Nursery Value Select

Fact Sheet

General Information

Nursery Value Select (NVS) is an inventory-based pilot program that allows nursery producers to select the dollar amount of coverage that best fits their risk management needs.

Availability

NVS is available in all states and counties.

Crop Insured

The insured crop will be all plants within each insured practice for catastrophic (CAT) level of coverage, and each plant category you choose to insure within each insured practice for additional levels of coverage and that:

- You have a share;
- Are grown in a nursery that receives at least 40 percent of its gross income from the wholesale marketing of nursery plants;
- Meet all the requirements for insurability;
- Are grown in an appropriate medium; and
- Are grown and sold with the root system attached.

Nursery plants may not be insurable if they:

- Are grown in containers containing two or more different genera, species, subspecies, varieties, or cultivars;
- Are any plant classified by a State or county as illegal to grow or sell in the county in which the nursery is located;
- Are grown as stock plants; or
- Are grown solely for harvest of buds, flowers, or greenery.

Your nursery must be inspected and approved as acceptable before insurance coverage can begin.

Causes of Loss

You are protected against the following:

- Adverse weather conditions;
- Fire, provided weeds and undergrowth are controlled;
- Wildlife;
- Earthquake; and
- Volcanic eruption.

Plant damage or losses in value resulting from the following situations are not covered unless due to an insurable cause of loss:

- Collapse or failure of buildings/ structures;
- Disease or insect infestation, unless effective control measures for the infestation do not exist;
- Failure of plants to grow to an expected size;
- A loss in insured plant value because such insured plants are dead/zero market value plants that cannot be sold during the usual and recognized marketing period;
- Failure of irrigation water supply;
- Inadequate power supply;
- Inability to market nursery products due to a stop sales order, quarantine, boycott, phytosanitary restriction on sales, or buyer refusal; and
- Cold, unless certain requirements are met.

Important Dates

For all Atlantic Coast States (including Pennsylvania, Vermont, and West Virginia) and Gulf Coast States:

Contract Change Date
January 31

Sales Closing/Cancellation
May 1

Insurance Period Begins
June 1

For all other states:

Contract Change Date
April 30

Sales Closing/Cancellation
September 1

Insurance Period Begins
October 1

Coverage Levels and Premium Subsidies

Coverage levels range from 50 to 75 percent. Crop insurance premiums are subsidized as shown in the following table.

ITEM	PERCENT					
Coverage Level	50	55	60	65	70	75
Premium Subsidy	67	69	69	64	64	60
Your Premium Share	33	31	33	36	36	40

For example, if you selected the 75-percent coverage level, your premium share would be 40 percent of the base premium. The CAT coverage level is fixed at 27.5 percent of your plant inventory value. The only cost for the CAT coverage level is an administrative fee of $655 for each insured practice.

Insurance Units

Basic units are the only unit division available for NVS. However, you may further divide your basic unit into additional basic units by using one of the following methods. You may choose only one method for all your basic units.

1. Each plant category you choose to insure within an insured practice as a separate basic unit; or
2. Non-contiguous land for the field grown practice and, if allowed by the Special Provisions, for the container grown practice. You may choose to insure one or more plant categories under this additional basic unit structure.

Occurrence Loss Option

Under the additional level of coverage, you may purchase the Occurrence Loss Option (OLO) in conjunction with your NVS policy in exchange for an additional premium. If you elect the OLO, your guarantee will be calculated the same as it would otherwise be calculated under the base policy. However, the OLO allows indemnities to be paid on smaller losses if a minimum dollar value of loss is exceeded.

Peak Endorsement Pilot

For increased coverage during a designated peak period when your inventory value may be higher than your selected value, you may consider the additional insurance coverage provided by a Peak Endorsement (not available with CAT).

You may purchase no more than one Peak Endorsement for each basic unit during the crop year unless you meet certain requirements in the Peak Endorsement. Contact your crop insurance agent for more details.

Loss Example

Your share = 1.000

$500,000 Selected value

× 0.75 Coverage level percentage

$375,000 Amount of insurance

In the Event of a Loss

Pre-loss actual unit value = $600,000
Post-loss damage value = $200,000

Percent of loss	= post-loss damage value ($200,000) ÷ pre-loss actual unit value ($600,000) = 33.33%
Amount of loss	= (lesser of the pre-loss actual unit value ($600,000) or selected value ($500,000)) × percent of loss (.3333) = $166,650
Occurrence deductible	= lesser of (deductible percentage (0.25) × pre-loss actual unit value ($600,000) or the crop year deductible ($125,000)) = $125,000
Subtract the occurrence deductible ($125,000) from the amount of loss ($166,650)	= $41,650
Indemnity	= loss ($41,650) × share (1.000) = $41,650

Duties in the Event of Damage or Loss

Notify your agent within 72 hours (3 days) of your initial discovery of damage and submit a claim for indemnity no later than 60 days after the end of the insurance period.

Where to Buy Crop Insurance

Contact a crop insurance agent to see how Federal crop insurance can meet the specific needs of your operation. Crop insurance is sold and delivered solely through private crop insurance agents. A list of crop insurance agents is available online at rma.usda.gov/agent-locator.

More Information

Producers can learn more about crop insurance and the modern farm safety net at rma.usda.gov or by contacting their RMA Regional Office.

RMA fact sheets give only a general overview of Federal crop insurance programs, not complete policies. For further information and an evaluation of your risk management needs, contact a crop insurance agent.