

Livestock Risk Protection Feeder Cattle



Livestock Risk Protection

Feeder Cattle (LRP-Feeder Cattle) is designed to insure against declining market prices. You may choose from a variety of coverage levels and insurance periods that match the time your feeder cattle would normally be marketed (ownership may be retained).

You may buy LRP-Feeder Cattle insurance throughout the year from Risk Management Agency (RMA) approved livestock insurance agents. Premium rates, coverage prices, and actual ending values are posted online daily.

You may choose coverage prices ranging from 70 to 100 percent of the expected ending value. At the end of the insurance period, if the actual ending value is below the coverage price, you will be paid an indemnity for the difference between the coverage price and actual ending value.

Visit RMA's website to see the LRP-Feeder Cattle program's coverage prices, rates, actual ending values, and per hundredweight insurance cost (see useful links). Actual ending values are based on weighted average prices, from the Chicago Mercantile Exchange Group Feeder Cattle Index. Actual ending values are posted on RMA's website at the end of the insurance period.

Availability

You submit a one-time application for LRP-Feeder Cattle coverage. After the application is accepted, you can buy specific coverage endorsements throughout the year for up to 12,000 head of feeder cattle that are expected to weigh up to 1000 pounds at the end of the insurance period. The annual limit for LRP-Feeder Cattle is 25,000 head per producer per year (July 1 to June 30).

The length of insurance coverage available for each specific coverage endorsement is 13, 17, 21, 26, 30, 34, 39, 43, 47, or 52 weeks.

Coverage is available for:

- Calves;
- Steers;
- Heifers;
- Predominantly Brahman cattle;
- Predominantly dairy cattle; and
- Unborn calves.

You may also choose from two weight ranges - 100-599 pounds and 600-1000 pounds. LRP-Feeder Cattle insurance is available in all counties in all states.



Buying a Policy

You must buy LRP-Feeder Cattle insurance through a livestock insurance agent. You may fill out an application at any time. However, insurance does not attach until you buy a specific coverage endorsement. You may buy multiple specific coverage endorsements with one application. Your insurance coverage starts the day you buy a specific coverage endorsement and RMA approves the purchase.

Where to Buy Livestock Insurance

All multi-peril livestock insurance, including Catastrophic Risk Protection policies, are available from private insurance agents. A list of livestock insurance agents is available on the RMA website at: rma.usda.gov/Information-Tools/Agent-Locator.

Useful Links

Daily LRP Coverage Prices, Rates, and Actual Ending Values: rma.usda.gov/Information-Tools/Livestock-Reports

Premium Calculator: webapp.rma.usda.gov/apps/costestimator/

Approved livestock agents and insurance companies: rma.usda.gov/Information-Tools/Agent-Locator

Related AMS online livestock reports: marketnews.usda.gov

This fact sheet gives only a general overview of the crop insurance program and is not a complete policy. For further information and an evaluation of our risk management needs, contact a crop insurance agent.