

# Crop Insurance and SURE Wheat Calculation Worksheet<sup>1</sup>

		RA-HPO
<b>1 Crop Ins. Coverage Level</b>		<b>70%</b>
<b>2 Crop Insurance aph</b>		<b>45.3</b>
<b>3 Crop Ins. Price Election</b>		<b>\$8.77</b>
<b>4 \$ Crop Ins. Coverage</b>	(ln1 X ln2 X ln3)	<u>          </u>
<b>5 Yield</b>		<b>10.0</b>
<b>6 Crop Ins. RA Harvest Price</b>		<b>\$6.00</b>
<b>7 Final Revenue Guarantee</b>	Max (ln3 , ln6) X ln1 X ln2	<u>          </u>
<b>8 \$ to Count</b>	(ln5 X ln6)	<u>          </u>
<b>9 APH Indemnity Bu.</b>	(ln1 X ln2 - 5ln)	<b>N/A</b>
<b>10 Indemnity Pymt (RA-HPO)</b>	(ln7 - ln8)	<u>          </u>
<b>11 15% of Direct Pymt<sup>2</sup> + Other Gov Pymts</b>		<b>\$1.00</b>
<b>12 SURE "aph"</b>		<u>          </u>
<b>13 Coverage (Same as Crop Ins.)</b>		<b>70%</b>
<b>14 "Price"<sup>3</sup></b>		<u>          </u>
<b>15 SURE 115% Factor</b>		<b>115%</b>
<b>16 SURE Coverage</b>	(ln12 X ln13 X ln14 X ln15)	<u>          </u>
<b>17 Max Rev Cap</b>	(ln12 X ln3 X 90%)	<u>          </u>
<b>18 Lesser of line 16 or line 15</b>		<u>          </u>
<b>18 NASS Price<sup>3</sup></b>		<b>\$5.80</b>
<b>19 SURE Crop "Sales"</b>	(ln5 X ln18)	<u>          </u>
<b>20 Gov Pymts &amp; Crop Ins.</b>	(ln10 + ln11)	<u>          </u>
<b>21 Gross SURE Pymt</b>	(ln18 - ln19 - ln20)	<u>          </u>
<b>22 60% X SURE Pymt (net)</b>	(ln21 X 60%)	<u>          </u>
<b>23 Total Revenue</b>	(ln19 + ln20 + ln22)	<u>          </u>
<b>24 Crop Ins. Premium<sup>5</sup></b>		<b>\$16.69</b>
<b>Total Revenue Less Crop</b>		
<b>25 Ins. Premium</b>	ln23 - ln24	<u>          </u>

**Note: No Negative Payment Values and Payment Limit is \$100,000**

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<sup>2</sup>15% times the whole farms direct payment.

<sup>3</sup>SURE "Price" was defined as the higher of the planting price or harvest price. SURE "price" could also be defined as the APH price for revenue insured farmers and that would lower or even eliminate payments for revenue insured farmers. CRC/RA-HPO insured farmers will receive much smaller benefits from SURE assuming "Price" in SURE is not defined the same as their insurance contract price definition, i.e. higher of planting or harvest price. The "price" definition is critical. could also be defined as the APH price for revenue insured farmers and that would lower or even eliminate payments for revenue insured farmers. CRC/RA-HPO insured farmers will receive much smaller benefits from SURE assuming "Price" in SURE is not defined the same as their insurance contract price definition, i.e. higher of planting or harvest price. The "price" definition is critical.

<sup>4</sup>SURE claim settled on NASS price that is set at the end of the Marketing Year, approximately a year after harvest.

<sup>5</sup>This worksheet assumes gross indemnity payments count against SURE guarantee. Farmers would prefer net indemnity payments to count, but FSA could use either definition.