1. Crop Insurance Webinars

The objective of these webinar sessions is to help Pennsylvania farmers and ranchers manage risk, by understanding crop insurance products sufficiently to make informed purchase decisions.

2. WFRP Webinars – Scheduled for February 5 & 7, 2019

The objectives for the webinars are:

1. Create a better understanding of the features and benefits of WFRP.
2. Explain the documentation required by the program for each step of the insurance cycle.
3. How to contact and engage the services of a crop insurance agent.

3. Availability

Whole-Farm Revenue Protection is available in every Pennsylvania county.

4. Important Dates

Intended Farm Operation Report

Calendar Year and Early Fiscal Year Filers .... March 15

Late Fiscal Year Filers..November 20

Revised Farm Operation Report

All Filers ....July 15

Contract Chage Date ....August 31

5. Insurance Period

Coverage is provided for the duration of the producer's tax year (insurance period). The insurance period is a calendar year if taxes are filed by calendar year, or a fiscal year if taxes are filed by fiscal year.

6. Eligibility

Eligibility for WFRP coverage requires you to:

- Be eligible to receive Federal benefits;
- Be a U.S. citizen or resident;
- File either a Schedule F tax form or other farm tax form that can be converted to a Substitute Schedule F for a specified number of years;
- Have no more than $8.5 million in insured revenue, which is the farm revenue allowed to be insured under the policy multiplied by the coverage level you select (see table below)
- Have no more than $1 million expected revenue from animals and animal products;
- Have no more than $1 million from greenhouse and nursery;

 This material is funded in partnership by USDA, Risk Management Agency, under award number RM18RMETS524C019

- Have no more than 50 percent of total revenue from commodities purchased for resale;
- Have 'buy-up' coverage levels on any Federal crop insurance plans you choose in addition to the WFRP insurance plan.
- Meet the diversification requirements of the policy by having two or more commodities if a commodity you are raising has revenue protection or actual revenue history insurance available; and
- Meet the diversification requirements of the policy by having two or more commodities if there are potatoes on the farm.

7. Coverage

WFRP protects your farm against the loss of farm revenue that you earn or expect to earn from:

- Commodities you produce during the insurance period, whether they are sold or not;
- Commodities you buy for resale during the insurance period; and
- All commodities on the farm except timber, forest, and forest products; and animals for sport, show, or pets.

The policy also provides replant coverage:

- For annual crops, except those covered by another Federal crop insurance policy;
- Equal to the cost of replanting up to a maximum of twenty percent of the expected revenue; and
- When 20 percent or 20 acres of the crop needs to be replanted.

The approved revenue amount is determined on your Farm Operation Report and is the lower of the expected revenue or your whole-farm historic average revenue. Coverage levels range from 50 percent to 85 percent. Catastrophic Risk Protection (CAT) coverage is not available.

The number of commodities produced on the farm are counted using a calculation that determines:

- If the farm has the diversification needed to qualify for the 80 and 85 percent coverage levels (there is a 3-commodity requirement);
- The amount of premium rate discount you will receive due to farm diversification; and
- The subsidy amount. Farms with 2 or more commodities will receive a whole-farm subsidy and farms with one commodity will receive a basic subsidy.

You can buy WFRP alone or with other buy-up level (additional coverage) Federal crop insurance policies. When you buy WFRP with another Federal crop insurance policy, the WFRP premium is reduced due to the coverage provided by the other policy. If you have other Federal crop insurance policies at catastrophic coverage levels you do not qualify for WFRP.

WFRP 'insured revenue' is the total amount of insurance coverage provided by this policy. Your crop insurance agent and approved insurance provider determine the farm's 'approved revenue' using the following information:

- Whole-Farm History Report;
- Farm Operation Report:
- Information regarding growth of the farm; and
- The coverage level you choose (50-85 percent) multiplied by the approved revenue is the insured revenue amount.

Coverage Level	**Commodity Count (minimum Required)**	**Maximum Farm Approved Revenue**
85	3	$10,000,000
80	3	$10,625,000
75	1	$11,333,333
70	1	$12,142,857
65	1	$13,067,923
60	1	$14,166,167
55	1	$15,454,545
50	1	$17,000,000

The Commodity Count in the table above is a measure of the farm's diversification, determined by the policy. The calculation determines the minimum proportion of revenue a commodity must contribute to the farm to be considered a commodity for WFRP. A farm's revenue would be evenly distributed if an equal percentage of revenue came from each commodity produced, for example, 25 percent from corn, 25 percent from soybeans, 25 percent from spinach, and 25 percent from carrots. The minimum proportion to be considered a countable commodity is one-third of that amount. In this example, for corn, soybeans, spinach, or carrots to each county, each commodity would have to make up at least 8.3 percent of the total revenue of the farm to count as a commodity under WFRP. Commodities with revenue below the minimum will be grouped together in order to recognize farm diversification (this will make the commodity count higher). The Maximum Farm Approved Revenue represents the maximum approved revenue for a farm to be eligible for WFRP given the $8.5 million maximum liability allowed.

8. Information You Provide

There are certain documents you must provide to your crop insurance agent to get Whole-Farm Revenue Protection insurance. For the Whole-Farm History Report you must provide:

- 5 consecutive years of Schedule F or other farm tax forms (it must be possible to complete a Substitute Schedule F form if you filed farm tax forms other than Schedule F). For the 2019 policy year, tax forms from 2013-2017 are required except:
  - If you qualify as a Beginning Farmer or Rancher (BFR) under our procedures, you may qualify with 3 consecutive years of Schedule F or other farm tax forms if you also farmed during the past year (it must be possible to complete a Substitute Schedule F form if you filed farm tax forms other than Schedule F). For the 2019 insurance year, tax forms from 2015-2017 are required and you also must have farmed during 2018;
  - If you were physically unable to farm for 1 of the 5 required historic years but were farming the past year, you may qualify; or
  - If you are a tax-exempt entity (such as a Tribal entity) and have acceptable third-party records available that can be used to complete Substitute Schedule F tax forms for the 5-year history.
- Information supporting expansion if you want the farm to be considered as an expanding operation due to the farm operation physically expanding last year or the coming year, including increased acres, added equipment such as a greenhouse, new varieties or planting patterns, or anything else that expands production capacity (other than just a change in price); and
- Any supporting information required, including other signed tax forms, to show the farm tax forms are accurate and were filed with the IRS.

8. Prices and Yields

Prices used to value commodities must be based on the guidelines for prices in the policy. Organic prices that meet the policy requirements are allowed for valuing organic commodities. Yields used for commodities must be established based on the guidelines for yields in the policy.

9. Market Readiness Operation and Post Production Costs

Market readiness operations such as on-farm activities that occur in or near the field and are the minimum needed to remove the commodity from the field and make it market ready can be left in the allowable revenue and expenses. The cost from all other post production operations not considered market readiness operations must be removed from the allowable revenue and expenses, including activities that increase the value of a commodity such as canning, freezing, and processing activities.

10. Losses

Claims are settled after taxes are filed for the policy year. A loss under the WFRP policy occurs when the WFRP revenue-to-count for the insured tax year falls below the WFRP insured revenue. Revenue-to-count for the insured tax year is:

- Revenue from the tax form that is 'approved revenue' according to the policy;
- Adjusted by excluding inventory from commodities sold that were produced in previous years;
- Adjusted by including the value of commodities produced during the tax year that have not yet been harvested or sold; and
- Any other adjustments required by the policy such as those from uninsured causes of loss.

If the farm operation does not have expenses during the insurance period of at least 70 percent of the "approved expenses" the insured revenue amount will be reduced by 1 percent for each percentage point the actual approved expenses are below 70 percent of the approved expenses.

11. Premium Subsidy

Farms with two or more commodities will receive a whole-farm premium subsidy as long as the minimum diversification requirements are met. Farms with one commodity will receive the basic level of premium subsidy.

8. Buying Whole-Farm Revenue Protection

You can buy Whole-Farm Revenue Protection from a crop insurance agent by the sales closing date shown for each county in the [Actuarial documents].. A list of crop insurance agents is available at all USDA service centers and on the RMA website at the [Agent Locator].