Weaned Calf Risk Protection Program

This FAQ is intended for informational purposes only. Refer to the policy and procedures for complete details.

Where will the Weaned Calf Risk Protection (WCRP) Program be available?

The WCRP Program will provide coverage for eligible producers in all Colorado, Nebraska, South Dakota, and Texas counties.

When is the deadline to purchase WCRP?

The producer must submit their application for coverage on or before the sales closing date to obtain coverage. For spring-born calves, the sales closing date is January 31.

What coverage levels will be available?

Coverage levels will be available from 50 percent to 85 percent in 5 percent increments. The Catastrophic Risk Protection Endorsement (CAT), which limits coverage to 50 percent of the approved yield and 55 percent of the price election, is available under the Yield Protection (YP) Plan. A producer will have the ability to elect YP, Revenue Protection (RP), or Revenue Protection with Harvest Price Exclusion (RP-HPE) plans.

What unit structure will be offered under WCRP?

Only basic units will be available. A basic unit will be all the insurable calves in the county on the date coverage begins in which you have 100 percent share or which is owned by one person and operated by another on a share basis. For example, if you share in the calves with three other individuals on a share basis, there will be four units (one for each individual). Basic units will be allowed by type as identified on the Special Provisions.

How is my approved yield determined?

The approved yield used to calculate the insured's production guarantee will be determined in accordance with the Basic Provisions. T-Yields will be available. In accordance with the WCRP Commodity Provisions, for new insureds, each actual yield reported and used to establish your approved yield will be limited to 125 percent of the applicable T-Yield.

Will my yields still be capped after the first year of coverage?

Actual yields used to establish your approved yield for the first year of coverage will be limited to 125 percent of the applicable T-Yield. Actual yields reported in subsequent crop years will not be limited to 125 percent of the applicable T-Yield. However, previously limited actual yields will remain in your Actual Production History (APH) database.

I elect WCRP for year 1, cancel the policy after year 2, and elect WCRP in year 4. What yields are limited?

Since continuity of coverage has been broken, all actual yields reported prior to year 4 will be limited to 125 percent of the applicable T-Yield.

Will a limited actual yield always be a limited actual yield in my yield database?

Yes, a limited actual yield will remain as a limited actual yield until it is rolled out of your 10-year APH database.

Are Beginning Farmer and Rancher and Veteran Farmer and Rancher benefits applicable for WCRP?

Yes, the Beginning Farmer and Rancher and Veteran Farmer and Rancher benefits are applicable for WCRP.

Can a producer have cattle under Whole-Farm Revenue Protection and WCRP?

Yes, cow-calf is an insurable commodity under Whole-Farm Revenue Protection. Therefore, if a producer meets Whole-Farm Revenue Protection eligibility requirements (e.g., commodity count), WCRP can be utilized in conjunction with Whole-Farm Revenue Protection.

I raise calves in County A and County B. Should I list both counties on the same application?

No, each county should be listed on a separate application. There will be a separate policy for each county with the respective premium rate for each county being applicable.

I have cow-calf operations in multiple counties and states. Can I have policies with different agents and AIPs for these different counties/states?

Yes, a producer can select AIPs and/or agents on a county basis.

Can I use the Background Adjustment Report (BAR) to determine prior year yields?

As long as the producer has acceptable records of the weaning date, other information required on the BAR, and weights on backgrounded calves were obtained within 5 days of the end of insurance date for each respective year, the BAR can be used to determine prior year yields. Like any weights from prior years before the producer was in the WCRP Program, weights calculated using the BAR are subject to the 125% T-Yield cap.

Is the Supplemental Coverage Option (SCO) applicable for WCRP?

No.

Do variable T-Yields apply if acceptable verifiable records cannot be provided?

Yes, variable T-Yield procedure in the Crop insurance Handbook (CIH) applies to WCRP.

Will my operation have to be inspected?

An inspection must be performed for all new applicants, insureds transferring coverage to a different Approved Insurance Provider (AIP), any changes in the cattle operation, to determine if there is evidence of overgrazing/poor/deteriorating pasture, to verify adequate level of resources and management, when triggered by the Pre-Acceptance Worksheet (PAW), or when initiated by the AIP.

What is considered an "acceptable" operation?

An operation that passes the requirements outlined in the PAW and Pre-Acceptance Inspection Report (PAIR), found in the WCRP Insurance Standards Handbook (ISH), is considered acceptable. It is highly recommended that any operation follows all applicable Extension and Beef Quality Assurance (BQA) guidelines when handling, processing, and managing cattle.

Are there guidelines for what is considered an acceptable operation and what is not for the items listed on the Pre-Acceptance Inspection Report?

Guidance for determining various PAIR elements is provided in the referenced BQA National Manual and Field Guide. Beef cattle specialists at the Cooperative Extension System, other livestock specialists (e.g., veterinarians), and other resources such as the Natural Resources Conservation Service Initial Stocking Rate Estimation Method can be used to determine operation acceptability.

What livestock are insurable under WCRP?

Only spring-born beef calves will be insurable for the 2024 commodity year. Only cattle explicitly bred and raised for beef production will be insurable. In accordance with applicable standards contained in the United States Standards for Grades of Feeder Cattle, breeds or cross breeds of cattle that would typically produce calves grading Inferior, Small Frame, or Number 3 or 4 thickness grade are excluded and not insurable.

Are fall born calves included?

No, only spring-born beef calves will be insurable for the 2024 commodity year.

Are dairy-cross calves (e.g., Angus x Jersey crossbred calves) insurable?

Yes, since the cross is utilized for beef production and meet the other requirements in the Special Provisions, the calves would be insurable.

Are calves I buy (e.g., cow-calf pairs) insurable?

No, any calves purchased are not insurable. The WCRP Program only covers calves born on your operation.

Am I required to cover both steers and heifers even if heifers will be kept as replacements?

Yes, all of the insurable calves in the county in which you have a share must be covered. Heifers cannot be excluded regardless of their end purpose.

If an entity has operations in multiple counties, do all calves have to be insured under WCRP?

No, WCRP is elected on a county basis.

When will insurance be in effect?

Insurance attaches on the date the calves are reported on an insured’s calf report for each type and unit (including any revisions). Only calves reported by the applicable reporting date are insured.

Will backgrounding be covered?

No, coverage ends on the insured calves once they are weaned.

Are unborn calves covered?

No, insurance attaches only to live-born calves reported and submitted on the calf report.

When does insurance end?

Insurance ends on each unit or part of a unit at the earliest of total destruction of the insured calves, final adjustment of a loss on the unit, abandoning the insured calves, putting the calves to an alternative use (e.g., backgrounding), sale of the insured calves, the calendar date the calves are weaned, moving the insured calves to another country, or the end of the insurance period (e.g., January 31 for spring born calves).

I enter into an agreement with an entity on October 1 to sell my calves. I wean the calves on November 1 and deliver the calves to the entity on December 15. When does insurance end?

The agreement is a commitment to buy the calves that meet the agreed upon specifications at a given date. You still own the calves until December 15 and are responsible for any losses that occur prior to delivery. Therefore, the weaning date of November 1 would be when insurance ends.

I elect WCRP by the Sales Closing Date. After the Sales Closing Date, I buy a group of bred cows that will calve at the same time as my currently owned cows. Would the purchased cows' calves be insured? How will the program handle this scenario?

The calves born to the bred cows that were purchased after the Sales Closing Date would not be insurable but would need to be reported. The producer must submit a Pre-Acceptance Worksheet (PAW) prior to the Sales Closing Date which provides the number of brood cows. The producer must revise the PAW to include these cows for subsequent crop years, which would then make future calves born to these cows eligible for WCRP coverage.

Are cows also covered by the policy?

No, WCRP only provides coverage for live-born calves that are reported on the calf report.

Can I elect LRP with WCRP?

Steers (Weight 1 and 2), Heifers (Weight 1 and 2), Brahman (Weight 1 and 2), Unborn Steers and Heifers, and Unborn Brahman LRP Feeder Cattle types cannot be insured under both programs in the same county. The exclusion does not apply to LRP Fed Cattle.

I applied for LRP Feeder Cattle coverage and have a Specific Coverage Endorsement (SCE) in effect for an applicable type that is excluded when WCRP is elected. Will this make me ineligible for WCRP coverage for the applicable year?

Yes, it will make you ineligible.

Can an insured use WCRP in County A and LRP Feeder Cattle coverage (for an applicable type that is excluded from WCRP when LRP is elected) in County B?

Yes, an insured could elect WCRP in County A and LRP in County B.

Can a producer move WCRP-insured calves in one county to another county that has a LRP Feeder Cattle Specific Coverage Endorsement (SCE) in effect?

Yes, since the coverage remains based on the originating county, this movement is allowed.

Can calves that are reported as uninsurable under WCRP be covered under LRP?

No.

Can I revise my calf report?

Yes, you may revise your calf report as often as required to report the birth of additional calves. Such revisions must be made by the earlier of your calf reporting date or the final calf reporting date for the type and unit, as applicable.

Do I report calves born after my calf reporting date?

Yes, report these calves to your AIP. These calves will be reported as uninsurable and will not be considered underreported.

How do I submit my calf report?

You submit your calf report through your agent to the AIP. Your calf report and any revisions made to the calf report may be made in person or by phone but must be confirmed in writing within 15 days.

I have five separate herds of cattle in the same county which are all under the same unit. How many calf reports must I submit?

Only one calf report is required for all calves in the same county and unit.

Do I have to submit a final calf report even if there are no changes from a previous calf report I submitted?

If you have submitted a calf report prior to the final calf reporting date, including any revisions, you are not required to submit an additional calf report by the final calf reporting date. The most recent calf report submitted, including revisions, will be used as the basis of coverage.

Should calves born before February 1 be listed on the calf report?

Calves born prior to February 1 should be listed on the calf report as uninsurable. The calf report is intended to be a record of both insurable and uninsurable live calves according to Section 6(a)(1)(i) of the WCRP Provisions.

I move the insured calves to a county in an uninsured state. How will my premium be calculated?

In accordance with Section 7(b)(3) of the WCRP Commodity Provisions, the premium rate for the calves that are moved to a county in an uninsured state will be based on the higher of the premium rate for the originating insured county or the premium rate for the uninsured state which is contained in the actuarial documents.

I have 100 calves born in County A, all insured under WCRP. I move 25 of the calves to County B. How does the WCRP Program handle this?

Insurance coverage will be based on the county where the calves were originally reported in. Therefore, coverage (e.g., coverage level, approved yield, price) will be based on County A for the entire insurance period for all 100 calves born and reported in County A. The highest applicable premium rate will apply. In this scenario, the 25 calves that were moved will be subject to the County B rate if it is higher than the County A rate.

How does the WCRP Program handle calves that are moved to another country (e.g., Canada or Mexico)?

You must first give your AIP notice within 72 hours prior to the date you intend to move the calves to a different country. When the cattle are moved out of the country during the insurance period, coverage ends and premium is due. WCRP coverage cannot re-attach to these calves if they are brought back to an insurable county.

If I move calves out of the country (e.g., Canada or Mexico) and then move them back into an insurable county, will insurance re-attach?

No, when the cattle are moved out of the country during the insurance period, coverage ends and premium is due. WCRP coverage cannot re-attach to calves if they are brought back to an insurable county.

What all must I provide notice for?

Notices are required when:

- Calving begins;
- You move any of the insured calves to a different county;
- You move any of the insured calves to a different country;
- The calves will be seized, quarantined, or destroyed by order of any governmental authority;
- You destroy or abandon any of the insured calves;
- You sell any of the insured calves earlier than when they would normally be weaned;
- Sell any of the insured calves other than to an auction, sale barn, or other established sale facility or buyer;
- You wean any of the insured calves, even if you put them to an alternative use (backgrounding, etc.); or
- If at the end of the insurance period, you do not intend to sell, put to other use, or wean the calves.

Is there a specific form to be used with the notices?

No. While the requirements of each applicable notice under the WCRP Program are listed in the WCRP Commodity Provisions, there is not a specific form or format in which the notice must be submitted.

What if I change management practices (e.g., begin to implant calves)?

All changes implemented that may alter the potential production from that based on your approved yield must be reported on the PAW for any units affected by the change.

I typically begin calving around mid-February. However, I start calving prior to February 1. When do I notify the AIP that I have started calving?

WCRP defines a spring born calf as one born between February 1 and July 31 of the crop year. Since calves born prior to February 1 are considered uninsurable as spring born calves, you must notify the AIP within 72 hours of when the first eligible spring calves (those born on or after February 1) are born.

What is an insurable cause of loss?

The WCRP policy covers against causes occurring within the insurance period including:

- Adverse weather conditions;
- Fire;
- Wildlife;
- Earthquake;
- Volcanic eruption;
- Disease, but not damage due to insufficient or improper application of disease control measures;
- Other causes directly damaging pastures and other forms of grazing (e.g., insects, provided acceptable control measures were followed);
- Calf death due to a covered peril occurring during the insurance period (e.g., disease, freezing temperatures, flood, fire, hail, wildlife, etc.) provided you submit acceptable supporting documentation of calf death and the insured cause(s) of loss; and

- For revenue protection, a change in harvest price from projected price unless FCIC can prove the price change was the direct result of an uninsured cause of loss specified in section 12(a) of the Basic Provisions.

I don't know what killed my calves. Will they still be covered?

No. You must establish that any calf death occurring during the insurance period was due to an insured cause of loss and provide acceptable documentation of such death (e.g., photographs, carcass, etc.).

Will I receive an indemnity due to calf death caused by an insurable cause of loss?

An indemnity under WCRP is paid when the production to count is below your insurance guarantee. Therefore, calf death would lower the production to count which could cause an indemnity to be due. However, a per calf payment due to mortality is not applicable under WCRP.

When must I weigh the calves?

Weighing must occur within five business days of the date the calves were weaned. If the calves will be backgrounded and a weight cannot be obtained, weighing must occur within five business days of the date the insurance period ends and be adjusted using the Background Adjustment Report.

Can I use my own farm scales to weigh?

Yes, provided your scale meets the applicable requirements contained in the Loss Adjustment Manual (LAM).

Who must be present for weighing the calves?

An acceptable disinterested third party that meets the qualifications outlined in item B of the Weaning Weight Report must be present for weighing the calves with oversight/administration provided by the AIP loss adjuster or other AIP representative.

Do I have to weigh all of my insurable calves?

No, a representative sample of the calves being weaned on each applicable weaning date will be used to determine the total weaning weight. The minimum sample will be 20 percent of the total number of calves not to exceed 30 calves. The adjuster or other AIP representative may approve a larger sample if warranted due to significant variation in the weight of the calves.

How will weighing work if I have to wean early?

Procedures for when you wean the calves early is dependent upon the production conditions. If you wean early during favorable conditions, the difference between the third-party determined weight and your approved yield would be appraised as the assessed potential production. If you receive consent from the AIP to wean early due to the adverse conditions (e.g., drought), the actual weight of the calves will be assessed.

What if I background my calves and will not be able to weigh until I market them?

The Background Adjustment Report is utilized when the calves are backgrounded after being weaned and before obtaining a weaning weight.

Does the program indemnify insureds for losses based on the total weight of all non-weaned calves in the herd or on a per calf basis?

While average yields are on a per calf basis, an indemnity is due if the total value of production to count for all of the insured calves in the unit is below the applicable guarantee for all of the insured calves in the unit.

Are any adjustments made for weighing conditions (i.e., pre/post pencil shrink, weighed straight, time of weighing, rumen fill, etc.)?

No, there are not currently any adjustments made for weighing conditions.

Is there a slide component to the WCRP pricing for calves of differing weights?

Yes, there is a price slide component to reflect the pricing for calves of differing weights. The published projected and harvest prices are set at a base weight of 650 pounds. Using the price adjustment factors and calculations listed in the WCRP Commodity Exchange Price Provisions, a price for differing weights can be calculated.

Do I use the projected and harvest prices that are published in the RMA Actuarial Information Browser (AIB)?

Yes. The AIB displays the actuarial documents and are part of the policy. The projected and harvest prices published in the AIB are based on a calf weight of 650 pounds. These prices will be utilized along with the applicable bounded approved or bounded actual yield and applicable price adjustment factor to calculate the Formulated Producer Projected Price, Adjusted Producer Projected Price, Formulated Producer Harvest Price, and Adjusted Producer Harvest Price.

What are bounded actual yield and bounded approved yield?

The bounded actual yield, as defined in the WCRP Commodity Exchange Price Provisions (CEPP), is the greater of 200 pounds or the actual yield, not to exceed 750 pounds. The bounded approved yield is the greater of 200 pounds or the approved yield, not to exceed 750 pounds. The bounded actual and bounded approved yields are used to determine the applicable prices for the WCRP Program.

What are the projected and harvest price adjustment factors?

The projected and harvest price adjustment factors are numerical elements of the WCRP price slide utilized to adjust the published projected and harvest prices based on the bounded approved yield or bounded actual yield.

What price will be used to determine my guarantee?

The projected price published in the actuarial documents is determined using a base weight of 650 pounds per calf. The Formulated Producer Projected Price will be calculated based on your bounded approved yield and the published projected price adjustment factor using the formula outlined in the WCRP CEPP. The Formulated Producer Harvest Price will be calculated based on your bounded approved yield and the published harvest price adjustment factor using the formula outlined in the WCRP CEPP. If RP is elected, the greater of the Formulated Producer Projected Price or Formulated Producer Harvest Price will be utilized to determine the guarantee. If RP-HPE or YP plans are elected, the Formulated Producer Projected Price will be utilized to determine the guarantee.

What price will be used to determine the value of my production to count?

For YP, the Adjusted Producer Projected Price will be used based on the bounded actual yield, the published projected price, and the published projected price adjustment factor. For RP and RP-HPE, the Adjusted Producer Harvest Price will be calculated based on your bounded actual yield, the published harvest price, and the published harvest price adjustment factor.

Is there a price difference between bulls, steers, and heifers?

No, there will not be a price difference based on gender.

How detailed are WCRP prices (county, state, region)?

Prices are listed for each county; however, prices are determined on a regional basis.

My cattle were born in County A but I moved them to County B and then sold them. Which prices do I use?

The prices published for the county where the cattle were born and reported will be utilized.