



Nursery Value Select (NVS) Pilot Crop Insurance Program

Risk
Management
Agency

rma.usda.gov

NVS Overview

- Available in all states and counties
 - Nursery Field Grown & Container (FG&C) will no longer be available for purchase beginning with 2026 crop year
- Simplifies enrollment and loss adjustment process in the nursery crop insurance program
- Eliminates need for Eligible Plant List and Plant Price Schedule (EPLPPS)

Why NVS?

- **Allows you to select the dollar amount of coverage that best fits your risk management needs**
 - Coverage tailored by an individual practice (container or field grown)
 - For additional levels of coverage, coverage can also be tailored by choosing from any of 10 plant categories
- **Simplifies the loss adjustment process**
 - More accurate approach to determine plant values by relying on your actual sales receipts
 - Increases your participation to determine if a damaged plant can be marketed or rehabilitated

Why NVS?

- **Eliminates need for EPLPPS and relies on your inventory records**
- **Establishes program dates that are better suited to the agronomic and nursery management practices in different regions across the country**
- **Includes Occurrence Loss Option (OLO)**
 - Changes the deductible (applied on a unit level) to a co-pay (applied to each damaged plant) for an additional premium.
 - Only available for additional levels of coverage

What are the NVS Concepts?

- **NVS amount of insurance based on value designated by you, not to exceed the highest declared monthly inventory value**
 - Nursery FG&C amount of insurance and loss based on the lesser of the EPLPPS or catalog price
- **NVS determines value for loss (approved sales value) based on, in order of precedence:**
 - Prior sales
 - Contract prices for future delivery
 - Discounted catalog price
- **NVS requires determinations of individual plant value only when there is a loss**

What are we offering?

- **Multi-peril dollar plan of insurance**
- **Basic units by field grown or container practice**
 - May be further divided by:
 - Plant category within the practice; or
 - Non-contiguous land, for field grown practice only
- **Inventory-based loss**
- **12-month Insurance Period**
 - Depending on location:
 - June 1 – May 31
 - October 1 – September 30
- **OLO**
- **HIP-WI, where available**

What will coverage protect against?

- Adverse weather conditions unless restricted as specified below
- Fire, provided weeds and undergrowth are controlled
- Wildlife
- Earthquake
- Volcanic eruption
- Occurrence of the following due to one or more preceding causes:
 - Loss in value because the plants are dead/zero market value (e.g., poinsettias)
 - Failure of the irrigation water supply
 - Failure of or reduction in the power supply

What will coverage protect against?

- **Coverage may be available for the following:**
 - Insect or disease damage
 - If no effective control measure exists or if allowed by the Special Provisions
 - Cold temperatures
 - If adequate control facilities or equipment have been installed AND there is a breakdown or failure that cannot be rectified before an insured cause of loss occurred OR the coldest temperature exceeded the designed capacity of the system
 - Damage to plants caused by collapse of buildings or structures PROVIDED an insured cause of loss was the cause of the collapse

What doesn't this program cover?

- Inability to market the plants due solely to refusal of a buyer to accept production, boycott, or a quarantine
- Failure of the plants to grow to an expected size
- Failure to follow good nursery practices

What are the insurability requirements?

- **You must:**

- Derive at least 40 percent of your gross income from wholesale marketing of plants
 - Determined by dividing dollar value of wholesale plant sales by the total dollar value of all plant sales, both retail and wholesale.
 - The denominator (eligible total sales) does not include revenue from sales such as landscaping, chemical or other nursery-related products, production of other crops or livestock, or from any business unrelated to nursery
 - Example:
 - Retail plant sales: \$150,000
 - Wholesale plant sales: \$300,000
 - Nursery-related product sales: \$75,000
 - $66.7\% = \$300,000 / (\$150,000 + \$300,000)$

What are the insurability requirements?

- **You must be a wholesale nursery that markets plants to:**
 - Retailers who resell to end users
 - Landscape contractors
 - Government entities or organizations
 - Commercial fruit producers

What are the insurability requirements?

- **You must:**
 - Have a share in the nursery
 - Submit required documentation that is accepted by the insurance provider
 - Grow plants in a nursery determined by the insurance provider to be acceptable
 - Irrigate plants unless otherwise provided by the Special Provisions
 - Grow plants in an appropriate medium
 - Grow and sell plants with the root system attached
 - Grow plants that may produce edible fruits or nuts provided the plants are made available for sale (harvest of the edible fruit or nuts does not affect insurability)
 - For the field grown practice, grow plants that are adapted to the applicable USDA Plant Hardiness Zone Map hardiness zone

What are the insurability requirements?

- **You must understand that the following plants are uninsurable:**
 - Grown solely as stock plants or plants being grown solely for harvest of buds, flowers, or greenery
 - Damaged in a prior crop year unless such specific plants have been rehabilitated and are offered for sale at the approved sales value for the current crop year
 - Classified by a state or county as illegal to grow or sell in the county in which the nursery is located
 - Produced in nursery containers that contain two or more different genera, species, subspecies, varieties or cultivars

What are the important dates?

Dates	Gulf Coast States, Atlantic Coast States, West Virginia	All Other States
Sales Closing Date (SCD)	5/1	9/1
Coverage Begins	6/1	10/1
Contract Change Date	1/31	4/30
Cancellation/Termination Date	5/31	9/30
Coverage Ends	5/31	9/30

Gulf Coast States, Atlantic Coast States, and West Virginia

- **If you want coverage under NVS for the 2025 crop year:**
 - Cancel Nursery FG&C policy by May 31st cancellation date
 - Submit required NVS documentation by May 1, 2024, SCD for coverage to begin June 1, 2024

All Other States

- **If you want coverage under NVS for the 2025 crop year, three options:**
 - **Option 1:** Cancel Nursery FG&C policy by May 31st cancellation date
 - Submit required NVS documentation by September 1, 2024, SCD for coverage to begin October 1, 2024
 - Lapse in coverage from June 1 – September 30, 2024
 - **Option 2:** Cancel Nursery FG&C policy by May 31st cancellation date
 - Submit required NVS documentation by May 1, 2024, SCD for prorated **2024 coverage** to begin June 1, and end September 30, 2024
 - Submit required NVS documentation by September 1, 2024, SCD for **2025 coverage** to begin October 1, 2024
 - Applicable in counties where NVS was available for 2024 crop year

All Other States

- **Option 3:** Continue with coverage under Nursery FG&C for 2025 crop year and cancel on or before the September 30th, 2024, NVS cancellation date
 - Submit required NVS documentation by September 1, 2024, SCD for coverage to begin October 1, 2024
 - Nursery FG&C premium pro-rated
 - Must have coverage with same Approved Insurance Provider (AIP)
 - Applicable in counties where NVS was recently expanded for 2025 crop year

What documentation is required for coverage?

- **Crop insurance application**
- **Nursery Value Report (NVR) for each insured practice**
 - Represents your declaration of the insurance choices you elect
- **Monthly Unit Value Plan (MUVP) for each insured basic unit by**
 - Month, from the first month to the last month of the insurance period; and
 - The maximum value of all specific plants in each insured plant category that you expect to have in your nursery (during each month of the insurance period)
- **Two printed copies or one electronic copy of the most recent catalog or price list, by season, if appropriate**

What is my deadline to submit the required documentation?

- For insurance to attach on the start date of the crop year, you must submit all documentation on or before the SCD
- If you are a carryover insured, you must submit all documentation on or before the SCD to have coverage for the upcoming crop year
- If you are a new or first-year insured, and if you're applying for coverage after the SCD:
 - Insurance does not attach until the 31st day (30-day waiting period) after acceptable documents are filed; and
 - Premium is owed from the first day of the month insurance attaches.

Must I insure all my plants?

- You may elect to insure your field grown practice, your container practice, or both
- For additional levels of coverage only, you may choose which plant categories within the insured practice you wish you to insure
 - Once you have selected the plant categories you wish to insure, all plants within those plant categories must be insured

How do I report my insurable plants?

- **You must report your plants by plant category on the NVR and MUVP**
 - Liners
 - Annual Plants and Plants Grown for One Year or Less
 - Herbaceous Biennial and Perennial Plants
 - Foliage
 - Vines
 - Broadleaf Evergreen Trees and Shrubs
 - Coniferous Trees and Shrubs
 - Deciduous Trees and Shrubs
 - Palms
 - Cycads

What unit structures are available?

- **Basic units are the only unit structure available and consist of the following:**
 - All insurable plants
 - All insured plant categories
 - Each insured practice
- **Basic units may be further divided by the following:**
 - For additional levels of coverage:
 - Each plant category you elect to insure; or
 - Non-contiguous land, for field grown practice only
 - For catastrophic (CAT) level of coverage, further division of the basic unit is not allowed.
- **Administrative fees are due:**
 - For additional levels of coverage, for each insured plant category
 - For CAT level of coverage, for each insured practice

How is my amount of insurance determined?



- **Selected Value (SV)**

- Value you declare on your NVR of the insurable specific plants in each insured plant category

- **Coverage level**

- 50% to 75%, in 5% increments

- **Price election percentage**

- Additional coverage = 100%
- CAT coverage = 55%

- **Share**

- Your insurable interest in your nursery operation at the time insurance attaches

How is my amount of insurance determined?

- **For additional levels of coverage, your SV is:**
 - \leq highest maximum value for the same plant category reported on your MUVP
 - the sum of the SVs you established for each plant category in the insured practice, when you have basic units by share
- **For CAT level of coverage, your SV for each insured practice cannot exceed the lesser of:**
 - 110 percent of the maximum value for all the plant categories in any given month during any of the preceding three crop years; or
 - Maximum of the monthly values reported on the MUVP

Amount of Insurance Example

- MUVP**

Plant Category	Highest Monthly Value	June	July	August	September	October	November
008	\$1,100,000	\$600,000	\$700,000	\$800,000	\$900,000	\$1,000,000	\$1,100,000
Plant Category	December	January	February	March	April	May	SV
008	\$1,000,000	\$900,000	\$800,000	\$700,000	\$600,000	\$500,000	\$900,000

- Example:**

- Highest monthly unit value = \$1,100,000
- Selected value = \$900,000
- Coverage level = 75%
- Price election percentage = 100%
- Share = 1.000
- Amount of insurance = $\$900,000 \times 0.75 \times 100\% \times 1.000 = \$675,000$

How is my loss calculated?

$$\text{Percent of Loss} = \frac{\text{Post-Loss Damage Value}}{\text{Pre-Loss Actual Unit Value}}$$

$$\text{Amount of Loss} = \min \left[\text{Pre-Loss Actual Unit Value}, \text{Selected Value} \right] \times \text{Percent of Loss}$$

$$\text{Occurrence Deductible} = \min \left[\text{Deductible percentage} \times \text{Pre-Loss Actual Unit Value}, \text{Crop Year Deductible} \right]$$

How is my loss calculated?



- **Pre-loss actual unit value is the value immediately prior to the occurrence of the loss event**
 - Number of each specific plant multiplied by approved sales value
 - Synonymous with Field Market Value A under Nursery FG&C
- **Post-loss damage value is the total dollar value lost due to an insured cause of loss**
 - Number of each damaged specific plant multiplied by approved sales value multiplied by the damage factor
 - Different from Field Market Value B under Nursery FG&C because it is the value of only the damaged plants, whereas Field Market Value B is the value in the inventory remaining after damage occurred

What are the damage factors?

- **Damage Factors – For Liners and Annual Plants Plant Categories**

	1. Undamaged (Adjuster Determined)	2. Dead/Zero Market Value (Adjuster Determined)
Description	Less than 10% damage	Dead or damaged to the extent the plant has zero market value and cannot be marketed
Damage Factor	0%	100%

- You may move a plant in a sample from the Dead/Zero Market Value group to the Undamaged group during the adjustment, but movement the other direction would require input from a disinterested third party.

What are the damage factors?

- Damage Factors – For All Other Plant Categories**

	1. Undamaged (Adjuster Determined)	2. Damaged (Adjuster Determined)		3. Dead/Zero Market Value (Adjuster Determined)
		(a) Retained Damaged (Insured Determined)	(b) Discarded Damaged (Insured Determined)	
Description	Less than 10% damage	≥10% damage, does not meet conditions of Dead/Zero Market Value, and will be carried to market	≥10 damage, does not meet conditions of Dead/Zero Market Value, and will not be carried to market	Dead or damaged to the extent the plant has zero market value and cannot be marketed
Damage Factor	0%	50%	75%	100%

How is my loss calculated?



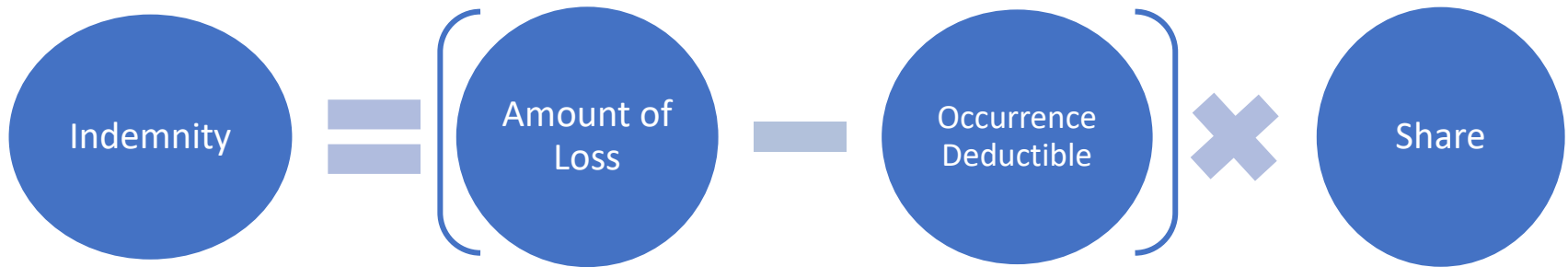
- **Lesser of**
 - Pre-loss actual unit value or
 - Selected value
- **Multiplied by percent of loss**

How is my loss calculated?



- **Lesser of**
 - Deductible percentage (1.00 – coverage level) multiplied by pre-loss actual unit value
 - Crop year deductible (deductible percentage x selected value)

How is my loss calculated?



- Amount of loss – occurrence deductible
- Multiplied by share
- Total indemnities cannot exceed amount of insurance

Indemnity Example

- SV based on your MUVP = \$900,000
- Coverage level = 75%
- Share = 100%
- Amount of insurance = \$675,000 $((\$900,000 \times 0.7500) \times 1.0000)$
- Loss adjustor determines pre-loss actual unit value = \$600,000
- Loss adjustor determines post-loss damage value = \$218,700
- Percent of Loss = .3645 $(\$218,700 / \$600,000)$
- Amount of Loss = \$218,700 $(\min[\$600,000, \$900,000] \times .3645)$
- Occurrence deductible = \$150,000 $(\min[.25 \times \$600,000, .25 \times \$900,000])$
- Indemnity = \$68,700 $((\$218,700 - \$150,000) \times 1.000)$
- Indemnity \leq amount of insurance

What options and endorsements are available for NVS?

- **OLO**
 - Choice available for additional premium
 - Elected by the SCD
 - Changes the unit deductible to a co-pay
 - When percent of loss is equal to or greater than 10%, indemnity may be payable
 - Premium rate is the same for any coverage level elected; change in premium amount is due only to the reduction in amount of insurance
 - Not available for CAT level of coverage

OLO Example

- SV based on your MUVP = \$900,000
- Coverage level = 75%
- Share = 100%
- Amount of insurance = \$675,000 ($(\$900,000 \times 0.7500) \times 1.000$)
- Loss adjustor determines pre-loss actual unit value = \$600,000
- Loss adjustor determines post-loss damage value = \$218,700
- Percent of Loss = .3645 ($\$218,700 / \$600,000$)
 - Greater than 10%, indemnity payable
- Percent of Loss x coverage level percentage = .2734
- Indemnity = \$164,040 ($.2734 \times \min[\$600,000, \$900,000]$)
- Indemnity \leq amount of insurance

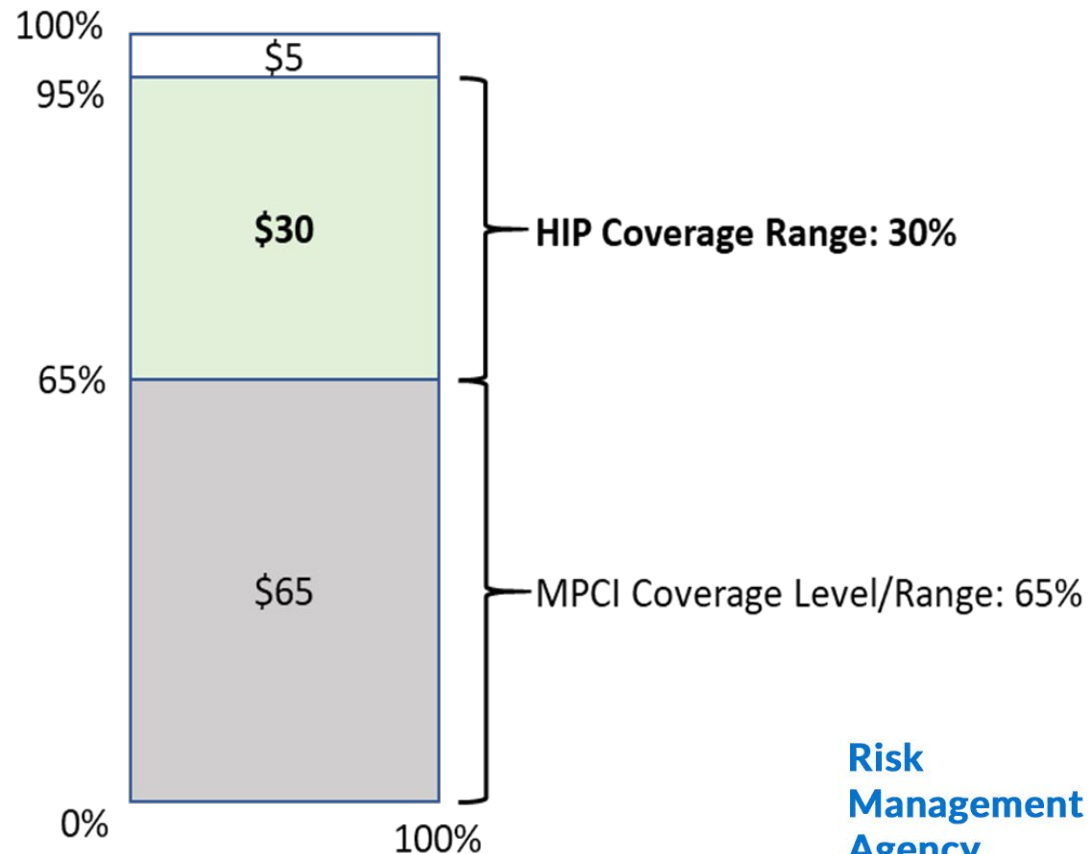
What options and endorsements are available for NVS?

- **Hurricane Insurance Protection – Wind Index (HIP-WI), where available**
 - Covers a portion of the deductible
 - Must be elected by the SCD
 - Full HIP-WI value is paid when a county, or an adjacent county, is within the area of sustained hurricane-force winds from a named hurricane based on NOAA NHC published data
 - If Tropical Storm (TS) Option elected, half of TS value is paid for first TS; remaining paid if subsequent TS or hurricane occurs.
 - A notice of loss is not required

What options and endorsements are available for NVS?

- **HIP-WI Example**

- Base Policy
 - Coverage level = 65%
- HIP-WI Coverage
 - Coverage range = 30%



How do I purchase NVS?

- **RMA Agent Locator**

- <https://www.rma.usda.gov/Information-Tools/Agent-Locator>

The screenshot shows the top navigation bar of the RMA website. On the left is the USDA logo and the text "United States Department of Agriculture Risk Management Agency". To the right are links for "Home", "About RMA", and "Find an Agent", with a blue arrow pointing to the "Find an Agent" link. Below the navigation bar is a dark blue menu bar with white text and dropdown arrows for "Policy & Procedure", "RMALocal", "Commodities", "Tools", and "Topics". The main content area has the heading "Agent Locator" and the sub-heading "Finding Insurance Agents". A paragraph states: "RMA provides insurance agent and provider information as a service to our customers in all 50 states." Below this is a section titled "Locate an Insurance Agent" with two bullet points: "Find local insurance agents with the RMA Agent Locator." and "Learn more about using the RMA Agent Locator.", with a blue arrow pointing to the first bullet point. In the bottom right corner, there is a blue box with the text "Risk Management Agency" and "rma.usda.gov" below it.

Where can I find more information about NVS?

- **NVS program materials are available on the RMA website**

<https://www.rma.usda.gov/Topics/Nursery/Nursery-Value-Select>

Policy & Procedure ▾

RMA Local ▾

Commodities ▾

Tools ▾

Topics ▾

- Crop Provisions
- Procedural Handbooks
- Fact Sheet
- Frequently Asked Questions

Reminder

- **Beginning with 2026, NVS will be only nursery program available**
 - Nursery FG&C will no longer be available
 - 2025 crop year ends on May 31, 2025

RMA Regional Offices



RMA Regional Offices

Valdosta, GA ① Alabama, Florida, Georgia, Puerto Rico, South Carolina
 Spokane, WA ② Alaska, Idaho, Oregon, Washington
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