Crop Insurance
WORKSHOPS
HAVE MAJOR IMPACT

By Doug Jose, Extension Farm Management Specialist, University of Nebraska

Crop insurance agents and other risk management service providers play a key role in helping their farm and ranch clients make more profitable risk management decisions. Colorado State University, Kansas State University and the University of Nebraska provide an educational opportunity to facilitate this process. They have joined forces to provide risk management professionals with the tools and information they need to assist their clients.

Each year for the past nine years, a one-day workshop has been conducted in each of the three states on consecutive days. The agenda and the speakers are common for each of the workshops. The only deviation from the one set of speakers format is for topics that are specific to each state, such as water issues.

Workshop Objectives
The general objectives of the workshop are:

1. Crop insurance agents, agricultural lenders, marketing consultants, agricultural educators and other risk management service providers will be able to help their clients make more profitable risk management decisions.

2. Farmers and ranchers will be able to apply the information to their decisions.

The specific learning objectives for each workshop relate to the agenda topics for that year.

Origins and Organization of the Workshops

Laurence Crane from NCIS originally encouraged states to conduct workshops for crop insurance agents. He was able to provide some financial assistance, through a grant, in 1999 to get the project started. The financial assistance also provided some risk capital for a new educational initiative with a new clientele group. The three states discussed the idea, and with Laurence’s assistance, concluded that once a workshop was organized and speakers were arranged there were economic benefits to delivering the same workshop in each of the states.

The Colorado workshop is held in Brush, Colo., which is in the northeast part of the state; the Nebraska workshop is conducted in the Grand Island area; and, the Kansas workshop has settled in Salina after experimenting with Great Bend and Hutchinson as locations. The combined attendance at the three workshops is between 250-300 each year.

The organizers of the workshops are Dr. Art Barnaby from Kansas State, Dr. Norm Dalsted from Colorado State and Dr. Doug Jose from the University of Nebraska. The planning committee that works with the organizers includes Dr. Crane and a representative from each of the companies that sell crop insurance in the three states. At the first meeting in the spring of 1999, the planning committee decided early to mid-November was the best time to conduct the workshops. Recently the scheduling has settled on the Tuesday through Thursday of the first full week of November. Fortunately, weather has never been a problem for the speakers and organizers to get from one workshop to the next.

Workshop Topics

The presentations are designed to provide risk management service providers with information and tools they can use as they interact with their farmer clients and assist them with their risk management plans. The categories of topics addressed in the workshop every year include:

1. Assessment of the Political Environment Related to Crop Insurance—speakers have included RMA administrators, Congressional aids, lobbyists and policy consultants.

2. Agricultural Policy—presentations have included the development and details of the Farm Bill, including the implications for farmer decisions as well as other Federal policies that impact producers.

3. Regional RMA Issues—the Director of the Regional Office of RMA in Topeka has been a speaker each year. A key component of the workshops has been the involvement of RMA. It is an opportunity for regional RMA personnel to interact with agents who deliver the program in their region. Sometimes controversial questions have come up, but we have been pleased with the support and contribution of the Topeka office.
4. Update on RMA Products—in the past three years this component has focused on the livestock insurance products, including discussion of the background concepts such as options.

5. Detailed Analysis of Some Aspect of the Crop Insurance Program—this could also be termed “Dr. Barnaby’s section.” We are fortunate to have Dr. Barnaby as part of our project. He is one of the recognized leaders in the country for his knowledge of the crop insurance program and his analysis of the alternatives for producers. In 2007, his presentation focused on “How Much I Can Afford to Pay for the Harvest Price Option.”

6. Climate and Related Issues—topics have included weather trends and water issues and their impact on producer cropping decisions.

7. Current Topics—a wide range of topics related to crop production and crop insurance have been presented. These have included reinsurance, the use of satellite imagery by RMA, and data mining and other procedures to reduce fraud and abuse. In 2007 we addressed the development and future of the ethanol market, which proved to be a very popular topic.

Continuing Education Credit

About half of the participants each year request continuing education credits.

Credits are offered for Wyoming and South Dakota, in addition to the three sponsoring states.

The Participants and the Impact

About 60 to 65 percent of the participants each year are crop insurance agents. Lenders make up about 20 percent of the participants and the other 15 to 20 percent include producers, commodity brokers, government agency personnel and extension staff. Each of the risk management service providers works with an average of about 175 clients. The participants have estimated that they will discuss risk management planning with an average of 72 percent of their client base within six months of the workshop. They estimate that each of the clients they discuss risk management planning with can increase their annual net farm income by about $23,000 with more careful planning. With an average of 225 risk management service providers attending the three workshops and each of those working with 175 clients, these workshops are having a major impact on the risk management planning by producers in the three states.

Workshop Website

In 2006 the three states received a small RMA grant to enhance the learning objectives of the workshops. One of the goals we were able to achieve was to establish a dedicated website for the workshops. The website includes information about upcoming workshops and presentation materials of those who have attended a previous workshop or have expressed interest in the workshops. The cost of the workshop in 2007 was $75. This included workshop materials and the noon luncheon.

The unique collaboration between three states has delivered a risk management workshop for risk management professionals in Colorado, Kansas and Nebraska. These workshops ultimately impact about 40,000 farmer clients each year and provide a much needed and well-received place where information can be learned and shared between those who attend.

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Dr. Art Barnaby leads a discussion at a crop insurance conference.

from previous workshops. The address is: http://cropinsure.unl.edu