

# **Area Risk Protection Insurance for Irrigated Grain Sorghum beginning with Crop Year 2023**

## **What is changing for Crop Year 2023?**

The existing Area Risk Protection Insurance (ARPI) plan will change from using irrigated grain sorghum for the area yield basis to using irrigated corn for grain in selected counties. The guarantee will be determined by applying a factor of 80% to the existing Supplemental Coverage Option (SCO) irrigated corn for grain yields and the cost of the coverage will be based on the irrigated corn for grain rates. There is no change to the grain sorghum price.

## **When is the change effective?**

The change will be effective by the November 30, 2022, contract change date for the 2023 and subsequent crop years.

## **What is the yield factor used for determining the relationship between corn and grain sorghum?**

The irrigated corn for grain yield established for the SCO will be multiplied by 0.80. This factor will be applied to the expected and final yield.

## **Where will the program be available?**

The program will be available in specific counties in Kansas, Oklahoma, and Texas. The map area shows counties in 3 categories.

## Grain Sorghum ARPI Conversion

- Convert Program - The basis of the ARPI offer changed from grain sorghum to corn.
- Expand ARPI - New ARPI offers are now available for irrigated grain sorghum using corn as the basis for the offer.
- No Change - The grain sorghum ARPI program had no changes.

### **Convert Program**

Kansas	Finney, Gray
Texas	Bailey, Carson, Castro, Cochran, Deaf Smith, Floyd, Hale, Lamb, Moore, Ochiltree, Parmer, Swisher, Terry

### **Expand ARPI**

Colorado	Baca, Prowers
Kansas	Clark, Ford, Grant, Greeley, Hamilton, Haskell, Hodgeman, Kearny, Lane, Meade, Morton, Ness, Scott, Seward, Stanton, Stevens, Wichita
Oklahoma	Beaver, Texas
Texas	Armstrong, Briscoe, Crosby, Dallam, Gray, Hansford, Hartley, Hockley, Hutchinson, Lipscomb, Lubbock, Lynn, Oldham, Potter, Randall, Roberts, Sherman, Yoakum

### **No Change**

Kansas	Barton, Clay, Cloud, Dickinson, Gove, Graham, Harvey, Jewell, Lincoln, Marion, Marshall, McPherson, Mitchell, Osborne, Pawnee, Phillips, Pratt, Reno, Rice, Rooks, Saline, Sedgwick, Smith, Sumner, Washington
Texas	Bell, Ellis, Hill, McLennan, Williamson

**How will production areas be determined?**

The production areas will be based off the irrigated corn for grain SCO production areas. A production area can be a single county or multiple counties depending on data availability. Every effort will be made to establish the smallest region possible while still maintaining actuarial soundness.

**Will yields be practice specific?**

Yes, all offers changing or expanding will be based off irrigated insurance production history in the production area.

**Will this affect CY 2022 Final Yield Calculation?**

No, CY 2022 used grain sorghum production history to establish expected yields and will use the same production area grain sorghum yields to calculate final yields.

**Does this affect SCO or Enhanced Coverage Option (ECO)?**

No, SCO and ECO will continue being based off irrigated grain sorghum production history. The production area and practice basis are defined for each county under their corresponding plan’s Yield and Prices tab on the Actuarial Information Browser (AIB).

## **How will final payments for CY 2023 and subsequent years be calculated?**

Final yields will be calculated using the same data source that was used to calculate the expected yield. The yield data source is outlined in the Actuarial Information Browser (AIB) on the prices and yields tab. If the data source used to establish the expected area yield is not able to provide sufficient data to establish the final area yield, the final yield will be established using the policies outlined in Section 15 of the ARPI policy. As this is an area plan of insurance, a producer may experience an individual loss but not receive an area payment or a producer may not have a loss and receive a payment.

## **How will it affect non-irrigated grain sorghum ARPI offers?**

Non-irrigated ARPI grain sorghum offers will not change. No new counties have been expanded and current offers will maintain their production areas and yield basis.