



Natural Disasters and Crop Insurance



Overview

Natural disasters can damage or destroy crops, prevent farmers from planting, or prohibit them from harvesting. For producers who purchase federal crop insurance, the economic impacts from natural disasters can be mitigated, providing confidence that their business will be able to continue to operate.

The United States Department of Agriculture's (USDA) Risk Management Agency (RMA) oversees the federal crop insurance program that supports the nation's farmers and ranchers in difficult times. Federal crop insurance and other USDA programs provide a safety net that helps keep agricultural producers in business in times of hardship.

If you are a producer who purchases federal crop insurance and your crop is impacted by a natural disaster such as a hurricane, flood, drought, or hail, there are certain steps you must take to ensure your claim is processed accurately and efficiently and any potential indemnities are paid in a timely manner.

Actions to Take Prior to a Disaster

- ◆ Review your policy annually for changes or updates. The policy contains important information including eligible causes of loss, key dates, and your duties in the event of a loss.
- ◆ Verify information contained on your Summary of Coverage. The Summary of Coverage includes information specific to you, such as the amount of insurance you selected, the number of acres you have insured, and any elected options or endorsements.
- ◆ Ensure your farm records, including production records, are in order and secured.
- ◆ Make sure you have the contact information, including email addresses and phone numbers, for your crop insurance agent and crop insurance company/approved insurance provider (AIP).



Blueberry crop damage caused by Hurricane Irene in North Carolina.

Actions to Take After a Disaster

- ◆ Contact your crop insurance agent to file a notice of loss or damage within 72 hours of discovery and follow up in writing within 15 days (keep a copy for your records). Your AIP will arrange for a loss adjuster to inspect your crop and determine whether your yield or crop value falls below your insurance guarantee. It is your responsibility to contact your crop insurance agent and initiate this process.
- ◆ If you are still within the window of opportunity to replant your crop, switch to another crop, or if you want to destroy the crop for any reason (such as planting a cover crop), contact your crop insurance agent and let them know your intentions immediately. Your AIP must have an opportunity to inspect the crop and release the acres. Destroying your crop before the company releases the acres could result in your claim being denied.
- ◆ If, later in the growing season, your crop is further damaged by a subsequent loss event, report the additional damage to your crop insurance agent within 72 hours of discovery.
- ◆ You must continue to care for the crop until harvest or until your AIP appraises the crop and releases the acreage.

Remember: Do not destroy your crop or representative samples without clear direction from your AIP, preferably in writing.



Claim Adjustment Process

After you have submitted a timely notice of loss or damage to your crop insurance agent, your AIP will arrange for a loss adjuster to inspect your crop. While you wait for the loss adjuster, remember to not replant, or do anything to destroy or further damage your crop until you have permission from a loss adjuster or a representative from your AIP.

The loss adjuster should contact you to schedule an inspection. They will expect and welcome your presence and assistance during the inspection. The loss adjuster will be interested in what you have to say. You can expect the loss adjuster to be familiar with your policy and to explain your options. You should have your acreage report information ready to show the number of acres and locations of your insured crops if available.

The loss adjuster should have copies of your crop insurance policy documents including your yield or crop value history. Loss adjusters are required to have extensive classroom and field training to maintain their certification, and they are trained on how to accurately assess your reported loss. This includes activities such as taking pictures or videos of your fields, checking with other producers in your area to assess crop conditions, talking with local elevator operators regarding average area yields, and consulting local weather data. Appraising crop yield is not guesswork; it takes a lot of information to calculate crop yield accurately.

Prevented Planting

Prevented planting is the failure to plant an insured crop with the proper equipment by the final planting date or during the late planting period, if applicable. To qualify, you must be prevented from planting by an insured cause of loss that is general to the surrounding area and that prevents other producers from planting acreage with similar characteristics. Final planting dates and late planting periods vary by crop and by area.

The provisions for each crop specify whether prevented planting is available. Because farming is complex, and because conditions vary significantly between geographic areas, eligibility for a prevented planting payment must be determined on a case-by-case basis. In general, an insured cause of loss must have occurred within the insurance period on eligible acreage. To be eligible, your acreage must meet all applicable policy provisions.

You are required to provide a notice to your insurance agent that you were prevented from planting an insured crop. See your policy or contact your crop insurance agent for dates or more information about your insurance coverage.

Find a Crop Insurance Agent

RMA provides policies for more than 100 crops. See RMA's program listings for information on the crop policies and endorsements available in your county.

Contact your crop insurance agent for more information regarding policy choices. To find an AIP or crop insurance agent, visit the RMA website at: www.rma.usda.gov/en/Information-Tools/Agent-Locator.