70	0.6%	12.6%	0.0%		
75	0.6%	35.5%	0.0%	0.0%	
80	0.1%	25.8%	0.0%		
85	0.0%	2.0%		0.0%	0.0%
90				0.0%	0.0%
Total	6.7%	82.5%	0.0%	0.0%	0.0%

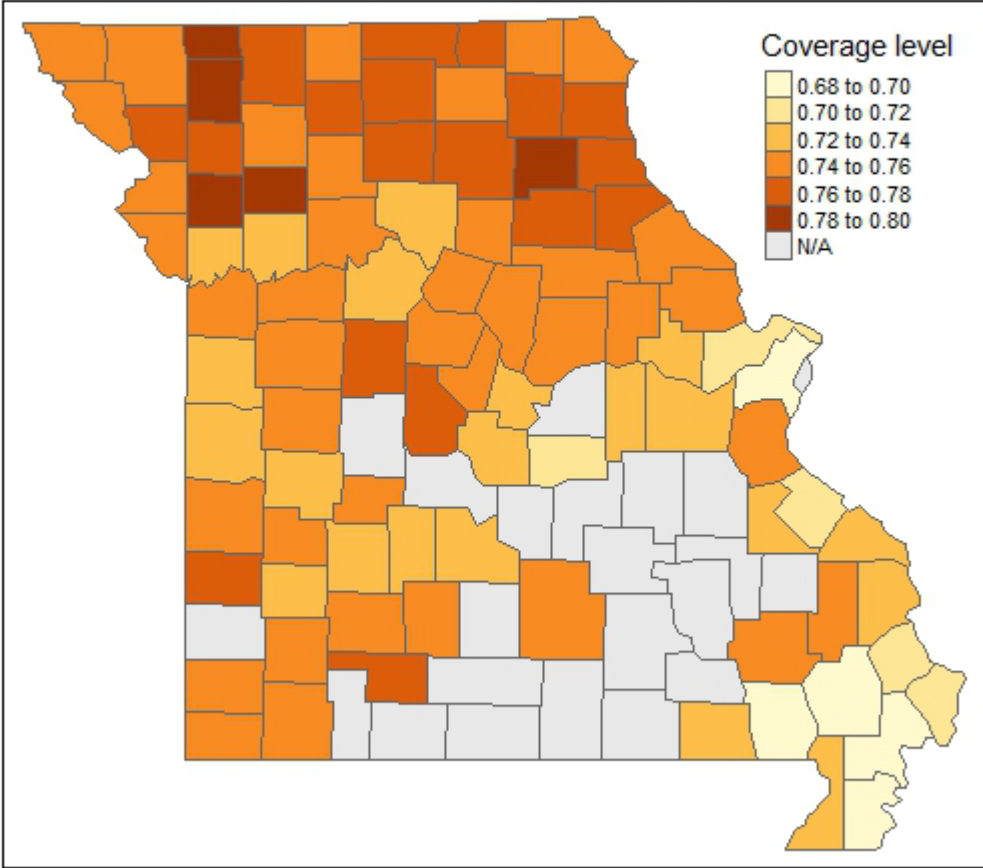
- **3%** of acres in supplemental coverage options
- **0%** of acres with Margin Protection

Average Coverage Level of RP

Missouri Corn 2023

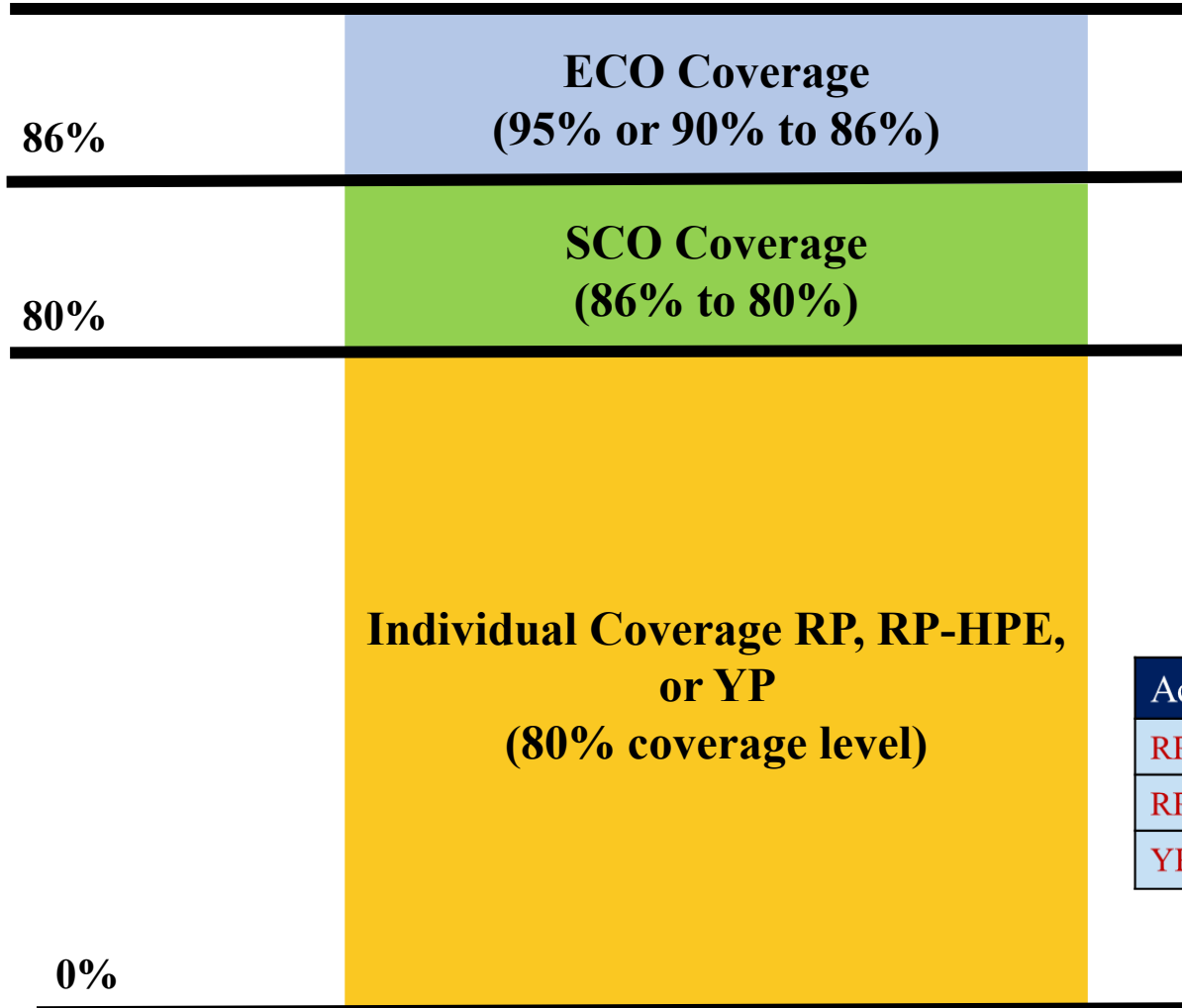


Missouri Soybeans 2023



Supplemental Coverage Option (SCO) Enhanced Coverage Option (ECO)

95% or 90%



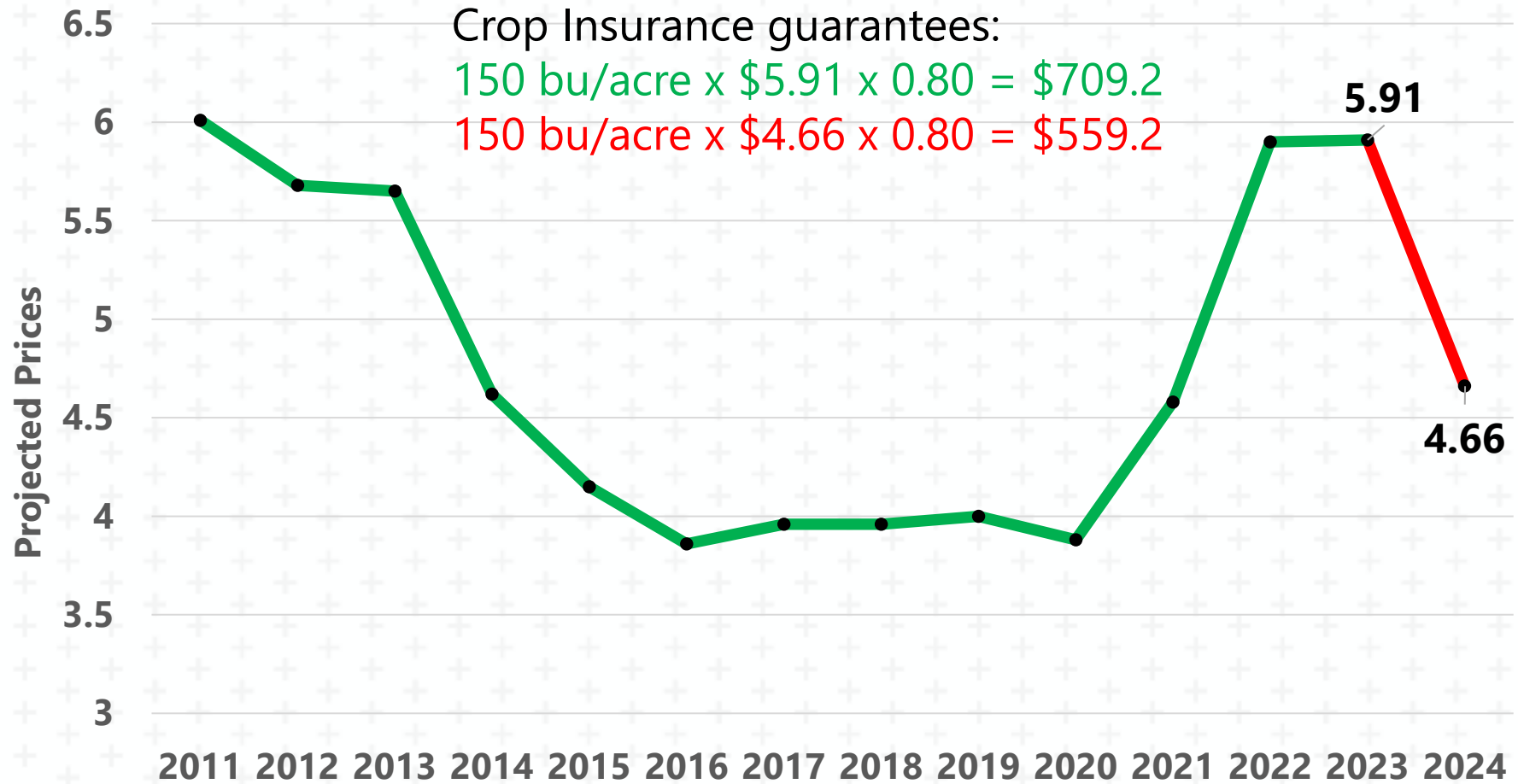
- Eligibility
 - Must have underlying individual plan to use SCO and/or ECO
 - SCO is limited to acres enrolled in PLC. ECO has no commodity program ties/restrictions.
- Subsidy
 - 65% for SCO
 - 44% (revenue) or 51% (yield) for ECO

Acronym	Name	Unit	Insures
RP	Revenue Protection	Farm level	Revenue
RPHPE	RP with Harvest Price Exclusion		Revenue
YP	Yield Protection		Yield

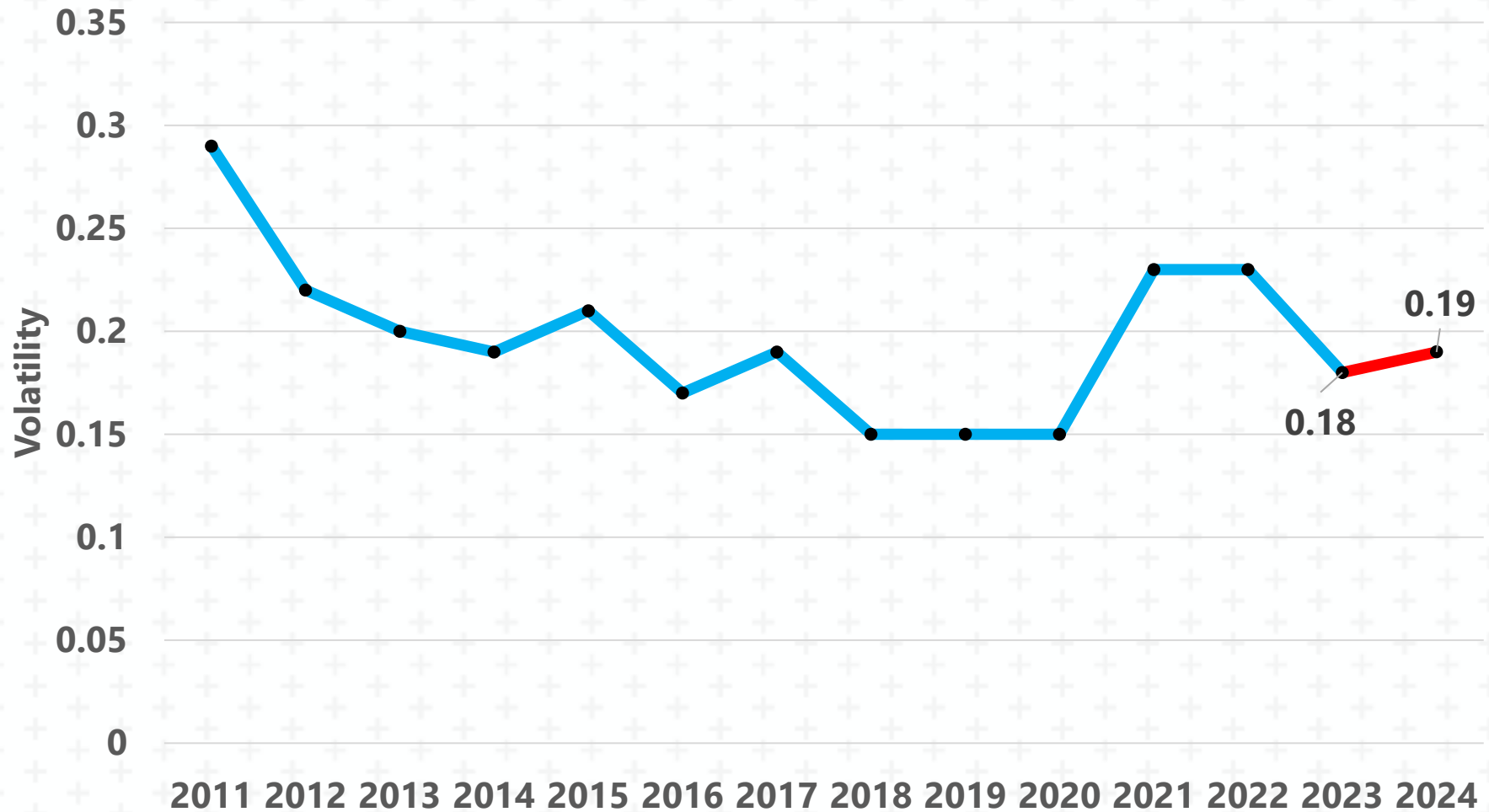
Should I choose SCO/ECO?

- **Commodity title (ARC-CO vs. PLC)**
- **Lower individual coverage level with SCO and ECO**
 - Basis risk
 - Correlation between county yields and farm yields

Projected Prices for Missouri Corn



Price Volatility for Missouri Corn



2024 Revenue Protection Premium in \$ per acre

Enterprise Units, Corn, Saline County MO

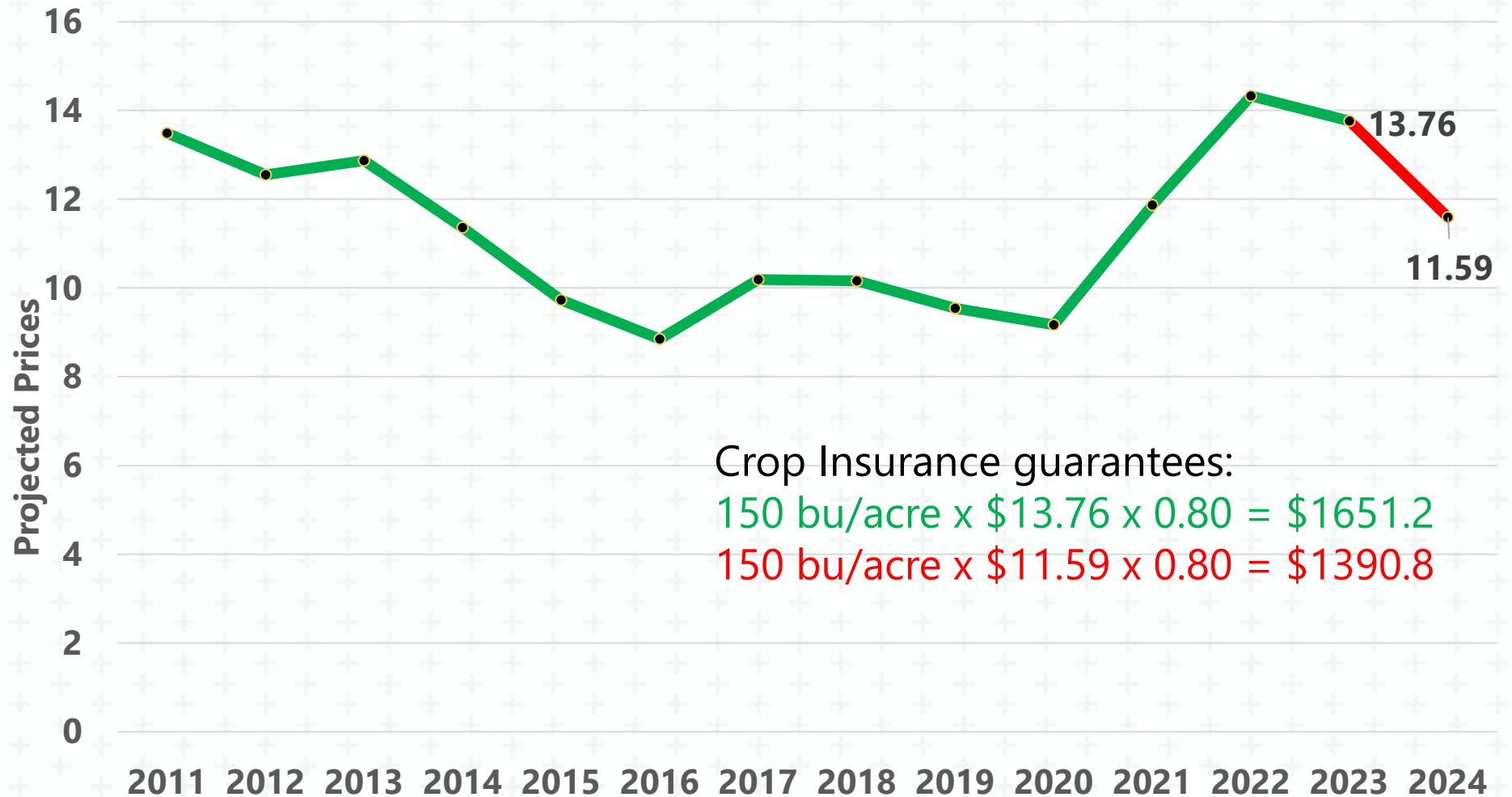


Projected Price	\$5.91	\$4.66	Premium Change
Volatility	0.18	0.19	
50%	\$1.45	\$1.16	(\$0.29)
55%	\$2.01	\$1.62	(\$0.39)
60%	\$2.87	\$2.32	(\$0.55)
65%	\$3.98	\$3.24	(\$0.74)
70%	\$5.49	\$4.46	(\$1.03)
75%	\$8.95	\$7.28	(\$1.67)
80%	\$16.52	\$13.46	(\$3.06)
85%	\$31.31	\$25.49	(\$5.82)

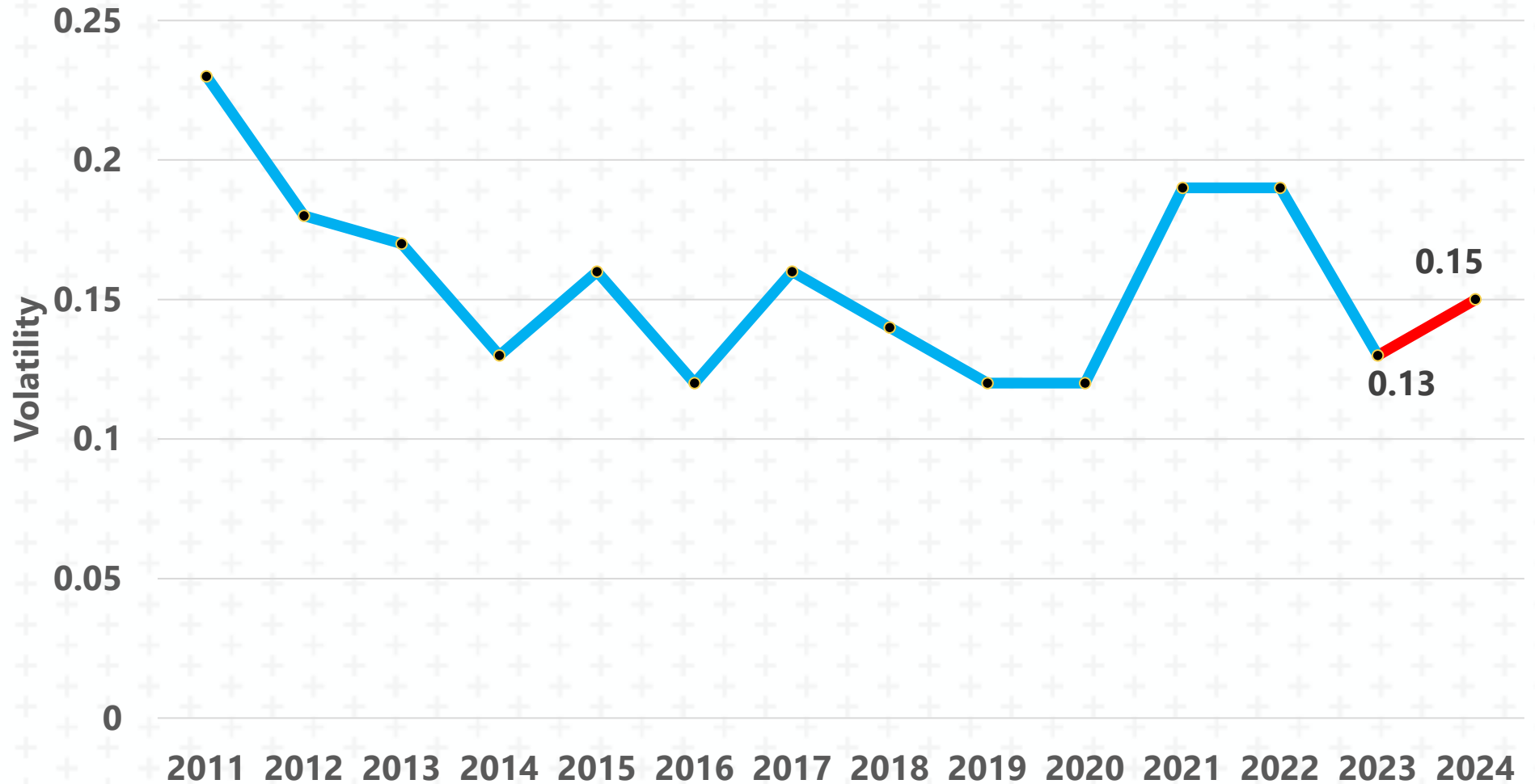
**About 18%-20%
lower for corn
in Saline County**

TA yields: 157 bushels/acre

Projected Prices for Missouri Soybeans



Price Volatility for Missouri Soybeans



2024 Revenue Protection Premium in \$ per acre

Enterprise Units, Soybeans, Saline County MO



Projected Price	\$13.76	\$11.59	Premium Change
Volatility	0.13	0.15	
50%	\$1.06	\$0.92	(\$0.14)
55%	\$1.41	\$1.23	(\$0.18)
60%	\$1.94	\$1.71	(\$0.23)
65%	\$2.66	\$2.36	(\$0.30)
70%	\$3.87	\$3.44	(\$0.43)
75%	\$6.00	\$5.32	(\$0.68)
80%	\$11.02	\$9.79	(\$1.23)
85%	\$21.66	\$19.25	(\$2.41)

About 11%-13% lower for soybeans in Saline County

TA yields: 47 bushels/acre

Conclusion

- **Premium should be lower this year**
- **Lower revenue guarantees**
- **Maybe higher coverage level**
- **SCO consideration (ARC-CO vs. PLC)**

Premium Calculator

Crop Insurance Premium Calculator

Last Updated: February 3, 2022

The 2022 iFarm Crop Insurance Premium Calculator allows users to develop highly customized estimates of their crop insurance premiums, and compare revenue and yield guarantees across all available crop insurance products and elections for their actual farm case.

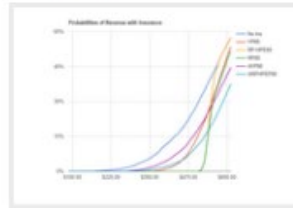


Payment Evaluator

Crop Insurance Payment Evaluator

Last Updated: February 28, 2024

The 2022 iFarm Crop Insurance Payment Evaluator provides helpful information to producers comparing costs and risk reductions across their available crop insurance alternatives.

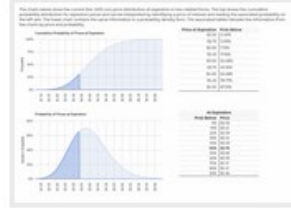


Price Distribution

Price Distribution Tool

Last Updated: Always Live

The iFARM Price Distribution Tool uses current option market prices to derive estimates of the probability distribution of prices at the expiration of an underlying corn and soybean futures contracts.

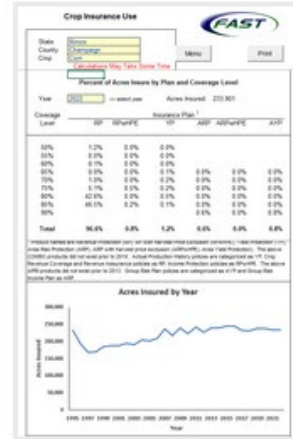


Crop Insurance Summary of Business Tool

Crop Insurance Summary of Business Tool

Last Updated: April 17, 2023

This program calculates crop insurance historical use and performance back to 1996...

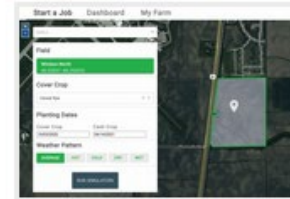


Cover Crop Analyzer

Cover Crop Analyzer

Last Updated: February 4, 2021

The cover crop project seeks to provide farmers with a practical web-based decision support tool designed to help manage cover crops in their fields. The project makes use of existing research to demonstrate the potential for cover crops, as well as providing useful information for decision making and management of this practice. It will also seek to apply future research on cover crops as results are incorporated into updates and new iterations of the tool. This remains a work in progress with a goal towards adapting with the science.



Margin Protection Tool

Margin Protection Tool

Last Updated: September 25, 2023

With this program, a user can examine the performance of margin protection insurance.

Catch up with the farmdoc Daily Article

Historical Results for Margin Protection with Harvest Price Option (MPO) April

Year	Harvest Yield*	Harvest Price*	Harvest Revenue*	Exp. Harvest Yield*	Exp. Harvest Price*	Exp. Harvest Revenue*	Margin*
2018	137	3.88	531.16	130	3.88	504.40	26.76
2019	135	3.88	523.80	130	3.88	504.40	19.40
2020	135	3.88	523.80	130	3.88	504.40	19.40
2021	135	3.88	523.80	130	3.88	504.40	19.40
2022	135	3.88	523.80	130	3.88	504.40	19.40
2023	135	3.88	523.80	130	3.88	504.40	19.40
2024	135	3.88	523.80	130	3.88	504.40	19.40

Decision Tool

Crop Insurance Decision Tool

Last Updated: February 13, 2024

This program calculates premiums, evaluates insurance payments, and provides historical data useful when making crop insurance decisions for multiple crops. Estimates are for crops in midwest and southeast states. Learn more on the farmdoc Daily crop insurance archive.

Catch up with the farmdoc Daily Article

View our Youtube Guide here.

PACE Tool

Post Application Coverage Endorsement Tool

Last Updated: January 31, 2024

This program calculates premiums for PACE: Post Application Coverage Endorsement Insurance.

Catch up with the farmdoc Daily Article

View our Youtube Guide here.

Post Application Coverage Endorsement Tool

Post Application Payment	Premium	PACE Indemnity
25%	\$1.83	\$30
30%	\$2.72	\$90
35%	\$3.27	\$19
40%	\$4.81	\$49
45%	\$4.96	\$79
50%	\$5.44	\$99
55%	\$5.99	\$209
60%	\$7.08	\$229
65%	\$8.17	\$249
70%	\$9.18	\$268
75%	\$10.00	\$288
80%	\$10.90	\$308

ECO/SCO Payment Estimator

ECO/SCO Payment Estimator

Last Updated: January 22, 2024

With this program, a user can estimate payments for individual farm level crop insurance products in addition to SCO and ECO.

<https://farmdoc.illinois.edu/crop-insurance>

MORE QUESTIONS?

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Extension