



Dick Sims Crop Insurance

February 7, 2019

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What's new to help me manage Risk with MPCl in 2019?

While there are not a lot of big changes to Multi-Peril Crop Insurance this year—there are a few that could impact certain producers. One change that could affect farmers is the new White and Waxy Specialty Corn insurance. It allows policyholders to insure their specialty-type corn at a **more favorable contract price if grown under contract** in specific counties. While this seems like a no-brainer- yes we want to do it, there is a potentially BIG tradeoff to setting up waxy or white corn databases. That is: once you use these databases with their potentially better prices, you are no longer eligible for the Trend Adjustment option on these units—quite possibly “giving back” much of the gains you thought you were getting in price-to oftentimes dramatic reductions in your Approved yield without the benefit of the widely used TA option. If you grow one of these specialty corn types you owe it to yourself to speak with one of our knowledgeable agents to determine which option is best suited to your particular circumstances. For more information about this new option for White and Waxy corn producers, contact an agent at Dick Sims Crop Insurance.

Another positive change for 2019 is Multi-County Enterprise Unit Endorsement (MCEU). It allows a producer to combine acreage of an insured crop, by irrigation practice, if applicable, in two contiguous counties in the same state into one enterprise unit. This is available for spring

coarse grains (corn, grain sorghum, soybeans), and wheat. Replanting, prevented planting, and claims for indemnities will be determined and paid at the MCEU level. To qualify for a MCEU, one county must qualify independently for an enterprise unit and the other county must not qualify for an enterprise unit. Both county crop policies in the MCEU must be with the same Approved Insurance Provider and have the same elections for Multi-County Enterprise Units, insurance plan, coverage level, and enterprise unit by practice. The MCEU must be elected by the earliest sales closing date of both counties that will be in the enterprise unit. The producer must also identify which two counties will be included in each MCEU by the earliest acreage reporting date. The election of the MCEU does not combine the county crop policies. It only combines all insured acreage of the crop (or all insured acreage of the irrigation practice, if enterprise unit by practice is elected) in both counties into a single enterprise unit. Separate applications and policies are required for each county.

2019 is also likely to bring an increased emphasis on making sure production on all units is properly reported making sure to keep all production separate from other units. While there is tolerance the RMA believes some producers abuse the system. Also new this year is a Dairy Revenue Plan giving Dairy producers better options to protect their special types of risk. Fortunately, generous premium subsidies will remain in place.

Spring Base Prices...

Corn — \$4.02/ bu*

Beans – \$9.59/ bu*

So far...for 2019

Important Dates

Sales Closing Date for Corn & Soybeans:	3/15/2019
RP YP ARPI Base Price Discovery for Corn:	Feb 1 - 28 December
RP YP ARPI Base Price Discovery for Soybeans:	Feb 1 - 28 November
Planting Date Range for Corn:	April 5/10 to June 5
Planting Date Range for Soybeans:	April 20/24 to June 20

Agricultural Improvement Act of 2018

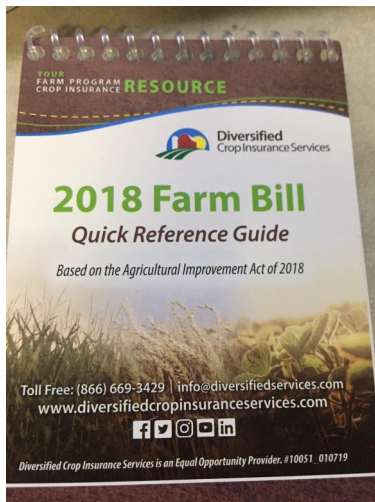
Guess what? Congress did pass a new farm bill in 2018! Largely, it is a continuation of the old farm bill, featuring Price and/or Revenue protections over and above Crop Insurance. What does it mean to you? There will be some decisions to make in 2019 including:

- * Do I update Base Acres?
- * Do I update my Payment Yields? - Probably...we can help with this one...
- * Do I go with ARC county revenue Protection as 77% of you did last go round ? or
- * Do I go with PLC Price protection this time as many pundits are suggesting?
- * If I go with PLC, do I consider adding the Supplemental Coverage Option SCO to add highly subsidized County level coverage to my RP or YP base plan?

As you can see—there are lots of things to consider as you weigh your options and as you know—making the wrong choice could cost you literally thousands of dollars. One thing that is different for 2018 is that you are NOT committing for one program for the whole 5 years but only the 1st 2 years, and only one year at a time after that.

While the deadline to sign up for this new bill has not yet been announced, we believe it makes sense to do the homework and legwork now so that you can simply “pull the trigger” when the time comes and you are undoubtedly busier than you are in the winter.

Once again our partner DCIS has produced a nifty Pocket Guide to the ins and outs of the new bill which we are happy to supply to all who desire them— just let one of our agents know.



Scan this code with your smartphone for additional info!



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www.dicksimsinc.com



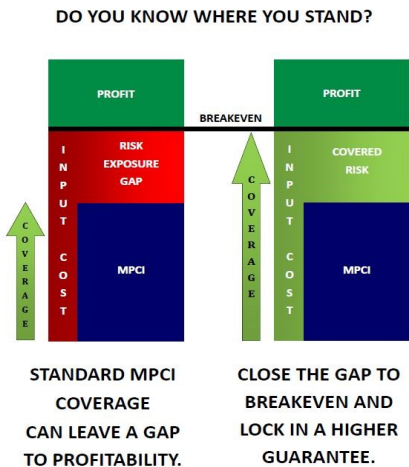
Follow us on social media for the latest news!

Private Products continue to Perform for many Producers

The last 2-3 years has seen a huge surge in the availability and use of Private Products to supplement or enhance the normal subsidized RP Policies that serve as the workhorse to protect farmers' livelihoods. Following is a sampling of some of what has been popular.

Banded Coverages on top of normal levels have brand names of RAMP or ICE or GAP. These products sit on top of normal guarantees to offer protection with much less deductible than the maximum 85% on RP. Often sold as 85%-95% band, this can add \$75 more revenue guarantee on Corn and \$60 on Beans for less than you might think, sometimes with optional units as

an added benefit. See Chart below.



Price Flex and RPowerD are also popular—these plans allow you the opportunity to capture higher base prices in the market to enhance revenue guarantees and possibly add higher bands of coverage too.

Crop Hail—the product that put our Company on the Map in 1953— this simple product has successfully protected thousands of farmers from the ravages of hail and fire in an acre by acre basis for decades.

Stand-alone Replant—enhance the replant built into your RP policy— usually an endorsement to Hail policy.

Green Snap and Wind with Extra Harvest Expense— after 2018 harvest— this will be popular in 2019!



Dick Sims Crop Insurance
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We have Capacity!

Don't keep us a secret - if you like our passion to provide you the best options to protect your farm, please tell your farmer friends and neighbors about us. With 4 full-time, knowledgeable agents, we are ready, willing and able to give your friends the same service you have enjoyed!

«Business/Farm Name»
 «First Name» «MI» «Last Name»
 «Address1»
 «City», «State» «ZipCode»

2019 Ag Outlook Breakfast - Wednesday, Feb. 20th

Sponsored by: Dick Sims Crop Insurance, Purdue Extension and First Farmers Bank and Trust

“2019 Purdue Agricultural Outlook”

Dr. Michael Gunderson
 Director, Center for Agri-business
 Purdue University, Ag Economics

In-Depth Grain Market Analysis

Michael J. Silver
 Grain Marketing Specialist, Kokomo Grain
 Agent, Dick Sims Agency, Inc.

Cass County Fairgrounds Community Center
 Registration 8:15-8:30 AM, Breakfast 8:30 AM, Program 9:00-11:00 AM
 RSVP by Feb. 13th: Call DSA 574-737-7467 or Purdue Extension at 574-753-7750