

PM-19-053

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Date

September 16, 2019

To

All Approved Insurance Providers

All Risk Management Agency Field Offices

All Other Interested Parties

From

Richard Flournoy, Deputy Administrator /s/ Richard Flournoy 9/16/2019

Subject

2019 Crop Year (CY) Common Crop Insurance Policy Harvest Prices; 2020 CY Common Crop Insurance Policy and Area Risk Protection Insurance Projected Prices and Volatility Factors; 2020 CY Malting Barley Endorsement Price Component; and 2020 CY Margin Protection Plan Projected Prices and Volatility Factors

Common Crop Insurance Policy¹

The 2019 CY **harvest prices** shown below are approved for the following plans of insurance: Revenue Protection and Revenue Protection with Harvest Price Exclusion. The harvest prices are applicable for the crop, sales closing date, states and practices indicated in the following table.

| Crop/Sales Closing Date/ State/Practice | Exchange | Contract | Harvest Price |
|---|----------|------------------|---------------|
| Corn February 28 Sales Closing Date Arkansas & Mississippi | CBOT | December Corn | \$3.66/bushel |
| Corn - Organic Practice February 28 Sales Closing Date Arkansas & Mississippi | CBOT | December Corn | \$8.43/bushel |

¹ Harvest Prices are applicable for the Supplemental Coverage Option (SCO).

Common Crop Insurance Policy and Area Risk Protection Insurance ¹

The 2020 CY **projected prices** shown below are approved for the following plans of insurance: Yield Protection, Area Yield Protection, Revenue Protection, Area Revenue Protection, Revenue Protection with Harvest Price Exclusion and Area Revenue Protection - Harvest Price Exclusion. The 2020 CY **volatility factors** shown below are approved for the following plans of insurance: Revenue Protection, Area Revenue Protection, Revenue Protection with Harvest Price Exclusion and Area Revenue Protection - Harvest Price Exclusion. The projected prices and volatility factors are applicable for the crops, sales closing dates, states, types and practices indicated in the following table.

| Crop/Sales Closing Date/ State/Type/Practice | Exchange | Contract | Projected Price | Volatility Factor |
|--|-----------------|-----------------|----------------------------|------------------------------|
| Barley September 30 Sales Closing Date Colorado (Winter types), Delaware, Georgia, Illinois, Indiana, Kansas (Winter type), Kentucky, Maryland, Missouri, New Jersey, New Mexico, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas & Virginia | CBOT | July Corn | \$3.22/bushel | 0.15 |
| Barley – Organic Practice September 30 Sales Closing Date Colorado (Winter types), Delaware, Georgia, Illinois, Indiana, Kansas (Winter type), Kentucky, Maryland, Missouri, New Jersey, New Mexico, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee, Texas & Virginia | CBOT | July Corn | \$6.88/bushel | 0.15 |
| Barley September 30 Sales Closing Date New York (Winter type), Pennsylvania (Winter type) & West Virginia | CBOT | September Corn | \$3.24/bushel | 0.15 |
| Barley – Organic Practice September 30 Sales Closing Date New York (Winter type), Pennsylvania (Winter type) & West Virginia | CBOT | September Corn | \$6.93/bushel | 0.15 |
| Barley September 30 Sales Closing Date California (Winter types), Idaho (Winter types), Oregon (Winter types) & Washington (Winter types) | CBOT | September Corn | \$3.24/bushel | 0.16 |
| Barley – Organic Practice September 30 Sales Closing Date California (Winter types), Idaho (Winter types), Oregon (Winter types) & Washington (Winter types) | CBOT | September Corn | \$6.93/bushel | 0.16 |

| Crop/Sales Closing Date/ State/Type/Practice | Exchange | Contract | Projected Price | Volatility Factor |
|--|----------|---------------------------|--------------------|----------------------|
| Barley March 15 Sales Closing Date California (Winter types w/o Winter Coverage Endorsement), Idaho (Winter types w/o Winter Coverage Endorsement), Oregon (Winter types w/o Winter Coverage Endorsement) & Washington (Winter types w/o Winter Coverage Endorsement) | CBOT | September Corn | \$3.24/bushel | 0.16 |
| Barley – Organic Practice March 15 Sales Closing Date California (Winter types w/o Winter Coverage Endorsement), Idaho (Winter types w/o Winter Coverage Endorsement), Oregon (Winter types w/o Winter Coverage Endorsement) & Washington (Winter types w/o Winter Coverage Endorsement) | CBOT | September Corn | \$6.93/bushel | 0.16 |
| Canola - Canola Type September 30 Sales Closing Date Alabama and Georgia | ICE | July Canola | \$0.162/pound | 0.10 |
| Canola - Rapeseed Type September 30 Sales Closing Date Alabama and Georgia | ICE | July Canola | \$0.214/pound | 0.00 |
| Wheat September 30 Sales Closing Date Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina & Tennessee | CBOT | July SRW Wheat | \$4.86/bushel | 0.16 |
| Wheat – Organic Practice September 30 Sales Closing Date Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina & Tennessee | CBOT | July SRW Wheat | \$10.65/bushel | 0.16 |
| Wheat September 30 Sales Closing Date Delaware, Illinois, Indiana, Iowa (Winter), Maryland, Michigan, Missouri, New Jersey, New York, Ohio, Pennsylvania, Virginia & West Virginia | CBOT | September SRW Wheat | \$4.94/bushel | 0.17 |

| Crop/Sales Closing Date/ State/Type/Practice | Exchange | Contract | Projected Price | Volatility Factor |
|---|----------|---------------------------|--------------------|----------------------|
| Wheat – Organic Practice September 30 Sales Closing Date Delaware, Illinois, Indiana, Iowa (Winter), Maryland, Michigan, Missouri, New Jersey, New York, Ohio, Pennsylvania, Virginia & West Virginia | CBOT | September SRW Wheat | \$10.83/bushel | 0.17 |
| Wheat September 30 Sales Closing Date Wisconsin (Winter) | CBOT | September SRW Wheat | \$4.94/bushel | 0.18 |
| Wheat – Organic Practice September 30 Sales Closing Date Wisconsin (Winter) | CBOT | September SRW Wheat | \$10.83/bushel | 0.18 |
| Wheat September 30 Sales Closing Date Kansas, New Mexico (Winter & Spring), Oklahoma & Texas (Winter & Spring) | KCBT | July HRW Wheat | \$4.35/bushel | 0.17 |
| Wheat – Organic Practice September 30 Sales Closing Date Kansas, New Mexico (Winter & Spring), Oklahoma & Texas (Winter & Spring) | KCBT | July HRW Wheat | \$9.54/bushel | 0.17 |
| Wheat September 30 Sales Closing Date Colorado (Winter), Nebraska (Winter) & South Dakota (Winter) | KCBT | September HRW Wheat | \$4.48/bushel | 0.17 |
| Wheat – Organic Practice September 30 Sales Closing Date Colorado (Winter), Nebraska (Winter) & South Dakota (Winter) | KCBT | September HRW Wheat | \$9.82/bushel | 0.17 |
| Wheat September 30 Sales Closing Date Montana (Winter) & Wyoming (Winter) | KCBT | September HRW Wheat | \$4.48/bushel | 0.18 |

| Crop/Sales Closing Date/ State/Type/Practice | Exchange | Contract | Projected Price | Volatility Factor |
|--|----------|---|--------------------|----------------------|
| Wheat – Organic Practice September 30 Sales Closing Date Montana (Winter) & Wyoming (Winter) | KCBT | September HRW Wheat | \$9.82/bushel | 0.18 |
| Wheat September 30 Sales Closing Date California (Winter), Idaho (Winter), Oregon (Winter) & Washington (Winter) | CBOT | September SRW Wheat with PME Adjustment | \$5.73/bushel | 0.18 |
| Wheat – Organic Practice September 30 Sales Closing Date California (Winter), Idaho (Winter), Oregon (Winter) & Washington (Winter) | CBOT | September SRW Wheat with PME Adjustment | \$12.56/bushel | 0.18 |
| Wheat September 30 Sales Closing Date Idaho (Spring), Oregon (Spring)* & Washington (Spring) | MGE | September HRS Wheat | \$5.51/bushel | 0.14 |
| <i>* The 2020 CY projected price for Klamath County, Oregon – Spring type will be derived at a later date, using a February 2020 projected price discovery period.</i> | | | | |
| Wheat – Organic Practice September 30 Sales Closing Date Idaho (Spring), Oregon (Spring)* & Washington (Spring) | MGE | September HRS Wheat | \$12.08/bushel | 0.14 |
| <i>* The 2020 CY projected price for Klamath County, Oregon – Spring type will be derived at a later date, using a February 2020 projected price discovery period.</i> | | | | |
| Wheat October 31 Sales Closing Date Nevada (Winter) & Utah (Winter) | CBOT | September SRW Wheat with PME Adjustment | \$5.73/bushel | 0.18 |

| Crop/Sales Closing Date/ State/Type/Practice | Exchange | Contract | Projected Price | Volatility Factor |
|--|----------|---|--------------------|----------------------|
| Wheat – Organic Practice October 31 Sales Closing Date Nevada (Winter) & Utah (Winter) | CBOT | September SRW Wheat with PME Adjustment | \$12.56/bushel | 0.18 |
| Wheat October 31 Sales Closing Date Nevada (Spring) & Utah (Spring) | MGE | September HRS Wheat | \$5.51/bushel | 0.14 |
| Wheat – Organic Practice October 31 Sales Closing Date Nevada (Spring) & Utah (Spring) | MGE | September HRS Wheat | \$12.08/bushel | 0.14 |
| Wheat – Durum Type September 30 Sales Closing Date New Mexico | MGE | July HRS Wheat | \$6.29/bushel | 0.12 |
| Wheat – Durum Type Organic Practice September 30 Sales Closing Date New Mexico | MGE | July HRS Wheat | \$13.79/bushel | 0.12 |

¹ Projected Prices are applicable for the Supplemental Coverage Option (SCO).

Malting Barley Endorsement

The Malting Barley Endorsement (MBE) utilizes a Chicago Board of Trade (CBOT) soft red wheat price component to derive the 2020 CY projected price for any insured whose malt barley contract provides for a premium amount above or below a base price to be determined, and whose base price is not determined by the acreage reporting date. Please see the [Malting Barley Endorsement](#) for details.

| Malt Barley Type | Exchange | Contract | Projected Price Component | Volatility Factor |
|-------------------|----------|---------------------------|---------------------------|-------------------|
| Fall Planted Type | CBOT | September SRW Wheat | \$4.94/bushel | 0.18 |

Margin Protection Plan

The following 2020 CY margin projected prices and volatility factors are approved for the Margin Protection Plan. The margin projected price is used in conjunction with projected input prices and the expected county yield to derive the expected margin (per acre), trigger margin (per acre) and liability. The expected margins for each crop/county are available at RMA's [Actuarial Information Browser](#).

Please see the [Margin Protection Program](#) page on RMA's public website for program details.

| Crop/States/Type | Exchange | Contract | Margin Projected Price | Volatility Factor |
|--|----------|---------------------------|------------------------------|-------------------|
| Corn – Grain Type All Insured States | CBOT | December Corn | \$4.03/bushel | 0.16 |
| Soybeans All Insured States | CBOT | November Soybeans | \$9.32/bushel | 0.14 |
| Wheat All Insured States | MGE | September HRS Wheat | \$5.51/bushel | 0.14 |

DISPOSAL DATE

December 31, 2019