

# **Annual Forage (Rainfall Index) Insurance Dual Use Option**

## **What crops are covered with my Annual Forage policy?**

Annual Forage is a Rainfall Index insurance policy that provides coverage on any annually planted crop used for forage or fodder. This program is designed to protect against a single peril, lack of precipitation.

## **How do I decide what grid to use for the Annual Forage policy?**

To identify the correct grid for your specific acreage, use the Grid ID Locator at <http://maps.agforceusa.com/af/ri/>. In addition, RMA encourages you to use the historical indices tool and decision Support Tool to help you determine whether Annual Forage is the right insurance coverage for your operation.

## **What is the Annual Forage Dual Use Option?**

The Annual Forage policy offers a Dual Use Option in certain counties. Producers who elect this option can insure their small grains crop with both an Annual Forage policy for grazing and a multi-peril Small Grains policy for grain. In the case of a loss under each policy, producers can retain the indemnities paid under both policies.

## **What crops are eligible for the Dual Use Option?**

Primarily, Wheat, but some counties also include Barley and Oats. Please check the Annual Forage and Small Grains Special Provisions for your county to confirm the option is available.

## **When should I stop grazing my small grain crop if I elect the Dual Use Option?**

If you wish to keep the full protection of your Small Grains policy for grain, you must stop grazing the small grains crop by the date published in the Small Grains Special Provision. If you decided to short rate your grain policy, you must notify your insurance company by the same date.

## **If both my Annual Forage Policy and my Multi-Peril Small Grains Policy have a loss, can I keep both payments?**

Yes – the 2018 Farm Bill included language that allows producers to purchase two different insurance policies for crops that can be both grazed and mechanically harvested on the same acres during the same growing season. It also allows the insured to retain the indemnities paid under both policies.

## **What is the insurable value of the crop I intend to both graze and harvest for grain?**

The Annual Forage County Base Value (CBV) is adjusted when used in tandem with a Small Grains policy to estimate the value of the grazing crop for the shortened grazing period. The CBV is adjusted by estimating the ratio of grazing value between grazing animals for a full crop year, compared to pulling off animals early to allow for a grain crop to flourish. The Dual Use CBV is equal to 40% of the full year Annual Forage CBV.

## **Where is this Dual Use Option available?**

The Dual Use Option is available in counties where RMA considers “grain/graze” a good farming practice. This includes counties in Colorado, Kansas, Nebraska, New Mexico, Oklahoma, and Texas. For the crop to be insurable under the Small Grains policy, producers must also follow the requirements of the Small Grains policy. [Click](#)

[here for a list of qualifying states and counties for Annual Forage Dual Use Option.](#)

**Can I purchase NAP (for Grazing) from FSA as well as an Annual Forage policy on the same crop?**

Yes

**If I receive an indemnity from my Annual Forage policy, my multi-peril Small Grains policy, and my NAP (for Grazing) policy, can I keep them all?**

Yes