Federal crop insurance program

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Crop Insurance Programs

Insures 254 million acres, with total protection of $112 billion.

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The Federal crop insurance program covers losses due to natural causes of loss, which is in law and the crop insurance policies that are a contract between the farmer and insurance company.

These include earthquakes, fire, flooding, drought, excessive heat, and wind, among others.
Scope of U.S. Crop Insurance Program

Insurance for 128 crops, range of coverage levels

- Coverage -- 438 combinations of crops and plan types available
  Yield, Revenue, Area/individual farm, Whole farm, Asset (e.g., fruit trees, nursery)

Program Structure

- Standard Reinsurance Agreement with Private Insurance Companies and Agents – Updated in 2005 and 2011

Source: Risk Management Agency - USDA
# National Business Summary

**As of 10-24-2011**

<table>
<thead>
<tr>
<th>Crop Year</th>
<th>2010</th>
<th>2011*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value of Insured Crops</td>
<td>$78 Billion</td>
<td>$112 Billion</td>
</tr>
<tr>
<td>Acres Insured</td>
<td>256 Million Acres</td>
<td>254 Million Acres</td>
</tr>
<tr>
<td>Total Premium</td>
<td>$7.6 Billion</td>
<td>$11.4 Billion</td>
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<tr>
<td>Claims Paid So Far for 2010</td>
<td>$4.2 Billion</td>
<td>$4.6 Billion</td>
</tr>
<tr>
<td>Loss Ratio</td>
<td>.55</td>
<td>.39</td>
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</tbody>
</table>

*Source: Risk Management Agency – USDA*

*These are real time estimates.*
Thank you

Questions?

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