



# CROP INSURANCE FOR ORGANIC OPERATIONS

## CROP INSURANCE TIMELINE WITH CALEB MOSEL

 Location: Page, Nebraska	 Operation: Organic corn, alfalfa, chickpeas, oats, rye, field peas, and livestock	 Acres: Approx. 1,200, including some pasture
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Caleb Mosel grew up on the family farm, and has worked the land since he was young. His father started farming organically in 1994, and when Caleb set out on his own, he continued the practice.

After renting his first fields from his father, Caleb has continued to lease new ground, and in many cases, transition it to certified organic. He now farms approximately 1,200 acres, which includes some pasture. The operation includes organic corn, alfalfa, chickpeas, oats, rye, field peas, and livestock. He has grown soybeans in the past, but does not currently. Though he's been farming on his own for about 15 years, Caleb continues to work alongside his father and brother whenever he can.

### History with crop insurance

Caleb first purchased crop insurance when it was required for a Farm Service Agency (FSA) program he was interested in. In addition to FSA programs and loans, crop insurance is often required to access credit from private lenders. At the time, Caleb purchased a private hail policy. Then, at a meeting with fellow organic producers, he heard a presentation about federal crop insurance.

This prompted the farmer to look into Multi-Peril Crop Insurance (MPCI), and over the years he has purchased both yield and revenue protection policies. He currently insures his organic corn, and when he grew soybeans was also insuring them. MPCI policies allow the producer to choose their coverage level, between 50 and 85 percent by 5 percent intervals. Caleb typically insures at a coverage level of 80 or 85 percent, evaluating the decision each year based on his expected risk and premium price.

“ Obviously, there are different premium prices based on your coverage level, and going from 80 to 85 percent coverage is a jump in price. It just depends on how you feel about your fields. With the last few years of it being wet, we erred more on the cautious side. ”

**Q:** Have you ever had challenges with the timeline (see next page), being organic?

**A:** Yes, especially with the final planting date. [Risk Management Agency (RMA)] sets a date that you have to plant by. Organic farmers just don't get going like [conventional farmers]. It just depends on rain and everything. We sometimes run a little late on the deadline because we don't have as much time as other people do to get it done on time.

**Q:** Is there anything else you think organic producers should keep in mind?

**A:** I do think it's important to have crop insurance, especially when you get certified organic. If you just got done with three years of transition, and your first year of organic is too wet or too dry, it's good having something there to back you up.



## Crop insurance timeline

Federal crop insurance is administered by the U.S. Department of Agriculture's Risk Management Agency (RMA), which sets specific deadlines by which all major steps in the crop insurance process must be completed. Since he began using crop insurance, Caleb has familiarized himself with the timeline. See below for typical Midwest dates. If a date is not listed, expect a date to be set during the noted season.

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

“Early in the year, sometimes January or February, my agent and I will talk about my [crop insurance] options for the coming year. That all needs to be decided by March 15.”

**Spring:**

a) Producer reports organic plan to agent upon request. If a farmer is transitioning a portion of their ground, they will be asked to present their organic certification plan to their agent.

b) Final planting date. All farmers, organic and conventional, must plant by a final planting date set by RMA to receive the full guaranteed coverage for crop insurance.

“ For every day you're planting after their final planting date, you're getting docked 1 percent of your coverage, but the premium stays the same [unless otherwise stated]. It might also be during that time that you'd need to call them and tell them if you had any prevent plant. ”

In the instance of prevented planting, MPC I policies will cover a percentage of the producer's guarantee. In the Midwest, corn is typically covered at 55 percent and soybeans at 60 percent, which applies for both conventional and organic. There is also an endorsement, or option, that can be added to a policy to increase that coverage by 5 percent.

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

**Fall:**

a) Producer reports yields to agent.

b) Premium payment due date.

“In the fall, if you're into harvest and if you think you're going to have a loss, you need to tell your agent so they can get a claim turned in.”

**December:** Claim reporting deadline.



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