



# Forage Seeding

## Fact Sheet



Forage Seeding crop insurance protects against the failure to establish an adequate stand of forage due to covered natural perils. Coverage applies during the critical establishment period, from the time seed is planted until the forage achieves an adequate stand or the insurance period ends.

This program insures the investment in seeding and does not cover subsequent harvests once a stand is established. It is designed for producers planting perennial alfalfa, perennial red clover, perennial grasses, or a mixture of these species, as specified in the actuarial documents.

## Crop Insured

Forage is insurable if:

- You have a share in the crop; and
- It is planted during the current crop year, or replanted during the calendar year following planting, to establish an adequate stand of forage.

Forage is not insurable if:

- It is grown with the intent to be grazed or is grazed at any time during the insurance period.
- It is interplanted with another crop, except companion crops, unless allowed by the Special Provisions or by written agreement.

Companion crops seeded into the same acreage as the forage that are intended to be harvested separately and planted to improve growing conditions, are permitted and do not affect insurability.

## Planting Practices

The Forage Seeding program recognizes two planting practices, which affect sales closing dates, unit structure, and coverage coordination:

**Spring Planted:** forage seeded before July 1 (unless otherwise specified in the Special Provisions)

**Fall Planted:** forage seeded after June 30 (unless otherwise specified in the Special Provisions).

In counties where both fall and spring sales closing dates exist:

- If you insured fall planted acreage, you must also insure spring planted acreage with the same coverage level.
- If you did not insure your fall planted acreage, you are not eligible to purchase insurance for spring planted acreage.
- If you have no insurable fall planted acreage, you may purchase or revise spring planted coverage until the spring sales closing date.

## Insurance Period

Coverage begins when the seed is planted and ends at the earliest of the following:

- Total destruction of the insured crop on the unit
- The initial harvest of the unit (if no late harvest date is listed in the Special Provisions)
- The first harvest after the late harvest date (if a late harvest date is specified, you may harvest as often as practical on or before that date)
- Final adjustment of a loss on the unit
- Abandonment of the insured crop
- The date grazing commences on the insured crop
- The end of insurance period date shown in the actuarial documents

Important: Once the crop is harvested or grazing begins, the insurance period ends. Acreage that is grazed is not considered harvested and will end coverage.

## Acreage Reporting Requirements

You must file a report of all insured forage production acreage with your crop insurance agent by the acreage reporting date.

In counties with both fall and spring sales closing dates, the sales closing date for fall planted acreage controls coverage changes for the entire policy once any insurable fall planted acreage is planted. You may not change coverage after the fall sales closing date if you plant any insurable fall acreage, even if changes to spring acreage are desired.

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## Duties in the Event of Damage or Loss

If a loss occurs, or you expect a loss will occur, you must:

- Provide timely notice of loss to your AIP in accordance with the Basic Provisions:
- 72 hours of your initial discovery of damage, but not later than 15 days after the end of the insurance period;
- Preserve representative samples:
  - ♦ must be at least 10 feet wide and extend the entire length of each field in the unit
  - ♦ must not be harvested or destroyed until the earlier of the AIP’s inspection or 15 days after tilling of the balance of the unit is completed
- Provide written notice if, during the period before destroying damaged fall planted acreage, you decide to replant by the spring final planting date.
- Not destroy the damaged crop until after you have received written consent to do so.

## Coverage Levels and Premium Subsidies

The premium subsidy percentages and available coverage levels are shown below.

PREMIUM SUBSIDY RATES BY COVERAGE LEVEL								
Coverage Level	50%	55%	60%	65%	70%	75%	80%	85%
Basic Unit	67%	69%	69%	64%	64%	60%	51%	41%

Catastrophic Risk Protection (CAT) coverage is fixed at 50 percent and 55 percent of the reference minimum dollar amount. The cost for CAT coverage is an administrative fee of \$655, per crop per county. Your share of the premium will be 100 percent minus the subsidy amount.

## Insurance Units

Basic units are the standard unit structure for Forage Seeding. Basic units are also divided by planting practice. Spring planted acreage and fall planted acreage are maintained as separate basic units even if they are in the same county and under the same policy.

## How Losses are Settled

Loss settlements are determined on a per-unit, per-type and practice basis, using stand density at the time of loss compared to an adequate stand threshold.

- Adequate stand - for forage containing 60% or more alfalfa, the minimum required number of live alfalfa stems per square foot that are two inches or greater in height, as shown in the Special Provisions. For forage containing less than 60% alfalfa, the normal planting density as shown in the Special Provisions.
- Normal planting density — The minimum number of live plants per square foot shown in the Special Provisions.

Loss calculation - three stand condition categories:

STAND CONDITION AT TIME OF LOSS	INDEMNITY TREATMENT
75% or more of an adequate stand	No indemnity – full reduction applied
More than 55% but less than 75% of an adequate stand	50% partial indemnity
55% or less of an adequate stand	Full indemnity

The indemnity is calculated as follows for each type and practice:

1. Determine the total value of all insured acreage (insured acres × amount of insurance per acre)
2. Determine the value of acreage with no insurable loss – acreage with 75%+ of adequate stand, abandoned without consent, damaged solely by an uninsured cause, or harvested and not reseeded (multiply those acres × amount of insurance)
3. Determine the value of acreage with partial loss – acreage with more than 55% but less than 75% of adequate stand (multiply those acres × amount of insurance × 50%)
4. Add the results from steps 2 and 3
5. Subtract that total from the total value in step 1
6. Multiply by your share

Total all results across types and practices to determine the total indemnity.

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## Loss Example

Scenario: A producer has a 100% share in two types of forage in one unit.

**Type A:** 30 acres, amount of insurance = \$100/acre

- 10 acres have a remaining stand of 75% of adequate stand or greater (no loss)
- 20 acres have a remaining stand of more than 55% but less than 75% of adequate stand (partial loss)

**Type B:** 20 acres, amount of insurance = \$90/acre

- 10 acres have a remaining stand of 75% of adequate stand or greater (no loss)
- 10 acres have a remaining stand of 55% or less of adequate stand (total loss)

### Calculation

#### Type A:

1. Total value: 30 acres × \$100 = \$3,000
2. No-loss acreage: 10 acres × \$100 = \$1,000
3. Partial-loss acreage: 20 acres × \$100 × 50% = \$1,000
4. Total reduction: \$1,000 + \$1,000 = \$2,000
5. Type A indemnity before share: \$3,000 - \$2,000 = \$1,000
6. × 100% share = **\$1,000**

#### Type B:

1. Total value: 20 acres × \$90 = \$1,800
2. No-loss acreage: 10 acres × \$90 = \$900
3. Partial-loss acreage: 0 acres = \$0
4. Total reduction: \$900 + \$0 = \$900
5. Type B indemnity before share: \$1,800 - \$900 = \$900
6. × 100% share = **\$900**

**Total Indemnity:** \$1,000 + \$900 = \$1,900

## 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](https://www.rma.usda.gov/agent-locator).

## More Information

Producers can learn more about crop insurance and the modern farm safety net at [rma.usda.gov](https://www.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.



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