

IS-19-005

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Date

September 18, 2019

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Delores Dean, Acting Deputy Administrator for Insurance Services

Subject

2019 Claims Advisory – Contained Water

RMA has received reports concerning prevented planting eligibility on acreage affected by water contained by or in structures that are designed to contain a specific amount of water.

Section 12(c) of the 2018 Common Crop Insurance Provisions (Basic Provisions) provides policy language concerning contained water areas. The 2019 Loss Adjustment Manual Standards Handbook provides further procedure on how to administer loss determinations, including controversial claims where an insured must prove prevented planting conditions would have occurred regardless of whether contained water subsequently impacted the acreage in question.

RMA policy and procedure require AIPs to determine prevented planting eligibility on a case-by-case basis, regardless of land elevation. Payments must be based on Federal Crop Insurance Corporation issued policies, procedures, and information provided by the insured and other generally available supporting evidence, such as weather records, historical precipitation, surrounding farming operations, etc. If an insured can prove that conditions existed that prevented them from planting, AIPs may pay the claim despite the subsequent contained water inundating the acreage.

When making case-by-case determinations, supporting evidence must be included in the loss file maintained by the AIPs. Blanket loss adjustment determinations are not allowed. The AIP must take each insured's individual farming operation into account.

DISPOSAL: This memorandum is in effect until December 31, 2019.