



# CROP INSURANCE FOR ORGANIC OPERATIONS

## SELECT ENDORSEMENTS AND INSURANCE TIMELINE WITH BETH CAPLE



Location:  
Nevada, Iowa



Licensed to sell crop insurance in:  
Iowa

For Beth Caple, an important part of her job is to learn and adapt as things change in the agriculture and crop insurance worlds.

Beth has been selling crop insurance in central Iowa for more than 20 years. The types of individuals she services stretch across the board, from farmers with 3,000-acre operations to a landowner with around 50 acres. Most of her customers are conventional row crop producers, but she also sells to a handful of split operations, or operations with both organic and conventional ground.

### YA, YE, and TA endorsements

For both organic and conventional producers purchasing federal Multi-Peril Crop Insurance (MPCI), endorsements, also known as options, can be added to the policy for additional coverage, usually for a small cost per acre, or in some cases free. Below, see Beth's explanation for three common endorsements.

- **Yield Adjustment (YA)** is helpful if a producer has a year with a zeroed-out or low yield, which would impact their actual production history (APH) and ultimately their potential coverage for future years. Instead of recording low yields, the endorsement allows them to record a percentage of county average yields. According to the 2020 Crop Insurance Handbook, “[Farmers] may elect to substitute 60 percent of the applicable T-Yield for actual yields (does not apply to assigned and temporary yields) that are less than 60 percent of the applicable T-Yield to mitigate the effect of catastrophic year(s).”

- **Yield Exclusion (YE)** allows 1 year's low yield to be excluded in a producer's 10 years of yield history. However, only farmers in select counties are eligible to purchase YE, which usually happens if the county average is a certain percentage lower than normal. So, this option is not available for everyone.

“ The timeline for this process is a bit delayed. Based on the 2020 derecho in Iowa, for example, eligible counties will be decided in spring 2021, so the YE would only be able to be added to a policy in 2022 to exclude the 2020 yield. ”

- **Trend Adjustment (TA)** takes historical yields and adjusts them based on today's technology. This has the potential to increase the 10-year average, which would ultimately impact available coverage levels. TA for corn and soybeans is available in most of the Corn Belt.

“There are so many endorsements, so if you're curious about one, or you hear about something in a trade journal or something, ask your agent about it.”



## Crop insurance timeline

When thinking about crop insurance, organic producers should be aware of key dates in the process. See below for standard Midwest dates. If a date is not listed, expect one to be set during the noted season.

**March 15:** Sales closing date for crops such as corn and soybeans

“ March 15 is the big one. You have to have the majority of things done: pick your coverage level, entity name correct, endorsements, etc. You lock in what coverage you want, and then we report the acres later. ”

**Spring:** a) Producer reports organic plan to agent upon request, b) Final planting date

**July 15:** Producer reports planted acres, planting dates, and provides their organic certificate

**Fall:** a) Producer reports yields to agent, b) Premium payment due date

**December:** Claim reporting deadline

In addition to these general crop insurance dates, organic farmers should be aware of deadlines to submit organic certification documents to their insurance agent, to be sure they can be insured with organic prices.

## Questions for producers new to crop insurance

**Q:** When should a farmer reach out to an agent?

**A:** The earlier the better. Maybe January or February. Sometimes it takes time to get the records where they all need to be. If you're looking for a quote, that'll be based on what yields you'll be using for your coverage, so I like to gather everything first to know what I'm dealing with. It could make a big difference as far as coverage, and we want to give an accurate quote.

**Q:** What kind of documents should a producer bring to their first meeting with an agent?

**A:** Legals are good. So, if they have the [Farm Service Agency] paperwork, like FSA-578 forms that show farm numbers and acres, that's very helpful. If they've had crop insurance in the past, that paperwork is helpful as well, because that's usually going to have the yield history on it. If they haven't had crop insurance in the past, but they have yield history, that information is helpful too.



“Organic farmers should also talk with their agent about when they will need their organic certification. In the past, there were people who wouldn't get their certification letters until a few months after we needed them. So, they had to be insured as transitional for that year.”



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