



United States
Department of
Agriculture



Federal Crop
Insurance
Corporation

FCIC-25010 (12-2018)
FCIC-25010-1 (11-2019)
FCIC-25010-2 (12-2019)

LOSS ADJUSTMENT MANUAL STANDARDS HANDBOOK

2020 and Succeeding Crop Years

**RISK MANAGEMENT AGENCY
KANSAS CITY, MO 64133**

TITLE: Loss Adjustment Manual Standards Handbook	NUMBER: FCIC-25010 FCIC-25010-1 FCIC-25010-2
EFFECTIVE DATE: 2020 and Succeeding Crop Years	ISSUE DATE: December 31, 2019
SUBJECT: Provides procedures and instructions for administering general loss adjustment of crop insurance programs.	OPI: Product Administration and Standards Division
	APPROVED: <i>/s/ Richard H. Flourney</i> Deputy Administrator for Product Management

REASONS FOR AMENDMENT:

Major changes: See changes or additions in text which have been highlighted. Three stars (***) identify information that has been removed.

1. Subparagraph 603D – Revised examples 5 and 6 to reflect that double-cropping history is based on the greatest number of acres double-cropped in the two crop years utilized to meet double-cropping requirements.
2. Subparagraph 603E – Revised to reflect that a full indemnity payment on both crops is limited to the greatest number of acres double-cropped in the two crop years utilized to meet double-cropping requirements.
3. Subparagraph 606A – Revised language regarding haying, grazing, cutting for silage, haylage, or baleage, and otherwise harvesting as they relate to cover crops and prevented planting. Changes align with updates made to the 2020 Prevented Planting Standards Handbook.

LOSS ADJUSTMENT MANUAL STANDARDS HANDBOOK

CONTROL CHART:

Loss Adjustment Manual (LAM) Standards Handbook							
	TP Page(s)	TC Page(s)	Text Page(s)	Exhibit Number(s)	Exhibit Page(s)	Date	Directive Number
Remove	1-4		59-62 65-68			11-2019 12-2018 12-2018	FCIC-25010-1 FCIC-25010 FCIC-25010
Insert	1-2		59-62 65-68			12-2019	FCIC-25010-2
Current Index	1-2	1-6	1-2			11-2019	FCIC-25010-1
			3-4			12-2018	FCIC-25010
			5-6			11-2019	FCIC-25010-1
			7-10			12-2018	FCIC-25010
			11-12			11-2019	FCIC-25010-1
			13-14			12-2018	FCIC-25010
			15-16			11-2019	FCIC-25010-1
			17-58			12-2018	FCIC-25010
			59-62			12-2019	FCIC-25010-2
			63-64			12-2018	FCIC-25010
			65-68			12-2019	FCIC-25010-2
			69-86			12-2018	FCIC-25010
			87-88			11-2019	FCIC-25010-1
			89-96			12-2018	FCIC-25010
			97-102			11-2019	FCIC-25010-1
			103-116			12-2018	FCIC-25010
			117-118			11-2019	FCIC-25010-1
			119-144			12-2018	FCIC-25010
			145-146			11-2019	FCIC-25010-1
			147-150			12-2018	FCIC-25010
			151-154			11-2019	FCIC-25010-1
			155-256			12-2018	FCIC-25010
257-258			11-2019	FCIC-25010-1			
259-260			12-2018	FCIC-25010			
261-262			11-2019	FCIC-25010-1			
263-264			12-2018	FCIC-25010			
265-266			11-2019	FCIC-25010-1			
267-286			12-2018	FCIC-25010			
287-288			11-2019	FCIC-25010-1			
289-310			12-2018	FCIC-25010			
311-312			11-2019	FCIC-25010-1			
313-314			12-2018	FCIC-25010			
315-316			11-2019	FCIC-25010-1			
317-327				1-23	328-404	12-2018	FCIC-25010

FILING INSTRUCTIONS:

These inserted pages listed in the Control Chart above under the “Insert” heading replace such pages in the 2019 Loss Adjustment Manual (LAM) Standards Handbook, FCIC-25010 (12-2018). This handbook is effective for the 2020 and succeeding crop years and is not retroactive to any 2019 or prior crop year determinations.

C. Acceptable Double-Cropping Records (continued)

- (2) The amount of allocated production must be representative of the yields per acre, for the particular year and area from both double-cropped and non-double-cropped acreage (e.g., the amount of allocated production is reasonable compared to the average yields per acre for the area and that all such production would not have reasonably come from only the first crop acreage or the second crop acreage).

Note: Potential production from appraised acreage (including acreage by-passed by a processor) of an insured crop would meet the requirement for records of acreage and production that show double-cropping history, provided it also meets the criteria in B above. Short-rated wheat acreage cannot be considered for double-cropping history since such acreage is not appraised and does not meet the criteria above.

D. Examples of Double-Cropping Eligibility for Planted Acreage

Example 1: A producer on Farm A had double-cropped 300 acres of wheat and soybeans three years ago. This same producer on Farm B (same county) had double-cropped 300 acres of wheat and soybeans the previous year. These are the only double-cropping records this producer has for the last four crop years. This insured would be eligible for 300 acres of double-cropping wheat and soybeans for the current crop year in this county.

Example 2: A producer on Farm A double-cropped 200 acres of wheat and soybeans for one year out of the last four crop years and for another year out of the last four crop years, the same producer double-cropped 200 acres of wheat and sunflowers on Farm B (same county). The insured would be eligible for 200 acres of double-cropping wheat in this county.

Example 3: If an insured double-cropped 50 acres somewhere in the county and the insured's unit structure is an EU with different fields and different APHs, which 50 acres will be considered the double-cropped acreage that the AIP pays one hundred percent (100%) on the first insured crop acres on which a second crop is planted? The insured has the choice of whichever 50 acres in the county he/she desires. If the insured is using someone else's double-cropping records, refer to example 4 below.

603 Indemnity Payment as it Relates to Double-Cropping History (Continued)

D. Examples of Double-Cropping Eligibility for Planted Acreage (continued)

Example 4: The insured had no double-cropping history of his/her own in the county in which the claim is being made. However, part of the land the insured is farming this crop year is land he/she acquired from another person.

Out of 10 fields of the 1st insured crop (wheat) planted in the county, 3 of those fields (fields A, B, C in tract 1044) of section 20 have a 2nd crop (soybeans) planted. Of those 10 fields, two of those fields were farmed by another person in previous crop years. The other person has double-cropping records for 5 fields of wheat followed by soybeans in the county for two of the last four crop years. These records show that two of these fields (fields A and C) are the exact same acreage on which the insured planted the wheat followed by soybeans. Field B is not the same exact acreage.

Will the insured be able to receive a one hundred percent (100%) wheat indemnity payment on fields, A, B, and C if the 1st and 2nd crop acreage in all three of these fields suffered a loss and an indemnity is due on both crops? The insured will be able to receive a one hundred percent (100%) indemnity payment on the wheat planted in fields A and C. However, the insured will only be able to receive a thirty-five percent (35%) indemnity payment on field B, since field B was not one of the fields for which the other person had double-cropping history.

Example 5:

<p>1st insured Crop for 2020 crop year: Wheat Planted</p> <p>History:</p> <p>2014 CY 100 acres of wheat harvested</p> <p>2015 CY 200 acres of wheat harvested</p> <p>2016 CY 0 acres of wheat planted</p> <p>2017 CY 0 acres of wheat planted</p> <p>2018 CY 300 acres of wheat; not harvested/not appraised.</p> <p>2019 CY 0 acres of wheat planted.</p>	<p>2nd insured crop for 2020 crop year is Soybeans Planted</p> <p>History:</p> <p>2014 CY 100 acres of soybeans planted on wheat acreage.</p> <p>2015 CY 200 acres of soybeans planted on wheat acreage.</p> <p>2016 CY 300 acres of soybeans planted</p> <p>2017 CY 250 acres of soybeans planted</p> <p>2018 CY 300 acres of soybeans planted on wheat acreage</p> <p>2019 CY 0 acres of soybeans planted</p>
<p>Based on the 1st insured crop wheat, the insured has 200 acres of double-cropping history in two out of the past four crop years of the 1st insured crop. You cannot count 2018 as a double-cropping year because the UH wheat acreage was not appraised. In the three years wheat was planted, there were two years in which wheat was followed by soybeans – 2014 and 2015, and out of those two years, the greatest number of acres double-cropped was 200.</p> <p>***</p>	

603 Indemnity Payment as it Relates to Double-Cropping History (Continued)

D. Examples of Double-Cropping Eligibility for Planted Acreage (continued)

Example 6: Total cropland 2,545.9. In 2020, the insured planted, reported, and harvested 399.9 acres of insured winter (fall-planted) wheat. Based on the following history, what amount of soybean acreage would be eligible for a one hundred percent (100%) payment due to the double-cropping history?

Crop History from Insured's Records or APH Record						
Crop Year	Oats	Corn	Soybeans			Wheat
			NFAC Practice	FAC Practice	Total Acres	
2019	0.0	793.4	816.7	341.3	1158.0	349.6
2018	0.0	805.3	954.8	106.9	1061.7	106.9
2017	0.0	909.4	950.9	50.9	1001.8	200.8
2016	20.0	979.3	979.1	0.0	979.1	0.0
2015	30.0	0.0	1079.1	0.0	1079.1	0.0
2014	0.0	0.0	885.7	191.6	1077.3	268.7

341.3 acres would be the maximum acreage that could be claimed for double-cropping in the 2020 crop year. Assume no soybeans in the NFAC column followed failed wheat. The BP requires two years of double-cropping in at least two of the last four crop years in which the first insured crop was planted. Per the DC history above, 341.3 FAC acres is the greatest number of soybean acres that have been DC in two of the last four CYs in which the first insured crop was planted.

Crop Year	Wheat (1st Insured crop in 2020 Crop Year)	1 st Crop Planted (Yes/No)	FAC Soybeans in the last 4 crop years the 1st insured crop was planted
2019	349.6	Yes	341.3
2018	106.9	Yes	106.9
2017	200.8	Yes	50.9
2016	0.0	No	n/a
2015	0.0	No	n/a
2014	268.7	Yes	191.6
Maximum FAC acres based on at least two of the last four crop years that the first insured crop was planted			341.3

E. Limitations of Number of Double-Cropped Acres

The receipt of a full indemnity payment on both crops that are double-cropped is limited to the greatest number of acres double-cropped in the two crop years used to meet double-cropping history requirements. Refer to subparagraph 603A.

604 Subsequent Planted Crops

A subsequent crop is a crop following a 2nd crop (i.e., 3rd, 4th, etc.) or following an insured crop that is prevented from being planted after a 1st insured crop.

- (1) Insurance is not provided for subsequent crops unless:
 - (a) it is a practice that is generally recognized by agricultural experts or the organic agricultural experts for the area to plant three or more crops for harvest on the same acreage in the same crop year, and
 - (b) additional coverage insurance provided under the authority of the Act is offered for the 3rd or subsequent crop in the same crop year.
- (2) Insurance will only be provided for a subsequent crop if the criteria in both items (a) and (b) below are met.
 - (a) The insured must provide records acceptable to the AIP that show:
 - (i) The insured has produced and harvested the insured crop following two other crops that were harvested on the same acreage in the same crop year in at least two of the last four years in which the insured produced the insured crop; or
 - (ii) The applicable acreage has had three or more crops produced and harvested on it in at least two of the last four years in which the insured crop was grown on it; and
 - (b) The amount of insurable acreage must not exceed one hundred percent (100%) of the greatest number of acres for which the insured has provided the records required in item (2)(a) above.

605 Loss Adjustment

A. Inspection and Appraisal of 1st Insured Crop

- (1) On an inspection for the 1st insured crop, the adjuster must obtain a certification from the insured certifying his/her intent to:
 - (a) plant a 2nd crop on any of the acreage released, or
 - (b) cash rent to a person who plans to plant an insured crop on 1st crop acreage.

Refer to paragraph 602 for more information regarding cash renting 1st insured crop acreage and also subparagraph 601B(2)(c) regarding the insured's written notice requirements. The election to not insure the 2nd crop must be made as specified in subparagraph 601B(2).

606 Production Worksheet Entries for 1st & 2nd Insured Crops (Continued)

A. Codes for 1st and 2nd Crops (continued)

Codes for Insured Crop Loss Lines	Definition	Use Only When...
WI (on planted acres) (continued)	Waive insurance on 2 nd insured crop acreage 100% Indemnity on 1 st insured crop acreage	(2) The waiver must be done by the time specified in paragraph 601 and cannot be accepted at a later date. Once the waiver is signed, it cannot be retracted at a later date. (3) Insurance cannot be waived on 2 nd crop acreage when the 1 st insured crop acreage was prevented from planting.
NS (on planted acres)	No 2 nd <u>insured</u> crop planted on 1 st insured crop acres 100% Indemnity on 1 st insured planted crop acreage If insurance is waived for 2 nd crop, use WI code above.	(1) The 2 nd crop planted is not insurable; (2) At the time of the final inspection for the 1 st insured crop acres, the AIP accepts the insured's certification that no 2 nd crop will be planted; or (3) The insured did not waive insurance on the 2 nd crop, the indemnity for the 1 st insured crop has not been processed yet, and the adjuster has verified after it is too late to plant a 2 nd crop that a 2 nd crop was notplanted. If an indemnity payment of 35 percent has already been made on the 1 st insured crop acreage and it is determined that a 2 nd insured crop was not insured, or if insured, was not planted, the RI code would be used rather than the NS code. Refer to the RI code. If someone other than the insured plants a 2 nd crop on any of the 1 st insured crop acreage, policy provisions require the insured to notify their AIP of this.
NS (on PP acres)	No 2 nd crop on pp 1 st insured crop acres 100% PP payment on first insured crop acreage	The AIP, in accordance with paragraph 45 of the PP Handbook, allows and accepts the insured's certification that no 2 nd crop will be planted for harvest, or an approved planted cover crop or volunteer crop will not be hayed (including swathed or windrowed), grazed, or cut for silage, haylage, or baleage from the PP acreage prior to November 1, or otherwise harvested (e.g., harvested for grain, or seed) at any time. (1) If the AIP cannot or does not allow the insured's certification, an initial PP payment of 35 percent will be made as stated in the PPSH.

606 Production Worksheet Entries for 1st & 2nd Insured Crops (Continued)

A. Codes for 1st and 2nd Crops (continued)

Codes for Insured Crop Loss Lines	Definition	Use Only When...
NS (on PP acres) (continued)	No 2 nd crop on pp 1 st insured crop acres 100% PP payment on first insured crop acreage	(2) AIPs should require insureds to sign a statement certifying they will notify them if another person plants a second crop for harvest on the PP acreage (1 st insured crop) or if another person hays (including swaths or windrows), grazes, or cuts for silage, haylage, or baleage an approved cover crop or volunteer crop prior to November 1 st , or otherwise harvests (e.g., harvests for grain, or seed) a cover crop or volunteer crop at any time. (3) If 35 percent of the PP payment has been made and it is determined the insured is entitled to the remaining 65 percent of the PP payment, the RI code rather than the NS code will be used. Refer to the RI code for PP.
DC	Meets Double-Cropping requirement 100% Indemnity or PP payment on 1 st insured crop	It has been verified the insured meets all double-cropping requirements as stated in paragraph 603.
IR	65% Indemnity Reduction of the 1 st insured crop (planted acreage)	Double-cropping eligibility does not apply, and insurance was not waived on the 2 nd crop acreage. (1) The insured is unsure if a 2 nd crop will be planted; (2) The insured states a 2 nd crop will be planted and insured; (3) A 2 nd crop is insured and has been planted; (4) The AIP does not allow or does not accept the insured's certification that a 2 nd crop will not be planted; or (5) The AIP accepts the insured's certification that a 2 nd crop would not be planted and 100% of the indemnity was paid. However, it subsequently is planted, suffers an insurable loss, and the insured accepts the 2 nd crop indemnity.

606 Production Worksheet Entries for 1st & 2nd Insured Crops (Continued)

A. Codes for 1st and 2nd Crops (continued)

Codes for Insured Crop Loss Lines	Definition	Use Only When...
RP	65% Reduction of PP payment of the 1st insured crop (PP acreage)	<p>It is determined that a PP payment is payable on the 1st insured crop and double-cropping eligibility does not apply but:</p> <ol style="list-style-type: none"> (1) At the time of final inspection for the PP payment, the insured is unsure if any of the following will occur, or the insured states or certifies that one of the following will occur: <ol style="list-style-type: none"> (a) 2nd crop will be planted for harvest after the FPD (or after the LPP, if applicable) for the 1st insured crop; (b) Cover crop will be planted and hayed (including swathed or windrowed), grazed, or cut for silage, haylage, or baleage after the LPP (FPD if LPP does not apply) but prior to November 1; (c) Volunteer crop will be hayed (including swathed or windrowed), grazed, or cut for silage, haylage, or baleage after the LPP (FPD if LPP does not apply) but prior to November 1; or (d) A cover crop or volunteer crop will be otherwise harvested (e.g., harvested for grain, or seed) at any time. (2) The insured or someone else actually carries out one of the items in (1) above. (3) The AIP accepted the insured's certification that any of the items in (1) above would not occur and 100% of the PP payment was made. However, subsequent to the certification and payment of 100% of the PP payment, the insured or another person carries out one of the items in (1) above.
RI (for planted acres indemnity)	Restore Indemnity of 1 st insured crop to 100% (planted acres)	<p>The 1st insured crop's indemnity was reduced to 35%, and the:</p> <ol style="list-style-type: none"> (1) Insured 2nd crop did not suffer a loss; or (2) Adjuster verified a 2nd crop was not insured, or if insured, was not planted; or (3) Indemnity of 1st insured crop was erroneously reduced; or (4) Insured waives indemnity on the 2nd crop acreage.

606 Production Worksheet Entries for 1st & 2nd Insured Crops (Continued)

A. Codes for 1st and 2nd Crops (continued)

Codes for Insured Crop Loss Lines	Definition	Use Only When...
RI (for planted acres indemnity) (continued)	Restore Indemnity of 1 st insured crop to 100% (planted acres)	Adjusters will only use this code on corrected claims they prepare that also need the indemnity restored. If no corrected claim is required, the AIP will use this code internally in the computer program. Refer to paragraph 1238 for the reasons that corrected claims are prepared. Documentation must be placed in the insured's loss file that explains why the indemnity is being restored.
RI (for PP Payment)	Restore PP Payment of 1 st insured crop to 100%	<p>The first insured crop PP Payment was reduced to 35% and the:</p> <ol style="list-style-type: none"> (1) Adjuster verified a 2nd crop was not planted, a volunteer or cover crop was not hayed (including swathed or windrowed), grazed, or cut for silage, haylage, or baleage prior to Nov. 1, or a volunteer or cover crop was not otherwise harvested (e.g., harvested for grain, or seed) at any time. The first insured crop PP Payment was reduced to 35% and the: (2) Insured stated or certified a 2nd crop would be planted, or a volunteer or cover crop would be hayed (including swathed or windrowed), grazed, cut for silage, haylage, or baleage, or otherwise harvested. However, subsequent to the statement or certification, the adjuster verifies that a 2nd crop was not planted, or a volunteer or cover crop was not hayed (including swathed or windrowed), grazed, or cut for silage, haylage, or baleage prior to November 1, or otherwise harvested (e.g., harvested for grain, or seed) at any time. <p>If a cover crop or volunteer crop that still exists November 1 or later appears to be harvestable, the PP payment cannot be restored until the final disposition of the cover crop or volunteer crop is determined.</p> <ol style="list-style-type: none"> (3) PP payment of 1st insured crop was erroneously reduced. <p>Adjusters will only use this code on corrected claims they prepare that also need the PP payment restored. If no corrected claim is required, the AIP will use this code internally in the computer program. Refer to paragraph 1238 for the reasons that corrected claims are prepared. Documentation must be placed in the insured's loss file that explains why the indemnity was restored.</p>