Farmers Mutual Hail Insurance Company of Iowa | Training & Development

Prevented Planting FAQ

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Relating to crops with prevented planting coverage insured under the Common Crop Insurance Policy (CCIP).

An insured is prevented from planting a crop by the final plant date (FPD) due to an insurable cause of loss (COL) that occurred during the insurance period. What options are available?

There are two options.

- **Option 1**: Continue planting into the late plant period (LPP) with a 1% reduction in the guarantee for each day late planted, yet pay full premium. Please note a few crops have a larger reduction in guarantee.
- **Option 2**: Stop trying to plant the crop and file a prevented planting claim for the acreage not planted.

How long is the LPP?

Generally, the LPP is 25 days, but some crops/counties have been adjusted and may be less than 20 days or no LPP at all. Insureds would have to check their policy or special provisions to confirm the LPP for their crop/county.

What does the PP coverage amount to and how does it pay?

Corn and Rice under the CCIP have PP coverage at 55% of the timely planted guarantee. Most other crops under the CCIP are at 60% of the timely planted guarantee.

Either the acres qualify for PP or they don’t.

- If qualified, payment is made at this reduced guarantee yet full premium is charged.
- If not qualified, no payment is made, the acres are removed and no premium is charged

What should I know about acreage qualifying?

The provisions provide for a number of qualifying factors. Some of the main ones are:

1. Must be at least 20 acres or 20% of the insurable crop acreage in the unit.
2. The acreage must be available to plant. Additional Special Provision language is applicable for those in the prairie pothole states (IA, MN, ND, SD and MT).
3. Acreage for the crop claimed can’t exceed the maximum acres you have planted to the crop in any of the last 4 years, less any acres of the crop you did plant this year. You may qualify to increase your eligibility if you have more cropland in your operation this year then you did last year.
4. If you exhaust your acreage eligibility for the crop claimed it may be possible to borrow eligibility from, or roll eligibility to, another crop.

I'd like to get some value out of those PP acres. I'll at least have to do something to control the weeds. What actions can I take or what other crops can I plant on the PP acreage?

Here are several key points you need to know.

1. There are pretty strict limitations on PP acreage as far as trying to get other value out of those acres. If you want to preserve your full PP payment, it's black dirt or cover crop only.
2. If you plant a second crop during the LPP of the PP crop there is NO PP payment.
3. If you plant a second crop after the LPP of the PP crop, the PP payment is reduced to 35% of what it would have been. Exceptions to this rule may apply for producers in a double crop area, who have a history of double cropping.
4. Cover crops may be planted, however keep in mind certain actions by an insured may cause a cover crop to become a second crop and subject to the second crop limitations described above.
    a. Per the provisions, cover crops planted with the intention to hay, graze or otherwise harvest, or that are hayed or grazed prior to November 1 of the crop year, are considered a “second crop”.
    b. So, while otherwise harvesting a cover crop at any time will make it a second crop, it is allowable to hay or graze (not silage or haylage) a cover crop after November 1 of the crop year with no penalty.

When must a PP claim be submitted?

Notice of PP must be submitted to Farmers Mutual Hail (FMH) within 72 hours after the FPD or within 72 hours of determination by insured that planting will not happen within any applicable LPP. This is just the notice of loss. The prevented acres will still need to be reported on the acreage report the insured completes with the agent by the acreage reporting date (ARD).

Will my APH database be impacted when I claim and qualify for a PP payment?

The APH database will suffer a yield reduction, but only on acreage where the payment was reduced to 35% because a second crop was planted. Those are the only PP acres that will show in the database and the yield they receive is 60% of the approved yield. PP acreage paid at 100% of the PP guarantee does not impact the APH database at all.