

Crop Insurance 101: Prevented Plant Coverage



As severe and unpredictable weather becomes more common, producers' ability to protect their operations from risk is essential. Most producers are familiar with crop insurance policies that offer financial protection for damaged or destroyed crops, but they may be less aware of the option to protect their operations from the loss of crops that could not be planted: prevented plant coverage.

Most crop insurance policies administered by the U.S. Department of Agriculture's Risk Management Agency (USDA-RMA) include timeframes when annual crops must be planted to maintain eligibility.¹



The **early planting date** is the earliest a producer can plant. This date varies by crop and location.

The **final planting date** is the latest a producer can plant and receive full coverage. After this date, producers maintain eligibility, but at a 1% loss in coverage for each day that passes.

The **end of the late planting period date**, which is typically 25 days after the final planting date, marks the last day the crops are eligible for any coverage.

When a producer cannot plant between the early and final dates or during the late planting period due to excess precipitation, flooding, other qualifying weather events, or damage resulting from these events, they may qualify for prevented plant coverage.²

If a producer does not plan to plant after the final eligible date or knows they will not be able to, they have 72 hours to make a claim. Additional documentation from agricultural experts supporting their reason for not planting may be required.³

Producers have several options when it comes to prevented plant coverage. They can choose not to plant their entire acreage, or when faced with drought on irrigated land, they can choose to plant on fewer acres, ensuring what is planted has sufficient water, and make a prevented plant claim for the remaining land.⁴ They can also replace unplanted acres with cover crops.

The payout for prevented planting claims is based on the type of policy. For yield and revenue protection policies, payment is determined by the projected price of the crop or yield at the beginning of the season. Payments for other policies are based on the crop's price election, which is set by RMA based on its sale value in the area.⁵

Sources

1 "Prevented Planting Standards Handbook: 2017 and Succeeding Crop Years." U.S. Department of Agriculture, Federal Crop Insurance Corporation, September 2016, rma.usda.gov/sites/default/files/handbooks/2017-25370-3H-Prevented-Planting-Standards-Handbook.pdf. Accessed September 2024.

2 Ibid.

3 Ibid.

4 "Prevented Planting Insurance Provisions Drought." U.S. Department of Agriculture, Risk Management Agency, July 2021, rma.usda.gov/about-crop-insurance/fact-sheets/prevented-planting-insurance-provisions-drought. Accessed September 2024.

5 "Prevented Planting Standards Handbook: 2017 and Succeeding Crop Years." U.S. Department of Agriculture, Federal Crop Insurance Corporation, September 2016, rma.usda.gov/sites/default/files/handbooks/2017-25370-3H-Prevented-Planting-Standards-Handbook.pdf. Accessed September 2024.





Cover crop option

As RMA expands its support for conservation practices, producers can plant cover crops in lieu of their harvestable crops where a prevented plant claim has been made. If the cover crop is harvested for grain or seed, the producer will receive 35% of the prevented plant payment.⁶

Planting cover crops during or after the late planting period helps producers maintain vegetation on their fields, reduce erosion, store soil nutrients, and build organic matter. This can improve soil health after tumultuous climate events and keep fields producing in future seasons.⁷



Documentation

Prevented plant coverage requires thorough documentation, which can include reports from the National Weather Service for non-irrigated acres to show evidence of prolonged drought or excess precipitation. For irrigated acres, producers should document how much water they will use and any reason for reductions in their water supply. The information can come from county extension services, USDA's Natural Resources Conservation Service, and state departments of water resources, among others. Crop insurance agents can offer further guidance on the documentation needed for individual policyholders.⁸



Finding an agent

Producers interested in prevented plant coverage should speak to an agent. Find a list of agents using RMA's locator tool at rma.usda.gov/tools-reports/agent-locator.

Sources, continued

6 "Prevented or Delayed Planting." U.S. Department of Agriculture, farmers.gov/protection-recovery/prevented-delayed-planting. Accessed September 2024.

7 Ibid.

8 "Prevented Planting Standards Handbook: 2017 and Succeeding Crop Years." U.S. Department of Agriculture, Federal Crop Insurance Corporation, September 2016, rma.usda.gov/sites/default/files/handbooks/2017-25370-3H-Prevented-Planting-Standards-Handbook.pdf. Accessed September 2024.

The Center for Rural Affairs is an equal opportunity provider and employer. This material is based upon work supported by USDA/NIFA under Award Number 2023-70027-40444.



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