Farmers Mutual Hail Insurance Company of Iowa

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# 2022 MPCI CLAIM REMINDERS

This document is intended to briefly summarize policy provisions and/or handbook language found on the Risk Management Agency (RMA) website at *www.rma.usda.gov* and does not in any manner, change the requirements prescribed by the policy and/or the applicable handbooks.

## HOW TO REPORT MPCI CLAIMS

Insureds should contact their agent to report a claim and agents will report claims in the following manner:

- FMH Agent Center (FMHA): www.fmh.com (username and password required)

In cases where the agent is unavailable, or the website is down, claims may be reported in the following manner:

Submit a "Notice of Damage or Loss" by:
- Phone: Home Office: 1-855-364-3276 ext. 042 (FMH Claims Center)
- Fax (# 515-282-1220), Email (ClaimsCenter@fmh.com) or Mail (address shown above)

### NO CLAIM REPORTING REQUIREMENTS FOR THE FOLLOWING PLANS:

Area Revenue Protection (**ARP, ARP-HPE**) Area Yield Protection (**AYP**)
Margin Protection (**MP**) Vegetative Index (**VI**) Rainfall Index (**RI, PRF, API**)
Hurricane Insurance Protection - Wind Index Endorsement (**HIP-WI**)
Stacked Income Protection-Revenue Protection (**STAX-RP, STAX-RPHPE**)
Supplemental Coverage Option-Yield or Revenue Protection (**SCO-YP, SCO-RP, SCO-RPHPE**)
Enhanced Coverage Option - (**ECO**)

## MPCI CLAIM REPORTING DEADLINES

### *FOR REPLANT OR OTHER USE SITUATIONS:*

Report claims immediately when damage occurs to the extent that a replant situation is imminent or when there is intent to go to another use and acreage will not be harvested. Preliminary inspections are required anytime acreage is damaged prior to harvest and the insured requests to: (1) replant (2) obtain consent to put acreage to another use (3) abandon the crop or (4) destroy any of the insured crop that will not be harvested. The adjuster must provide consent in advance of replanting. Exceptions may not be made even when the original stand remained intact because the insured inter-seeded, replanted alongside the original damaged rows, or left representative sample areas at the insured's discretion. Authorization from the adjuster is required prior to taking any of these actions or the acreage is considered destroyed without consent and will not qualify for a replanting payment.

### *FOR PREVENTED PLANTING SITUATIONS:*

Notification must be provided within 72 hours of the final planting date if you do not intend to plant the crop during any applicable late planting period, or within 72 hours after you determine you will not be able to plant the crop within the late planting period.

### *FOR PRODUCTION LOSS SITUATIONS:*

The Policy Provisions provide that in the event of damage or loss it is the insured's duty to give us notification within 72 hours of the initial discovery of damage, but not later than 15 days after the end of the insurance period. For most crops the end of the insurance period is the earlier of: 1) harvest of the crop 2) destruction of the crop or 3) the calendar date for the end of insurance as listed in the Crop Provisions. Additionally, many Crop Provisions require that if you initially discover damage within 15 days of or during harvest you must leave representative samples of the un-harvested crop for our inspection. The samples must be at least 10' wide and extend the entire length of each field in the unit and must remain until the earlier of our inspection or 15 days after harvest of the balance of the unit is completed.

### *FOR REVENUE LOSS SITUATIONS: (Revenue Policies only)*

If the production guarantee has been achieved and the loss is due only to a price decline, the deadline to report a claim is extended to 45 days after the harvest price has been announced.

### *WHEN IS TOO LATE? (Revenue and Non-Revenue Policies)*

Notices of damage provided later than the times described above are considered delayed notices. Claims involving a delayed notice may still be acceptable as long as they meet specific qualifying criteria. However, a claim for indemnity submitted more than 60 days after the end of the insurance period (or for revenue plans 60 days after the later of the harvest price announcement or end of insurance period), by policy provisions, must be rejected.

## APPRAISALS

### *FOR POTENTIAL LOSS SITUATIONS "CLAIM":*

Any un-harvested acreage must be appraised by us (this includes corn insured as grain that is harvested as silage).

Also needing an appraisal is:

- High moisture grain that will be mechanically packed in an open pit.
- Acreage from which corn will be cut and ground for corn and cob meal or cut for earlage.
- Acreage that will be harvested and stored in such a manner that production cannot be measured (e.g., high moisture grain or silage stored in an airtight structure).
- Acreage from which silage or forage will be packed in ag bags.

### *FOR APH PURPOSES "NO CLAIM":*

Any unharvested acreage should be appraised (FMH recommends that you always request an appraisal).

However, for corn insured as grain that is harvested as silage, the 50% rule can apply. As long as less than 50% of the planted acreage in the unit (limited by Practice/Type/Variety (P/T/V)) is cut for silage, the yield from the acreage harvested as grain may be attached to the acreage that went to silage. If over 50% of the unit (limited by P/T/V) will be cut for silage and adequate tonnage records will not be maintained, the acreage must be appraised. When adequate silage tonnage records are maintained and there is no claim, a conversion factor to convert tons to bushels may be used for APH purposes only. See the Crop Insurance Handbook (CIH) for details.

In counties where corn is insured as silage and the insured wishes to harvest as grain, the 50% rule can apply. As long as less than 50% of the planted acreage in the unit (limited by P/T/V) is harvested for grain, the yield from the acreage cut as silage may be attached to the acreage that was harvested as grain. If over 50% of the unit (limited by P/T/V) will be harvested for grain, the acreage must be appraised.

For either situation we recommend contacting your agent who will use the "Notice of Damage or Loss" process to request an appraisal. Appraisals must be from the entire acreage unless representative sample areas are authorized by the adjuster.

## PRODUCTION RECORDS BY UNIT

### *PRODUCTION MUST BE KEPT SEPARATE BY UNIT!*

Optional units will be combined if the production has been commingled between units. Keep uninsurable acreage production separate from insurable acreage production or it will also be used as production to count. Also, keep production from the first insured crop acreage separate from acreage planted to a second crop. It may also be beneficial to keep production separate for each practice/type/variety depending on the crop.

### *Previous Year's Production:*

Storage structure measurements of any previous year's production must be made by us prior to adding any new crop production within the same structure. Insured's weight tickets/records for previous year's production CANNOT be used to separate prior year's production from current year's production stored in the same storage structure.

### *Split Loads:*

Loads cannot be split between units because this constitutes commingled production unless records are maintained as described in the Authorization section below.

### *Delayed Measurement:*

Insureds with farm stored grain production who wish to have a delayed measurement should first report the claim and then may elect in writing to delay finalization of the claim for up to 180 days after the end of insurance period (EOIP), only for the purpose of a delayed measurement.

## PRODUCTION DELIVERED TO A COMMERCIAL ELEVATOR

The adjuster will need evidence of the delivery amounts. Individual load slips alone will not suffice. A summary and/or settlement sheet is required for this verification, accounting for 100% of the production delivered, not just the insured's share. In certain instances, individual load tickets may be needed in addition to the summary and/or settlement sheet.

## PRODUCTION FROM PRECISION FARMING TECHNOLOGY SYSTEMS

For loss situations, production records from precision farming technology systems (PFTS) may be used in lieu of settlement sheets and bin measurements provided the acreage is both planted and harvested using PFTS and *ALL* the following requirements are met.

**NOTE: Insureds should be advised to maintain alternate production records by unit in the event the precision farming records are determined to be unacceptable.**

### *PRECISION FARMING DEFINITION:*

The utilization of systems' technologies and agronomic principles to manage variability within and between fields and/or over time that is associated with all aspects of agricultural production. It requires the use of technologies, such as global positioning systems (GPS) and geographic information systems (GIS) management tools for the purpose of improving crop management. Precision farming may include the combination of variable seeding and fertilizer rates, minimizing seed and chemical overlaps, and the use of GPS/GIS yielding mapping technology.

A) Acceptable precision farming technology systems must include the following components:
   1. GPS technology integrated with planter monitors, combine monitors, and yield mapping software.
   2. The capability of producing summary reports that reflect planted acres, harvested acres, and harvested production; and
   3. Report of calibrations performed per manufacturer's requirements.

B) For planted acreage records from automated planter monitoring systems to be acceptable as determined acres, the insured must provide the following information in conjunction with production data as stated in C below:
   1. Insured's name
   2. Unit number
   3. FSA farm/tract/field ID number (if applicable)
   4. Legal description of acreage
   5. A printout from the precision farming technology system with the following information:
      a. Crop name
      b. Acres planted
      c. Electronically produced maps of planted acreage and acreage summary records. These records must show required discernable breaks between units or practices except as stated in (7) below.
   6. If the insured planted overlapping rows within the planted acreage, we must determine if the automated planter monitor records adjusted for overlapping planted rows. If the system did not adjust for the overlapping planted rows, acreage determination will be by other procedures, as applicable.
   7. Precision automated planter records may be used to separate optional units on center pivots for irrigated circles and non-irrigated corners without discernable breaks in the planting pattern provided the insured:
      a. Provides records of variable rate planting populations if recommended by ag experts.
      b. Documents the automated planter monitoring system used.

c. Provides the acres planted and practice for each optional unit.
d. Provides production records by optional unit and practice.
e. Provides the required information in A) above.

8. If the automated planter monitors acreage records provided by the insured are not reasonable, or we have reason to question the records, the insured must provide the precision farming technology system's raw data and any additional records requested by us. If we determine the planted acreage records are not acceptable, we must determine planted acreage according to the LAM. However, the production records from the precision farming technology system's yield monitor may still be used.

C) For production records to be acceptable the acreage must be *PLANTED* and *HARVESTED* using precision farming technology systems and the insured must provide the following information:

1. Calibration of the automated yield monitoring system.
   a. The insured must have calibrated the yield monitoring system at the beginning of harvest for each insured crop and crop year, in accordance with the operator's manual specifications. The sensor calibrations must not exceed three percent when compared to the actual weighed production harvested from the acreage used to calibrate the sensor. If the initial sensor calibration difference exceeds three percent when compared to the actual weighed production harvested from the acreage used to calibrate the sensor, additional calibration samples may be taken until the results are within tolerance.

      Note: This includes yield monitoring systems capable of self-calibrating. For crop insurance purposes, self-calibrating yield monitoring systems must be compared to actual weighed production harvested from the acreage at the beginning of harvest for each insured crop and crop year.
   b. If after calibrating the yield monitoring system as stated above, the sensor calibrations for the crop and crop year:

      (i) still exceed three percent (3%) when compared to the actual production harvested from the acreage used to calibrate the sensor, the PFTS records will not be considered acceptable as stand-alone production evidence but may be used like load records. Post-harvest calibration of yield maps is not acceptable. The insured must provide documentation of the actual production based on acceptable production records.

      (ii) are within three percent (3%) using production harvested from the acreage used to calibrate the sensor, and the insured wants to make additional calibrations throughout harvest due to changes in crop or field conditions. Additional calibrations are allowed, provided the revised calibrations are still within three percent (3%) of the actual weighed production harvested from the acreage used to calibrate the sensor.

      (iii) are within three percent (3%) when compared to the actual weighed production harvested from the acreage used to calibrate the sensor, but the insured wants to make additional calibrations after harvest (post-harvest), the post-harvest calibration must remain within the three percent (3%) tolerance and documentation of the actual production based on acceptable weight records used for calibration must be provided for the PFTS records to be considered acceptable.
   c. The insured must provide documentation showing the sensor calibrations for the crop and crop year. The annual calibration report, from the yield monitor system or documentation from the insured, must include all calibrations and adjustments performed, by crop, for the crop year, including the date each calibration/adjustment was performed and the difference from the previous setting. The annual calibration report must be provided to the adjuster.
2. Insured's name
3. Unit number
4. FSA farm/tract/field ID number (if applicable)
5. Legal description of acreage: and
6. A printout, by unit, of the following precision farming technology information:
   a. Crop name
   b. Acres harvested
   c. Date harvested
   d. Total production (unadjusted for moisture)
   e. Average moisture content
   f. Yield maps and acreage/production summary records. These records, generated from the system, must show separate production records were maintained by unit and/or practice. These maps must be reviewed to identify harvested and unharvested acreage. If the map indicates unharvested acreage, a visual inspection is required to determine if crop appraisals are needed.

7. If the production and yield map records provided are not reasonable or there is reason to question the production and/or yield map records, the insured must provide the precision farming technology system or yield monitor systems raw data and any additional production records requested by us. If after reviewing the systems raw data, the precision farming technology system production records are determined to be unacceptable, production must be determined in accordance with production weighed and farm-stored or by authorization for load records, storage structure markings, or combine monitor records.
   ***NOTE: Insureds should be advised to maintain alternate production records by unit in the event the precision farming records are determined to be unacceptable.***
8. All quality adjustment determination will need to be made according to policy provisions**.**

## PRODUCTION WEIGHED AND FARM STORED

Production weighed with an acceptable type scale by the insured (or other entity selected by the insured), prior to storing on the farm may be used to determine production, provided it meets the requirements as described in the Loss Adjustment Manual (LAM). Acceptable type scales include: (1) non-portable on-farm scales, (2) commercial elevator scales, (3) grain carts, provided the grain cart: (A) can produce a printed or an electronic record of loads; (B) has an integrated display panel to show the weight of the production in the cart, provided the cart is available so the capacity of the cart can be determined, or (C) is equipped with scales integrated with a wired or wireless (e.g., Bluetooth) interface, calibrated according to manufacturers' specifications and is capable of electronically recording and storing weight records on a field-by-field basis from which the insured can produce a printed or electronic record of loads, including all of the required information for acceptable weight tickets listed below. If a producer used multiple grain carts, but not all were equipped with the system described herein, the adjuster must verify the production by other means (i.e., bin measurements, sales records, etc.).

You do not need prior authorization to put more than one unit in the same storage structure if ***all*** of the production in the structure has been weighed by an acceptable type scale and acceptable weight tickets are provided. If the grain is carrying excess moisture, it would be wise to moisture test every load.

To be acceptable each individual scale weight ticket or record for each load must provide at least the following information:

1. Insured's name
2. Crop
3. The gross weight, per load, of the conveyance with production and the gross weight of the conveyance without production, except as stated in (i) below:
   (i) Only the gross weight, per conveyance, of the production is required if the production is weighed using a grain cart that:
      (A) produces a printed or an electronic record of loads.
      (B) has an integrated display panel showing the gross weight of the production from which the insured documents the weight; **or**
      (C) is equipped with scales integrated with a wired or wireless (e.g., Bluetooth) interface that is calibrated according to manufacturers' specifications and is capable of electronically recording and storing weight records on a load-by-load basis from which the insured can produce a printed or an electronic record of loads, by unit, which includes all of the required information.
   (ii) Scale Weight tickets/records printed from grain carts should be photocopied or saved electronically to preserve the information.
4. Date weighed.
5. Load Number (if the scale used does not print a number, the insured must apply a number).
6. Unit and/or field identification from which the production was harvested that can be correlated to the unit numbers for the crop stored. To be acceptable, the adjuster must verify that the field identification can be correlated with the unit numbers for the crop for the current crop year. If a field identification cannot be correlated to a unit number for the crop, the production must be considered commingled.
7. Identification and location of farm-storage structure in which the load(s) from each field are stored and/or satisfactory explanation of disposition of the production if any or all the production is no longer stored at the time of inspection; and
8. When scale weights are from a grain cart that cannot produce printed or electronic records or weight tickets, but the grain cart has an integrated display panel, a record is considered a handwritten contemporaneous log if the insured has recorded all the required information.
9. A summary record alone of all weight tickets/records is not acceptable. The insured must hand write any of the required information if scale used is not capable of producing a printed ticket or electronic record.

For weighed and farm stored production adjusters are required to use the "greater of" procedure. Production to count will be the "greater of" the calculated bushels derived from our measurement of the storage structure(s) or the insured's weight records adjusted for moisture. However, RMA allows the weighed production to be used if it is within 3% of the adjuster-measured production.

***Exception:*** If production was weighed by a grain cart equipped with scales that are integrated with a wired or wireless interface, that is calibrated according to manufacturers' specifications, or with a non-portable scale that has been calibrated within last 12 months, the weight ticket/records may be used without requiring the "greater of" procedure.

**Note: Unless meeting the exception, if weighed production will be stored in structures that cannot be measured, claims must be determined from appraised production. It is the insured's responsibility to inform FMH of the need for an appraisal.**

Keep in mind also, for farm stored production, samples for quality adjustment can only be taken by the adjuster, UNLESS the: (1) load(s) have been weighed at a commercial facility and at the same time load samples were extracted by authorized personnel (not the insured) at the commercial facility AND (2) the samples were analyzed by a grain grader meeting the requirements as set out in the policy provisions AND (3) the adjuster is able to verify the preceding with the elevator.

## AUTHORIZATION FOR LOAD RECORDS, STORAGE STRUCTURE MARKING OR COMBINE MONITOR RECORDS For Current Crop Year Production

From time to time it may become necessary to store production from more than one unit, from insurable and uninsurable acreage or first/second crop acreage, in the same storage structure. This will be considered commingled production unless the following procedures are strictly adhered to:

### *FOR APH PURPOSES (NOT A LOSS):*

Keep written records of bin markings, truckload or combine monitor records, as described below in case of a future APH audit. These records may not be used to determine production to count but rather to demonstrate how the production was kept separate.

### *FOR LOSS SITUATIONS:*

When production from more than one unit, insurable and uninsurable acreage, or from first/second crop acreage, will be stored in the same storage structure, we will make an inspection when notified to perform a measurement before additional production is added. Should our workload indicate a timely measurement is unlikely, please be advised the use of bin marking, truckload or combine monitor records, as described below, may be used to separate the commingled production. *This authorization is "Standard" for all FMH policyholders except those who have been, or may be, notified otherwise, under separate cover.* This Standard authorization allows the insured to identify production from separate units by printed records from combine monitors, storage structure markings, or load records, as follows:

**Note: These records are not directly used to determine the production to count but rather to apportion the total production, as determined by the Insurance Provider, to the respective units. The adjuster must be satisfied the insured has met all the requirements of this procedure. If the adjuster is not satisfied with the reasonableness of the production determinations for a unit based on the storage structure markings, load records or combine monitor records, such production will be considered commingled.**

#### *RECORDS FROM COMBINE MONITORS*

Printed records from combine monitors must show the location of the field, field ID, unit number, name of crop, date, and number of pounds or bushels of the crop.

#### *STORAGE STRUCTURE MARKINGS*

Identify the depth of such production by marking the storage structure with a permanent marker and indicate whether the grain was leveled or not. Write the unit number and/or field ID, date and initial the mark. Third party verification is

helpful but not required. Storage structure markings are *NOT* considered acceptable records to separate production when harvested production from more than one entity is stored within the same storage structure.

***LOAD RECORDS***

A) Maintain a contemporaneous (occurring or originating during the same time) ledger, by crop, recording loads of production for the crop identified by unit and field number, date of harvest, identity of the conveyance used to transport the grain to the storage structure and the estimated bushel volume per conveyance.

B) Load records will be used to prorate the commingled production contained in a larger structure on a percentage basis.

**EXAMPLE:** The adjuster measures a bin and determines it contains 4505 bushels. A red truck with a 300-bushel usual load and a white truck with a 250-bushel usual load were used. The insured's harvest record shows that 3 red truckloads and 4 white truckloads came from unit 0101 and 4 red truckloads and 5 white truckloads came from unit 0102. The adjuster would assign the production as follows:

**Step 1: Insured's written estimate of production.**

| | | | |
|---|---|---|---|
| Unit 0001-0001**OU** | | | |
| 3 loads @ 300 bu/load | = | 900 bu. | |
| 4 loads @ 250 bu/load | = | 1000 bu. | |
| Total Bushels | | | 1900 bu. |
| Unit 0001-0002**OU** | | | |
| 4 loads @ 300 bu/load | = | 1200 bu. | |
| 5 loads @ 250 bu/load | = | 1250 bu. | |
| Total Bushels | | | 2450 bu. |
| Total Truckload Bushels | | | 4350 bu. |

**Step 2: Establish Pro Rata Factor**

| | | |
|---|---|---|
| 1900 / 4350 | = | .436782 pro rata factor for unit 0001-0001**OU** |
| 2450 / 4350 | = | .563218 pro rata factor for unit 0001-0002**OU** |

**Step 3: Determined Production Prorated to each unit**

| | | |
|---|---|---|
| 4505 X .436782 | = | 1967.7 bu. Production to count from 0001-0001**OU** |
| 4505 X .563218 | = | 2537.3 bu. Production to count from 0001-0002**OU** |

***BIN MARKING, LOAD LOG OR COMBINE MONITOR QUALITY ADJUSTMENT SAMPLING***

Quality adjustment may be allowed according to policy provisions ***only if the samples are obtained as outlined in the quality adjustment portion of this Claim Reminder.*** If significant differences in grain quality between units are indicated, these differences can be allowed only if the adjuster can assure that a sample can be extracted from the structure for each unit in the structure, and that the tested samples reflect the significant differences. Otherwise, the average sample of what is in the bin should be used and will be applied to all units in the bin (i.e., one test weight, one moisture percentage, etc.).

## FED PRODUCTION

We encourage producers to have any quantity of production intended for feed measured or appraised by us to determine the amount of production/moisture and quality before harvest or feeding begins. In the event production must be fed prior to a claim being worked the insured is responsible for maintaining a formal, contemporaneous, written record system of fed production and to have those records available at the time the claim is prepared. For acceptable documentation of fed production, the records must: (1) be in writing (2) be contemporaneous for each feeding as the feeding occurs (3) provide the amount of production, by crop, fed at each feeding (4) identify the crop

year and unit number from which the fed production was harvested. It is important to be able to show the path of the production from when and where it was harvested until the production is fed.

## QUALITY ADJUSTMENT

All quality adjustment determinations will be made using samples of the production obtained by us or by a disinterested third party approved by us.

**"Disinterested Third Party" definition:** A person that does not have any familial relationship (parents, brothers, sisters, children, spouse, grandchildren, aunts, uncles, nieces, nephews, first cousins, or grandparents, related by blood, adoption, or marriage, are considered to have a familial relationship) with you or who will not benefit financially from the sale of the insured crop. Persons who are authorized to conduct quality analysis in accordance with the Crop Provisions are considered disinterested third parties unless there is a familial relationship. Note: For crops having quality provisions in the Special provisions (SP), the SP state: In addition to the definition of "Disinterested third party," a person or business who does not routinely purchase production for resale or for feed will not be considered a disinterested third party if the Reduction in Value (RIVs) applied by the buyer are not reflective of the RIVs in the local market.

Any potential loss due to mycotoxin presence in stored grain will be covered *ONLY* if samples of the grain were obtained by the adjuster *BEFORE* storage or from representative strips of the crop left standing in the field. However, if the mycotoxin involved is vomitoxin, RMA now allows samples to be pulled from stored grain.

With regard to deficiencies in quality (except test weight, which may be determined by our loss adjuster) the samples must be analyzed by a grain grader:

(1) licensed under the U.S. Grain Standards Act or the U.S. Warehouse Act
(2) licensed under State law and employed by a warehouse operator who has a commodity storage agreement with the Commodity Credit Corporation (CCC) or
(3) not licensed under State law, but who is employed by a warehouse operator who has a commodity storage agreement with the CCC and is in compliance with State law regarding warehouses.

With regard to substances or conditions injurious to human or animal health, including various mycotoxins, the samples must be analyzed by a laboratory approved by us.

**NOTE: Keep badly damaged grain separate! The Special Provisions of Insurance contain pre-established discount factors for various types of damage. For grain damaged beyond these pre-established factors a reduction in value process is used. To qualify for compensation to the extent allowed by the policy, it will be a good idea to keep such grain separate from grain that is undamaged or damaged to varying degrees.**

## WHAT IS A SIMPLIFIED CLAIM?

The Simplified Claim Process (SCP) is available for most crops and plans. This process allows insureds to submit information to prove their claim without having an adjuster make an inspection. To qualify, all acreage of the unit must be harvested, and all production must be delivered to a third party with written verification provided. To be eligible, the loss must be less than $20,000 per optional unit and less than $40,000 for a basic, whole farm, or enterprise unit. For more information on the SCP procedures please contact your agent or check the FMH website.

## WHAT CAN INSUREDS DO TO EXPEDITE THE CLAIM PROCESS?

1. Be organized
2. Submit your claim for indemnity timely. The Common Crop Policy places strict limitations on an Insurance Providers ability to pay any claim that is not submitted timely.
3. Keep production records separate by unit.
4. Have written third party verification of yield history available.
5. Cooperate with the adjuster in the investigation or settlement of a claim.