



## Does crop insurance pay!

This year has been one of the most challenging in the history of Massachusetts farming. We saw record low temperatures in February that wiped out the 2016 peach crop followed by extreme low temperatures in April followed by an extreme drought. All farmers suffered losses on almost every crop either by lower yields and/or increase operating expenses. Every farmer got a chance to evaluate their risk management plan. Did they have coverage and was it at the right level?

Nineteen peach growers had purchased crop insurance for 2016. These policies provided \$581,687 in coverage and the growers paid \$25,926 in premiums. These policies paid out \$581,688 or 100% of the potential liabilities! That's right! These growers were paid the full amount of their coverage and most had their money before June 30<sup>th</sup>.

### Peaches

# of Policies	Liabilities	Total premiums	USDA Subsidy	Grower Premiums	Indemnities
19	\$581,687	\$90,986	\$65,060	\$25,926	\$581,688

Crop insurance for peaches are available in 4 counties (Hampden, Hampshire, Middlesex & Worcester). Farmers in other counties can request a "written agreement" which may allow them to purchase a policy based on the policies sold in the insured counties. Growers in the non-insured counties can also purchase a policy from the USDA Farm Service Agency(FSA) under the Non-Insured Crop Disaster Assistance Program (NAP).

Now is the time for fruit growers to review their coverage for 2017. The sales closing date for coverage of perennial crops is November 20<sup>th</sup>, 2016. Growers can purchase a crop insurance policy for apples, peaches and cranberries. All other crops are covered by NAP which is sold by your local FSA office.

Crop insurance is sold and delivered through private crop insurance agents. A list of crop insurance agents is available at all USDA Service Centers or on the RMA website at: [www.rma.usda.gov/tools/agents/](http://www.rma.usda.gov/tools/agents/).

UMass Extension has been awarded the 2017 Targeted States grant by the USDA Risk Management Agency (RMA). UMass Extension is available to assist growers in their evaluation of their risk management plan and the available policies.

*UMass Extension works in partnership with the USDA Risk Management Agency (RMA) to educate Massachusetts producers about Federal Crop Insurance and Risk Management Programs. For more information, please visit [www.rma.usda.gov](http://www.rma.usda.gov) or contact UMass Risk Management Specialists Paul Russell at [pmrussell@umext.umass.edu](mailto:pmrussell@umext.umass.edu) or Tom Smiarowski at [tsmiarowski@umext.umass.edu](mailto:tsmiarowski@umext.umass.edu)*

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