The Noninsured Crop Disaster Assistance Program (NAP) and Whole-Farm Revenue Protection Program (WFRP)
NAP: WHAT IS THE PREMIUM?

Example: Rye grown in Cass County, MN

Access the NAP tool at:

http://fsa.usapas.com/NAP.aspx
For crop, select “NOT LISTED”
Enter Your Location Information

- Minnesota
  - Crop

RMA Check
- NAP Crop Information

Enter Your Crop Information to check for RMA Insurance Coverage

- Not Listed

You have indicated that your crop is not listed. This would indicate that the Risk Management Agency of the USDA does not currently offer insurance coverage for your crop. Please continue entering your crop values in the Crop Information Tab to determine your coverage availability.

This material is based on work supported by the U.S. Department of Agriculture, Farm Service Agency, under Agreement No. 58-0510-4-402-N. With respect to opinions, findings, conclusions, or recommendations, neither the United States Government nor the University of Illinois nor Watts & Associates makes any warranty, expressed or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product or process disclosed, or represents that its use would not infringe privately owned rights. The information and resources provided here are for educational and informational purposes only. Users bear sole responsibility for decisions affecting program participation and may want to consult other resources.

Powered by Watts and Associates, Inc.
NAP Crop Eligibility, Premium, and Payments Estimator

Enter Your Location Information

- Minnesota
- Cass

Enter Your Crop Information

- RYE
- Grain

FSA Market Price: 56.85
FSA Expected Yield: 38.00
Unharvested Factor: 92.00%
Unit of Measure: Bushels
App Close Date: 09/01/2013
Acreage Report Date: 11/15/2013

Approved Yield: 29.816

Calculate Approved Yield

Anticipated Yield: 29.5

Estimated Acres: 1

Share Percentage (enter a number from 1 to 100): 100

Calculate My Premium
NAP Crop Eligibility, Premium, and Payments Estimator

Enter Your Location Information
- Minnesota
- Cass
- Reset Page

Enter Your Crop Information
- RYE
- Grain
- Not Applicable
- Not Irrigated

FSA Market Price: 56.85
FSA Expected Yield: 38.00
Unit of Measure: Bushels
App Close Date: 09/01/2013
Acreage: 15
Report Date: 11/15/2013

Approved Yield:
29.816

Calculate Approved Yield
Anticipated Yield:
29.5

Estimated Acres: 15
Share Percentage (enter a number from 1 to 100):
100

Calculate My Premium
NAP Crop Eligibility, Premium, and Payments Estimator

Enter Your Location Information

- Minnesota
- Cass

RMA Check  NAP Crop Information  Premium and Loss Payment Calculations

Your NAP Estimated Premium and Guarantees

<table>
<thead>
<tr>
<th>Coverage</th>
<th>Yield Guarantee per Acre</th>
<th>Unit of Measure</th>
<th>Yield guarantee valued at NAP Market price ($/Acre)</th>
<th>Premium ($/acre)</th>
<th>Premium ($/crop)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic</td>
<td>14.8</td>
<td>Bushels</td>
<td>$55.79</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>50%</td>
<td>14.8</td>
<td>Bushels</td>
<td>$101.43</td>
<td>$5.33</td>
<td>$79.88</td>
</tr>
<tr>
<td>55%</td>
<td>16.3</td>
<td>Bushels</td>
<td>$111.58</td>
<td>$5.88</td>
<td>$87.87</td>
</tr>
<tr>
<td>60%</td>
<td>17.8</td>
<td>Bushels</td>
<td>$121.72</td>
<td>$6.39</td>
<td>$95.88</td>
</tr>
<tr>
<td>65%</td>
<td>19.3</td>
<td>Bushels</td>
<td>$131.87</td>
<td>$6.92</td>
<td>$103.84</td>
</tr>
</tbody>
</table>

*Premium for crop takes into account the share percentage

Fees are not included in Basic Values. You can estimate your fees by clicking the 'Calculate Your Total Premium' button below.

Producer premium across all crops is capped at $6562.50 based upon a maximum payment of $125,000.00 and a 5.25% premium rate. With multiple crops where the maximum potential payment exceeds $125,000.00 the effective premium rate is less than 5.25% since it is unlikely that all crops will fail simultaneously.

If you have multiple crops, please keep track of the premium associated with each crop. When you have completed your calculations for all crops, click on the 'Calculate Total Premium and Fees' button of the NAP tool. Then enter the premium from each crop and calculate the total premium and fees. The module incorporates rules for maximum premium across crops for a producer, takes into account rules for fees, and makes adjustments for limited resource, beginning, and socially disadvantaged farmers.
## Estimated Results

<table>
<thead>
<tr>
<th>Yield Per Acre</th>
<th>Basic</th>
<th>50%</th>
<th>55%</th>
<th>60%</th>
<th>65%</th>
<th>Commodity Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>29.50</td>
<td>$0.00</td>
<td>($79.28)</td>
<td>($75.67)</td>
<td>($70.89)</td>
<td>($62.68)</td>
<td>$3,031.13</td>
</tr>
<tr>
<td>28.55</td>
<td>$0.00</td>
<td>($79.28)</td>
<td>($75.67)</td>
<td>($70.89)</td>
<td>($62.68)</td>
<td>$2,728.01</td>
</tr>
<tr>
<td>23.60</td>
<td>$0.00</td>
<td>($79.28)</td>
<td>($75.67)</td>
<td>($70.89)</td>
<td>($62.68)</td>
<td>$2,424.90</td>
</tr>
<tr>
<td>20.65</td>
<td>$0.00</td>
<td>($79.28)</td>
<td>($75.67)</td>
<td>($70.89)</td>
<td>($62.68)</td>
<td>$2,121.79</td>
</tr>
<tr>
<td>19.18</td>
<td>$0.00</td>
<td>($79.28)</td>
<td>($75.67)</td>
<td>($70.89)</td>
<td>($62.68)</td>
<td>$1,970.23</td>
</tr>
<tr>
<td>17.70</td>
<td>$0.00</td>
<td>($79.28)</td>
<td>($75.67)</td>
<td>($70.89)</td>
<td>($62.68)</td>
<td>$1,818.88</td>
</tr>
<tr>
<td>16.23</td>
<td>$0.00</td>
<td>($79.28)</td>
<td>($75.67)</td>
<td>($70.89)</td>
<td>($62.68)</td>
<td>$1,567.12</td>
</tr>
<tr>
<td>14.75</td>
<td>$3.28</td>
<td>($73.92)</td>
<td>($69.24)</td>
<td>($64.41)</td>
<td>($55.87)</td>
<td>$1,515.56</td>
</tr>
<tr>
<td>13.28</td>
<td>$8.63</td>
<td>($77.64)</td>
<td>($72.80)</td>
<td>($68.06)</td>
<td>($60.13)</td>
<td>$1,364.01</td>
</tr>
<tr>
<td>11.00</td>
<td>$16.09</td>
<td>($220.19)</td>
<td>($217.36)</td>
<td>($214.51)</td>
<td>($211.68)</td>
<td>$1,212.45</td>
</tr>
<tr>
<td>10.33</td>
<td>$25.35</td>
<td>$380.75</td>
<td>$324.91</td>
<td>$280.08</td>
<td>$231.24</td>
<td>$1,009.89</td>
</tr>
<tr>
<td>8.85</td>
<td>$32.70</td>
<td>$532.30</td>
<td>$478.47</td>
<td>$420.63</td>
<td>$364.80</td>
<td>$909.34</td>
</tr>
<tr>
<td>7.38</td>
<td>$42.06</td>
<td>$633.89</td>
<td>$582.03</td>
<td>$522.19</td>
<td>$472.19</td>
<td>$757.78</td>
</tr>
<tr>
<td>5.90</td>
<td>$50.41</td>
<td>$835.42</td>
<td>$790.58</td>
<td>$735.87</td>
<td>$687.91</td>
<td>$606.23</td>
</tr>
<tr>
<td>4.43</td>
<td>$56.77</td>
<td>$966.97</td>
<td>$911.34</td>
<td>$856.71</td>
<td>$801.97</td>
<td>$454.67</td>
</tr>
<tr>
<td>2.95</td>
<td>$67.13</td>
<td>$1,138.53</td>
<td>$1,282.69</td>
<td>$1,426.86</td>
<td>$1,571.02</td>
<td>$303.11</td>
</tr>
<tr>
<td>1.40</td>
<td>$76.40</td>
<td>$1,260.09</td>
<td>$1,434.26</td>
<td>$1,570.41</td>
<td>$1,722.61</td>
<td>$161.56</td>
</tr>
<tr>
<td>0.00</td>
<td>$79.99</td>
<td>$1,328.31</td>
<td>$1,458.94</td>
<td>$1,591.57</td>
<td>$1,724.20</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

*The payment at zero yield has been adjusted by the unharvested factor.

Fees are not included in Basic Values. You can estimate your fees by clicking the "Calculate Your Total Premium" button below.

The net payments and commodity revenue have taken into account the producer’s share. Commodity revenue is the yield x acres x NAP market price x producer share. Commodity revenue equals yield times FSA Market Price. Indemnity payments equal (maximum yield – market yield) x FSA market price. Payments cannot exceed $125,000.00 per producer across all crops.

[Calculate My Total Premium and Fees]
Calculate Total Premium

Enter your crop and premium information below to calculate the total premium and fees for your operation.

- Limited Resource Farmer
- Beginning Farmer
- Socially Disadvantaged Farmer

<table>
<thead>
<tr>
<th>Crop</th>
<th>Premium Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rye</td>
<td>87.87</td>
</tr>
</tbody>
</table>

Calculate Premium and Fees
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calculated Premium for All Listed Crops</td>
<td>$87.87</td>
</tr>
<tr>
<td>Calculated Fees for Selected Options</td>
<td>$250.00</td>
</tr>
<tr>
<td>Total Projected Premium and Fees</td>
<td>$337.87</td>
</tr>
</tbody>
</table>
WHOLE-FARM REVENUE PROTECTION (WFRP)

- Whole-farm risk management product under one policy.
- Available up to $8.5 million for all commodities.
- Diversified, specialty and organic commodities (crops and livestock) can all be covered.
WHOLE-FARM REVENUE PROTECTION (WFRP)

- RMA program, not FSA
  - Contact crop insurance agent for enrollment, forms and questions
- Replaces AGR and AGR-Lite
  - Reduced paperwork requirements
  - Improved subsidy levels from the AGR products
WHOLE-FARM REVENUE PROTECTION (WFRP)

- Premium subsidies
  - Equivalent to the highest available on individual crop insurance.
WFRP PROTECTION PILOT AREA

WFRP BASICS

- Protection against loss of revenue
- Covers commodities produced or purchased for resale, including animals and animal products.
WFRP BASICS (CONT.)

- Commodities
  - agricultural product
  - produced in your farm operation
  - excludes timber, forest, and forest products, animals for sport, show or pets.

WFRP BASICS (CONT.)

- Protects against loss of approved revenue
  - unavoidable natural causes

- Insurance Year:
  - Calendar or Fiscal year – Same as income tax return.
  - Insurance year determined by the calendar year in which the sale(s) closing date occurs.
WFRP BASICS (CONT.)

- Insured revenue is based on: Coverage level multiplied by the lower of:
  - A complete Whole-Farm History Report
  - The insured revenue from the production of commodities
WFRP BASICS (CONT.)

- Losses occur when:
  - The Allowable Revenue falls below the Insured Revenue.
WFRP APPLICATION (CONT.)

- The producer must include the following information on their application:
  - How farm taxes are filed:
    - Calendar year;
    - Early fiscal filer (Begins before August 1);
    - or Late fiscal filer (Begins August 1 or later).
  - County listed
    - Where the majority of the total expected revenue is generated.
QUALIFYING PERSON CRITERIA

- U.S. citizen or resident
- Eligible to receive federal benefits
- File a Schedule F or Substitute Schedule F (covering 100 percent of the farm operation)
- Individual/entity must have tax returns for the previous five years (six years due to enrollment and tax filing deadlines)
QUALIFYING PERSON CRITERIA (CONT.)

- If you inherit, purchase or lease another person’s farm operation
  - Use the other person’s tax returns (if certain requirements are met)
  
  *** Check with your crop insurance agent ***
WFRP – FARM INELIGIBILITY

- Insured revenue > $8.5 million
- Expected revenue from animals / animal products > $1 million or 35% of total expected revenue; or
- Expected revenue from nursery / greenhouse > $1 million or 35% of total expected revenue
WFRP – FARM INELIGIBILITY (CONT.)

- The entity raises potatoes and does not qualify as having two commodities (commodity count calculation)

* This limit is a legislated requirement under section 508(a)(3)(C) of the Act
FARM INELIGIBILITY

- You raise one commodity and revenue protection is available for that commodity
- Purchases CAT coverage for another policy (unless allowed by the Special Provisions)
FARM INELIGIBILITY (CONT.)

- > 50% of allowable revenue from commodities purchased for resale.
- < 50% of expected revenue for the insurance year from the pilot counties.
APPLICATION/DOCUMENTATION

Producer provides:

- IRS Tax Form 1040 Schedule F (5 years) OR
- Other farm tax forms and WFRP Substitute Schedule F
- Farm plan for the insurance year (what and how much will be produced)
IMPORTANT DATES

- Sales Closing, Cancellation, & Termination Dates
  - County Specific  **February 28 or March 15**

- Revised Farm Operation Report Dates
  - Calendar Year Filers – **July 15**
  - Early Fiscal Year Filers – **July 15**
  - Late Fiscal Year Filers. Fiscal Year begins August or September – **30 days after start of fiscal year.**
  - October, November, or December – **October 31**
DIVERSIFICATION

- Approved revenue
  - lower of the expected revenue or your whole-farm historic average revenue.
- Coverage levels range from 50 – 85%
- Catastrophic Risk Protection (CAT) coverage not available.
- Three or more commodities required for 80 and 85% coverage.
COVERAGE

- Can purchase WFRP alone or with other buy-up level (additional) Federal crop insurance policies.
  - When purchased with another 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 levels of coverage you do not qualify for WFRP.
INFORMATION YOU PROVIDE

- 5 consecutive years of Schedule F or equivalent
- If farm has physically expanded, must provide information supporting the expansion.
- Supporting information
  - other signed tax forms, to show that the farm tax forms were filed.
NAP VS. WHOLE-FARM STRATEGY

- If you don’t have 6 years of Schedule F history, NAP is only choice.
- If > 35% of revenue comes from livestock, NAP is only choice.
- WFRP requires substantial paperwork
  - If you have loss, you have to produce inventory and expense records to show that loss did not come from carrying over inventories or that you neglected your crop.
NAP VS. WHOLE-FARM STRATEGY

- WFRP more affordable if:
  - Insuring several crops (80% and 85% coverage only available if insuring three or more commodities)
  - Purchase traditional crop insurance to cover losses on insurable crops
NAP VS. WHOLE-FARM STRATEGY

- WFRP provides coverage for organic producers at organic prices where traditional insurance does not provide an organic price election.
ENROLLMENT FOR NAP AND WFRP

- **NAP**
  - FSA program
  - Contact FSA for enrollment

- **WFRP**
  - RMA program
  - Contact your crop insurance agent for enrollment forms, procedures and questions.
PREMIUM EXAMPLE

Crops: Blueberries
       Buckwheat
       Rye
       Sweet Corn

County: Cass

Avg. Annual Revenue: $ 110,000
ONLINE TOOL - WFRP PREMIUMS

- Go to the RMA website at:

  http://www.rma.usda.gov/
Please disable your pop-up blocker before using this application or add this application to your list of safe sites.

Most Used Links:
- Quick Estimate
- Detailed Estimate
- Continue with an Existing Estimate
- Preferences
- View Frequently Asked Questions (FAQ)
- Ask a Question or Make a Comment

If you use a Satellite Internet Service Provider, click here to use a secure connection.
Quick Estimate

Quick Criteria

- Commodity
- Commodity Year
- State
- County
- Type
- Practice

Data valid as of: 2/18/2015

The Cost Estimator only provides a general premium estimate. Refer to your crop insurance agent and policy for specific information regarding insurance coverage, actuarial information, conditions and exclusions.
The Cost Estimator only provides a general premium estimate. Refer to your crop insurance agent and policy for specific information regarding insurance coverage, actuarial information, conditions and exclusions.
The Cost Estimator only provides a general premium estimate. Refer to your crop insurance agent and policy for specific information regarding insurance coverage, actuarial information, conditions and exclusions.
Add Multiple Commodities

- Alfalfa 0648 (M)
- Apples (Fresh Market) 0853 (M)
- Apples (Processing) 0854 (M)
- Aronia (Chokeberry) 0143
- Arugula 0162
- Asparagus 0607
- Barley 0091 (M)
- Bees (Animals) 0843 (M)
- Beets 0616
- Bell Peppers 0104 (M)
- Berries (Other) 0601
- Blackberries 0302
- Blueberries 0012 (M)
- Broccoli 0620
- Broilers 0962 (A)
- Buckwheat 0114 (M)
- Cabbage 0072 (M)
- Canola 0015 (M)
- Cantaloupe 0612

Add  Cancel
Enter 2015 year value of production

- Commodity: Blueberries 0012 (M)
- Total Value: 18000
- Commodity: Buckwheat 0114 (M)
- Total Value: 25200
- Commodity: Rye 0094 (M)
- Total Value: 26000
- Commodity: Sweet Corn (Fresh Market) 0044 (M)
- Total Value: 31000
Amount covered

Selected Initial Criteria
- Commodity: Whole Farm Revenue Protection
- Commodity Year: 0076
- County: Cass 021
- Type: Calendar Year Filer 670
- State: Minnesota 27

Individual Coverage
- Whole Farm Revenue Protection 76
- MPCI Liability: 0

Commodity Values
- Blueberries 0012 M: 18000
- Buckwheat 0114 M: 25200
- Rye 0094 M: 26000
- Sweet Corn: 0044 M: 31000

Show in Grid
- Liability Amount
- Total Premium Amount
- Producer Premium Amount
- Subsidy Amount

Liability Amount
- Whole Farm Revenue Protection 76
  - PE %: 100 %
  - Allowable Revenue: $85,170.00, $80,160.00, $75,150.00, $70,140.00, $65,130.00, $60,120.00, $55,110.00, $50,100.00

View
- Worksheets
- Detailed Estimate
- CEPP
- SPOI
- AIB
### Premium

#### Selected Initial Criteria
- **Commodity**: Whole Farm Revenue Protection
- **Commodity Year**: 0076
- **County**: Cass 021
- **Commodity Year Filer**: Calendar Year Filer 670
- **State**: Minnesota 27
- **Practice**: No Practice Specified 997

#### Individual Coverage
- **Whole Farm Revenue Protection 76**
  - **MPCI Liability**: 0
  - **Allowable Revenue**:
    - 2009: 110000
    - 2010: 110000
    - 2011: 110000
    - 2012: 110000
    - 2013: 110000

#### Commodity Values
- **Commodity**:
  - Blueberries 0012 (M): 18000
  - Buckwheat 0114 (M): 25200
  - Rye 0094 (M): 26000
  - Sweet Corn (Fresk Market): 31000

#### Show In Grid
- **Liability Amount**: Total Premium Amount

#### Producer Premium Amount
<table>
<thead>
<tr>
<th>Coverage</th>
<th>PE %</th>
<th>85 %</th>
<th>80 %</th>
<th>75 %</th>
<th>70 %</th>
<th>65 %</th>
<th>60 %</th>
<th>55 %</th>
<th>50 %</th>
<th>View</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole Farm Revenue Protection 76</td>
<td>100 %</td>
<td>5,134.00</td>
<td>2,883.00</td>
<td>1,924.00</td>
<td>1,613.00</td>
<td>1,329.00</td>
<td>1,154.00</td>
<td>992.00</td>
<td>842.00</td>
<td>Worksheets</td>
</tr>
</tbody>
</table>
NAP AND WHOLE-FARM REVENUE PROTECTION

- Questions? Evaluation!