

ACTUAL PRODUCTION HISTORY HEMP COVERAGE



Farmers Mutual Hail is now offering federal Hemp coverage for the 2020 crop year. The USDA Risk Management Agency (RMA) recently announced the availability of this new pilot insurance program in February 2020. Learn more about what this product covers, where it's offered, eligibility requirements as well as coverage levels.

HEMP APH COVERAGE

Hemp Actual Production History (APH) insurance covers loss of production from:

- Adverse weather conditions
- Earthquake
- Fire
- Volcanic eruption
- Insects and plant disease
- Failure of irrigation water supply if due to any of these causes
- Wildlife

APH yield is calculated by averaging the amount of hemp in dry pounds.

COVERAGE AVAILABILITY

Hemp APH coverage from FMH is available in select states for the following hemp types:



FIBER



GRAIN



CANNABIDIOL
(CBD)

Coverage is available for producers in certain counties in states including AL, CA, CO, IL, IN, KS, KY, MI, MN, MT, NM, NY, NC, ND, OK, OR, PA, TN, VA, and WI. See the RMA AIB to check specific counties.

PRODUCER ELIGIBILITY

Hemp producers must follow certain regulations for hemp production to be eligible for Hemp APH coverage.

Producers must have at least one year of history of producing the crop and have a processor contract for the sale of the insured crop. Hemp coverage does not qualify for replant payments or prevented planting payments under this policy. See the Insured Crop section for a more complete list of requirements.

Contact your Farmers Mutual Hail agent or visit www.fmh.com to learn more!

INSURED CROP

The producer must have a share in the hemp crop and at least a one year history of producing it to be insured.

INSURED HEMP IS REQUIRED TO BE:

- > A covered type
- > Grown under a processor contract fulfilled by the acreage reporting date
- > Grown under an official certification or license that permits production of the hemp
- > Planted for harvest as hemp in accordance with the processor contract and production management practices of the processor
- > Planted to an adapted variety and not a prohibited variety

COVERAGE LEVELS & PREMIUM SUBSIDIES

Hemp APH coverage levels range from 50 to 75 percent, if selecting basic units. Premium shares are 100 percent minus the subsidy amount shown in the chart.

Only one coverage level may be selected for each insured type in the county insured under this policy. Insureds must select the coverage level, by type, on their application by the sales closing date. Applications can be submitted by using the standard MPC1 application and change forms.

	Percent					
Coverage Level	50	55	60	65	70	75
Premium Subsidy	67	64	64	59	59	55
Your Premium Share	33	36	36	41	41	45

INSURANCE UNITS

Basic, Optional, and Enterprise units are available in select hemp counties. Premium discounts apply for basic and enterprise units. Additional subsidy is available for enterprise units.

CLAIMS

If an insured experiences damage or loss, the crop agent must be notified within 72 hours after finding it and no later than 15 days after the insurance period.

Insureds are required to provide a copy of the certification form or official license for the current crop year for the insured county before completing the claim.

Before the crop can be inspected by the adjuster, the insured must protect the crop from being further damaged as much as possible and leave samples for each field of the damaged unit.

If insured acreage is damaged during the insurance period by an insured cause of loss, and the producer intends to harvest the acreage before the final THC level is determined, the producer must provide notice to FMH through their agent.

IMPORTANT DATES



SALES CLOSING (2020)

March 15

SALES CLOSING (2021+)

February 28 or March 15

ACREAGE REPORT DUE

August 15

CANCELLATION

February 28 or March 15

For more information, see the RMA frequently asked questions guide at

www.rma.usda.gov/News-Room/Frequently-Asked-Questions/Hemp-Actual-Production-History-Pilot-Program-Coverage