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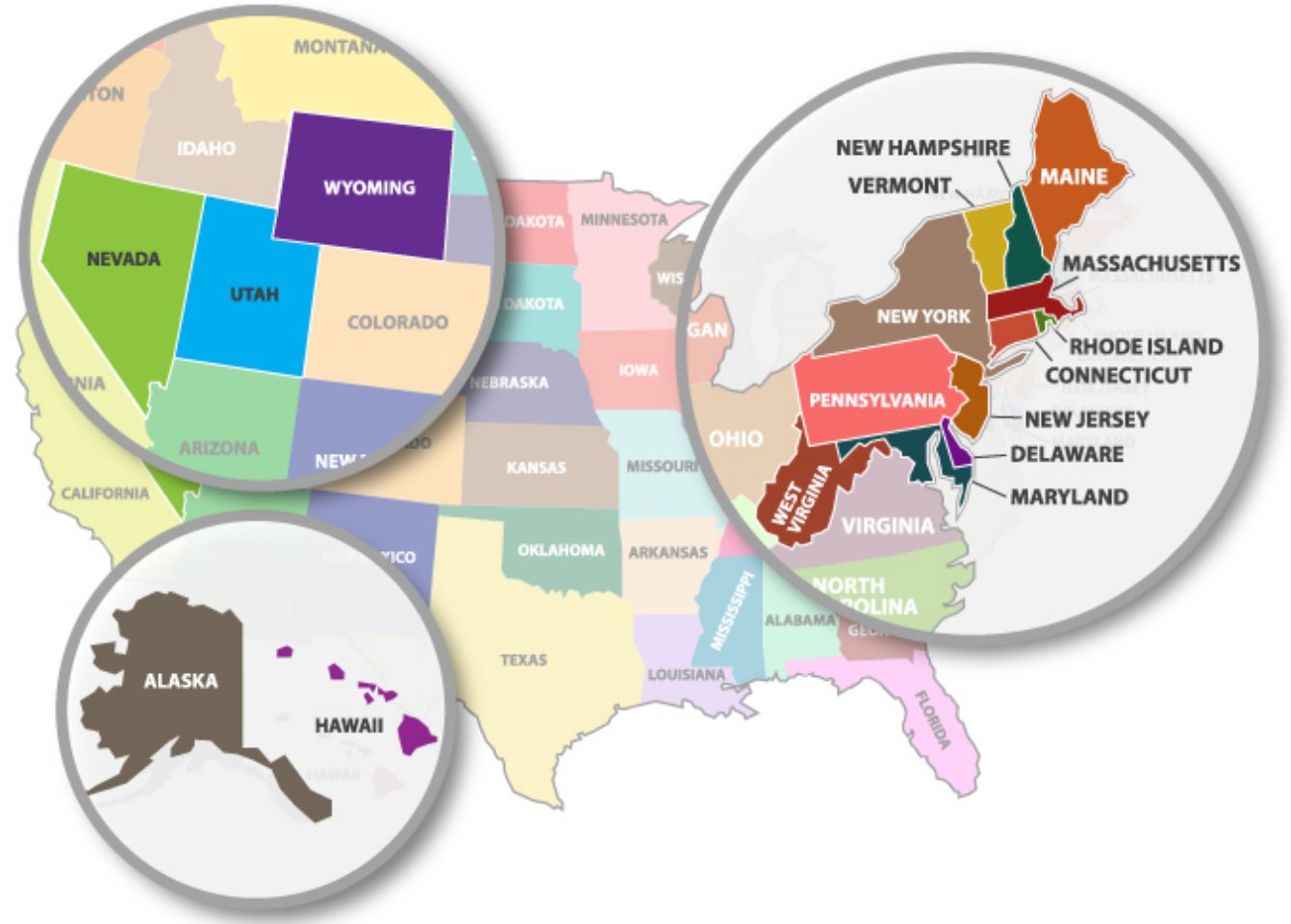


# Crop Insurance Education: What we have learned in New York



# RMA Targeted States Cooperative Agreement

- RMA program targeting 17 states with relatively low crop insurance participation rates.
- The goal is to conduct crop insurance education and promotion activities so producers better understand the crop insurance options available to them.



# RMA Targeted States Cooperative Agreement Activities

- Several extension partners help deliver an outreach program to diverse producer groups across the state
  - In person activities and presentations
  - Fact sheets and other “education materials”
  - Tailored towards needs of specific groups based on production specialization and crop insurance knowledge
    - For example, crop insurance basics vs. updates on new products
  - Support for record keeping and general risk management in addition to crop insurance to support underserved groups such as beginning farmers.
- Website and mobile app (forthcoming)

# RMA Targeted States Cooperative Agreement Activities

Secure | <https://ag-analytics.org/CropInsurance>

Ag-Analytics CROP INSURANCE FARM VIEW BLOG CONTACT US

WE PROVIDE CROP INSURANCE RESOURCES FOR NEW YORK FARMS

Crop Insurance Basics Search Documents

Crop Insurance Payouts 2008-2017

INSURING GRAPES NY, 2018

When Planting Goes Wrong... Prevented Planting & Replant Provisions in Crop Insurance 2018 Crop Year, NY

Important Insurance Deadlines

Over 40 grape varieties are insurable in these counties:

NYS Grape Crop Insurance Performance

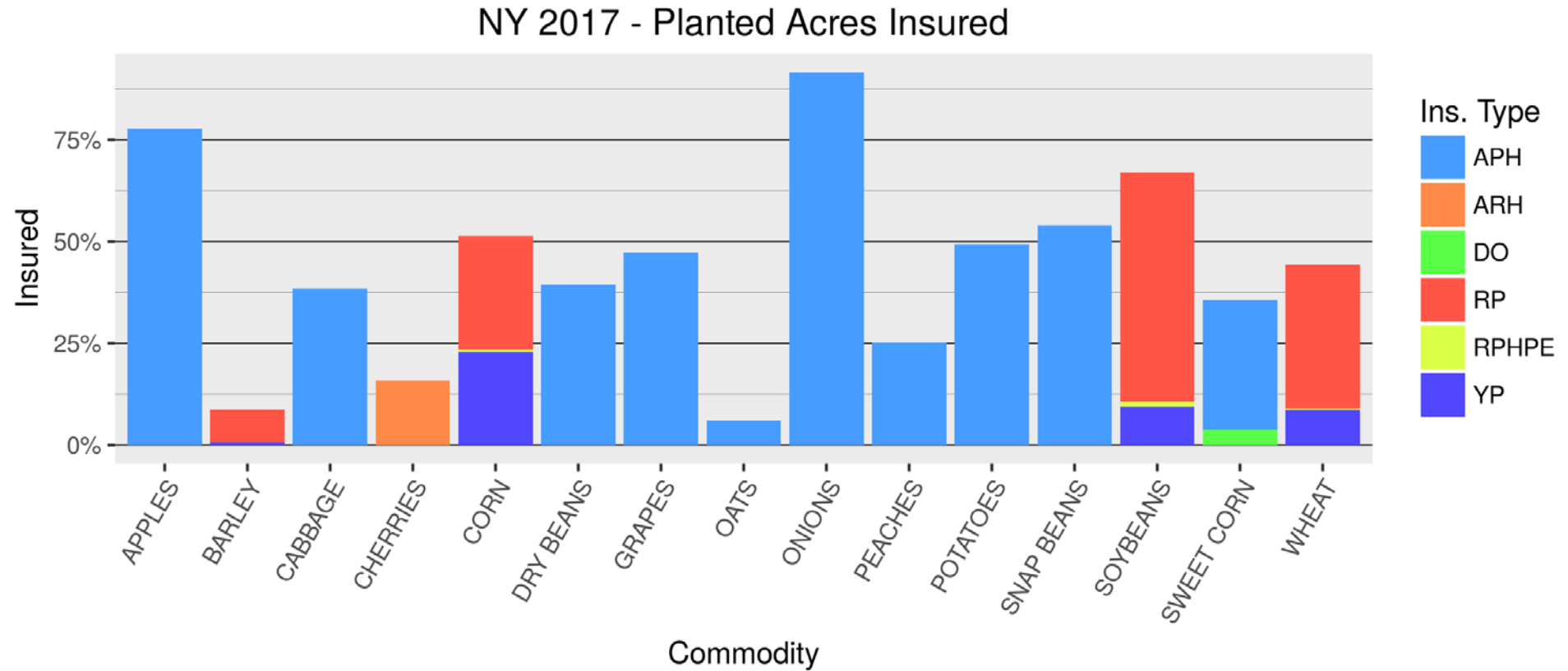
NY Crop Insurance Fact Sheet Organic Producers 2018

Ag-Analytics @AgAnalytics · Feb 5

Don't miss the March 15th #cropInsurance purchase deadline! Protect your farm against drought, hail, flood, insect damage, and low prices and more. Education info at [Ag-analytics.org/cropInsurance](http://Ag-analytics.org/cropInsurance)

For more NY crop insurance information, visit: [ag-analytics.org/cropinsurance](http://ag-analytics.org/cropinsurance)

# Crop Insurance uptake in New York varies by crop



Source: RMA Summary of Business, NASS.

Note: Acres bearing for apples and other crops as relevant. 40-50% of onions are insured at the CAT level.

## Many types of crop insurance products are available

**Yield:** apple, barley, fresh-market green beans, processing green beans, dry beans, cabbage, corn, forage production, grain sorghum, grape, green pea, oat, onion, peach, potato, soybean, processing sweet corn, processing tomato, winter wheat

**Revenue:** barley, corn, grain sorghum, soybeans, tart cherry (pilot), winter wheat, Whole Farm Revenue Protection (WFRP)

**Dollar:** fresh market sweet corn, nursery

**Index:** API, PRF

## Education challenges: misperception of products

“I don’t buy crop insurance because five years ago I had crop insurance for garlic and the payout was not even close to the value of the garlic.”

- NY farmer after 2018 RMA Targeted States presentation

(Garlic is not and has never been covered under Federal crop insurance/MPCI, was likely referring to NAP)



## Why are some NY farmers underserved?

Misunderstanding may play a role:

- Some do not understand that CI is a risk-management tool and not an investment.
  - "I tried insurance twice, and paid in \$500 and got nothing back. I can't continue such losses." (Clendenin 1942 , p. 261)
- FSA NAP products are confused with RMA products.
- Thought they should have received a payout when they did not.

**These are all education issues...**



## We as extension educators are learning as well!

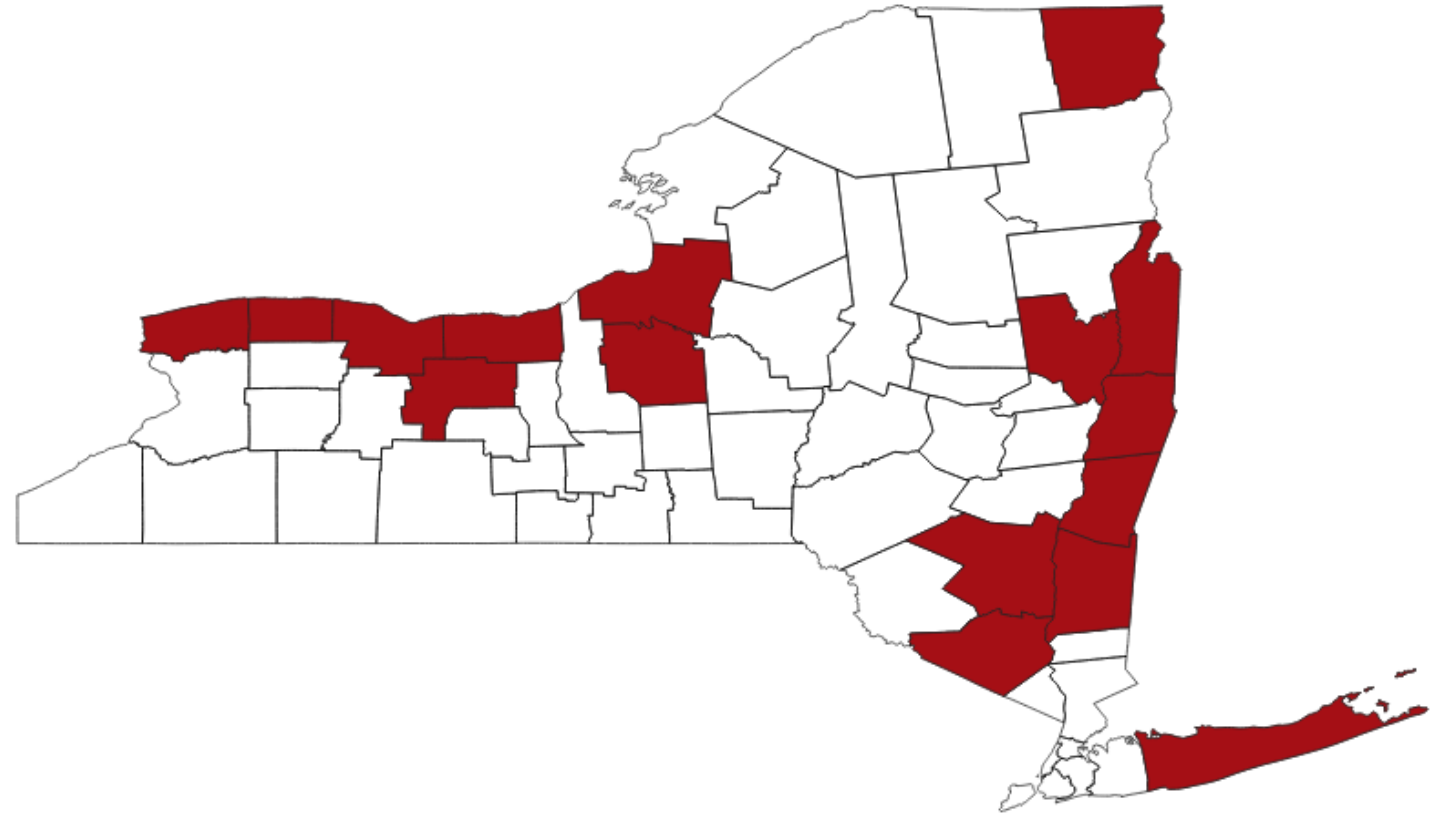
- NY ag is diverse with several specialty crops that have smaller insurance markets.
- There are several different groups that we present to
  - Specialized and diversified
- Current level of the understanding of crop insurance varies greatly across groups
  - Crop Insurance 101
  - Very specific questions about specific policy provisions
- Let's now look at a New York case...



Photo: John Lillis via Flickr

# Crop Insurance for New York Apples

- New York is the second largest U.S. producer of apples.
  - 40,000 bearing acres 2016 (NASS)
  - Most operations specialize in apple production.
- Crop insurance uptake is over 75% of bearing acres.
  - 31,093 acres insured 2017 (RMA)
  - Crop insurance is very important to many producers!



# Crop Insurance for New York Apples – APH Policy

- Quality Adjustment:
  - Basic Coverage: U.S. No. 1 Processing or better is considered production to count.
  - Optional Coverage: Apples are graded on quality and a yield adjustment is made.
  - Most NY growers opt for the optional quality coverage
- Fresh Apple Certification:
  - At least 50% of production from reported acreage must have been sold as fresh apples in one or more of the four most recent crop years.
- Blocks

## Outreach to NY apples growers

- Partner with regional fruit/commercial horticulture extension programs that hold “fruit schools” in the winter
- Extension newsletter articles
- Meet with individual growers
- WFRP cases/scenario analysis (ongoing)



# Crop Insurance for New York Apples

## Current Feedback

- RMA Listening Sessions
- Projected prices
  - Varietal groups
  - New varieties/uses
- Quality grades – classification as processing vs fresh
- Some resistance to WFRP



## Concluding Remarks...

- Our extension programs reach diverse producers through diverse means to provide risk management education on multiple crop insurance products
- There are misconceptions that may serve as barriers to higher crop insurance participation
  - These are being addressed by educational efforts but take time
- We are constantly learning...
- We work to change the way producers look at risk so that crop insurance decisions become part of their overall farm management practice.

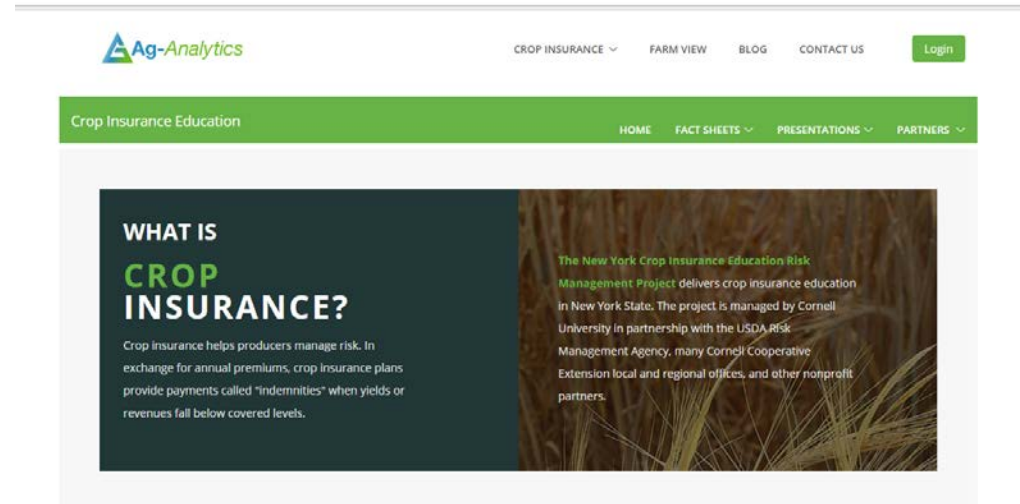
# Cornell Crop Insurance & Risk Management Education Project Resources

## Currently available

- Newly updated website including
  - Articles
  - Fact sheets
  - Presentations
  - Videos
  - Farmer testimonials

## Coming soon

- Risk management podcast series
- More NY case studies
- More fact sheets
- Whole Farm Revenue Protection examples





Cornell University delivers crop insurance education in New York State in partnership with the USDA Risk Management Agency.

Diversity and Inclusion are a part of Cornell University's heritage. We are an employer and educator recognized for valuing AA/EEO, Protected Veterans, and Individuals with Disabilities.



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