

## **National Crop Insurance Services**

NCIS provides a unique suite of services to the crop insurance industry ranging from actuarial and analytical support to the development of crop loss adjustment standards and industry-wide training for both company staff and industry loss adjusters. This is accomplished through the financial support and active participation of NCIS member companies. NCIS member companies participate through a network of regional committees typically comprised of senior company field and loss adjuster staff. In essence, the NCIS regional committee system provides a grass-roots, ground-truthing infrastructure for the industry. In addition, NCIS members serve on industry-level operational committees that support each NCIS service area. Membership of these working committees is comprised of senior management company staff or relevant subject matter experts for a given operational area. The membership is supported by the professional and technical staff housed at NCIS. NCIS staff represent a diverse mix of individuals with training in agronomy, actuarial methods, economics, business, law, and information technology.

NCIS is the only entity that fully supports both the state-regulated and federally-regulated lines of the crop insurance business.

In relation to federally-regulated crop insurance, NCIS is distinctly positioned to represent the industry on an array of functional business areas including policy and procedural development; actuarial and economic analysis; legal analysis; training and education; and industry data processing issues. Each of these service support areas provide economic value to the companies by eliminating duplicative efforts or by providing industry infrastructure support that would be prohibitively expensive on an individual company basis.

For the state-regulated segment of the crop insurance industry, NCIS serves as the industry actuarial statistical agent and advisory organization. This service allows companies to pool their actuarial data in order to access and utilize an industry-level statistical database. No individual company possesses sufficient credible data to promulgate its own premium rates. In its role as liaison between the companies and the individual state insurance departments, NCIS relieves companies from the separate burden of filing statistics and policy forms with each department.

NCIS's industry-funded agronomic research program serves to improve and validate crop loss adjustment procedures for both state and federally regulated lines of crop insurance. This research is conducted at major agricultural universities throughout the U.S. Application of science-based crop loss adjustment procedures ensures that farmers are paid fairly and accurately thus contributing to the integrity of the crop insurance program. The research program allows companies to share in the cost of developing crop loss adjustment procedures and standards, rather than this cost being borne individually by each company. The cost to develop the crop loss procedures is miniscule in comparison to the 135 billion dollar underwriting risk.

As the only organization representing all companies writing crop insurance in the U.S., NCIS through its education and public relations efforts serves as the industry voice providing clear and singular messaging to both the media and the public.