

# In the Field

## 2015 FALL TRAINING

Our fall training sessions are scheduled, and they will include company announcements, industry updates, Farm Bill updates, a review of 2015 handbook changes, and general MPCCI requirements and procedures. Payment deadlines, accounting information, regional crop updates, and claims and compliance updates will also be covered.

ProAg® offers mandatory online training for: Civil Rights, Conflict of Interest Reporting, Drug-Free Workplace, Controlled Business, and Anti-Rebating. Please note that these topics will NOT be covered in the meeting. In order to receive full CE credit, you must complete this training before attending the Fall Update Meeting. If this training is not completed before an update meeting, it must be completed prior to credit being issued for the meeting.

This training can be accessed by clicking the following link:  
[www.proagclaimstraining.com/cr/2014CR-COI-agent.htm](http://www.proagclaimstraining.com/cr/2014CR-COI-agent.htm).

Date	Location
Thurs. Aug. 21	Bowling Green, KY
Tues. Aug. 26	Farmville, VA
Wed. Aug. 27	Williamston, NC
Thurs. Aug. 28	Tunica, MS
Thurs. Aug. 28	Fayetteville, NC
Wed. Sept. 3	Mechanicsburg, PA
Thurs. Sept. 4	Tifton, GA

Additional details about training times and locations can be accessed at ProAgPortal®.

## NEW INSURED MOBILE APP COMING SOON

Do your insureds want an easy way to access their policy information or policy documents? Do they need the reporting dates for their policy? Do they have a way to turn in a loss while on the combine?

Well, now there's an app for that—myProAg™.

Very soon, your insureds will be able to download an Apple or Android version of myProAg. This mobile App gives insureds access to their own data at the tap of a button on most mobile devices.

myProAg will enable insureds to perform basic policy functions:

- Review policy summaries
- File a Notice of Loss
- View a claim status
- Email policy documents to themselves
- Access market information
- Read news – including ProAg.com's Latest Ag News
- Check the weather

myProAg will help insureds take ownership of basic policy information so agents have more time to provide solutions to tough risk management situations.

Stay tuned for the release of myProAg. 🌱



THE PAST, PRESENT AND FUTURE OF AGRICULTURAL RISK MANAGEMENT®

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# THE HUMAN FACTOR

When a tornado cut through the countryside near Lane, SD, in June of this year, the barn that had served four generations on Bruce Kogel's farm disappeared into the funnel. Bruce, a part-time adjuster for ProAg®, considers himself fortunate. The vortex missed his home by a few hundred feet.

Brenda Koenig, ProAg regional field representative, heard about the tornado and hit the road to check on Bruce. She found that he was in relatively good shape, but Bruce told Brenda that his neighbors a few miles down the road were less fortunate. Their farm had received a direct hit, and while the farm couple had survived, their beloved pet did not—and their farm was unrecognizable.

"So, I stopped and got some rolls at the bakery and picked up a couple of cases of water from WalMart® and headed over to this farm," Brenda recalls. "I didn't know them, and they didn't do business with us, but this is the human side of crop insurance. We're part of the industry, and frequently part of the same community. I just wanted to let them know there were a lot of people thinking about them."

## Professionalism with compassion

Crop insurance adjusters and supervisors are sometimes among the first people to have contact with farmers and ranchers after disaster strikes. Their challenge is to find the balance between the professional requirements of their job and the fact that they are dealing with human beings who have suffered a loss ranging from a portion of their crop to their entire farming operation—home included.

"When you're going into a situation like that, you try to mentally prepare yourself for what you're going to see," Brenda notes. "But there's nothing that can get you ready to drive on a farm where there is absolutely nothing left."

Kyle Harper knows that feeling. Kyle is a ProAg area claims supervisor based in Oak Grove, LA. He was working as an adjuster in 2005 when the state was hit with the effects of two of the most powerful Atlantic hurricanes of all time—Katrina and Rita.

"Being from the northern part of the state, I had seen wind damage before, but nothing like what I saw from those storms," Kyle recalls. "I learned early to watch my words, because this was a heart issue for these people. They were proud of their farms and it hurt them to see this kind of damage. They weren't fond of all the people driving through to look at what the storms had done."

It was important for Kyle to do his work as best he could, while also trying to see the situation from the perspective of the insureds. That's made easier by the fact that Kyle grew up working on area farms.

"When I call, I always ask

if they have a little time to talk. I don't assume it," he explains. "I'll bend over backwards to ease the stress for both the farmers and the agents, rather than add to it. The worst thing that can happen is to have an insured call their agent and complain about how an adjuster made them feel or how something he said really upset them. So I work really hard to listen well and be sensitive to what might be going on inside the people I'm working with."

## A storm that doesn't stop

Hurricanes, tornadoes, and hail can all turn a season—or a life—upside down in a hurry. But there are other disasters that can last for weeks, months, or even years.

Claims supervisor Paul Padgett works from ProAg's Fresno, CA, office. He's seen an unprecedented string of freeze events and is currently experiencing an historic drought with the rest of the Golden State.

"I've been involved in California agriculture all my life," Paul says. "As a rule of thumb, we have a freeze event in citrus country once every 10 years. Now we've had one for three years in a row."

"As opposed to a hurricane or tornado, you don't walk on the place after a freeze and see flattened crops or a barn torn apart," he continues. "You may not see the full extent of freeze damage for weeks. And the claims process takes even longer because of the citrus marketing cycle."

Paul notes that growers are often so busy working to keep the damage to a minimum that they have little time to deal with anything else. When they do connect, Paul works to balance thoroughness with sensitivity.

"You have to get the information, but you can do it in a compassionate way," he states.

As significant as the freezing temperatures have been, their impact is likely to be dwarfed by the drought. "It's like a storm that never ends," Paul comments. "It's taken a long time to get to this point, and the effects will last long after the drought is over."

"I saw a TV interview with an almond grower who had to make the decision to remove about half of his trees," Paul continues. "He was crying. For these growers who grew up on these farms, this is like trying to decide which of your children you're not going to feed. The drought is taking a toll on everyone involved with

California agriculture. We have to keep our focus on the grower and how we can help him or her get through what they are dealing with."

"In the end, the work has to be done and the information collected, but we have to remember that we're dealing with people, not numbers," Brenda Koenig summarizes. "We can't get so busy that we forget that." 🌻



# MOVING FORWARD WITH THE FARM BILL

BY TERRI SELL, PROAG SENIOR VICE PRESIDENT OF OPERATIONS

As anticipated, implementation of the changes mandated in the 2014 Farm Bill has proven to be a complex and time-consuming process. Nevertheless, steady progress is being made. On June 30, the Interim Rule developed by the Risk Management Agency (RMA) went into effect. The rule amends various crop insurance policies as a result of changes made by the Farm Bill.

Key changes in the rule include:

- Highly Erodible Land and Wetland Conservation provisions that require insureds to comply with conservation compliance requirements or become ineligible for premium subsidy.
- Enterprise Units for Irrigated and Non-Irrigated Crops, which makes available insurance coverage by separate enterprise units based on irrigated and non-irrigated acreage of the crop within the county.
- Adjustment in actual production history to establish insurable yields that allows insureds to exclude any recorded or appraised yield for any crop year in which the per planted acre yield in the county is at least 50% below the simple average for the crop in the county for the previous 10 consecutive crop years, and allows insureds in any county contiguous to a county in which an insured is eligible to exclude a recorded or appraised yield to also elect a similar adjustment.
- Crop production on native sod (details on this follow in this article).
- Coverage levels by practice that allow producers to elect a different level of coverage for an agricultural commodity by irrigated and non-irrigated acreage.
- Beginning farmer and rancher provisions (details on this follow in this article).
- The authority to correct errors in information obtained from the producer within a reasonable amount of time, as long as the correction is consistent with information provided to other agencies of the Department of Agriculture, subject to certain limitations for maintaining program integrity.



Those benefits include:

- An exemption from paying the administrative fee for catastrophic and additional coverage policies;
- An additional 10 percentage points of premium subsidy for additional coverage policies that have premium subsidy;
- The use of the production history of farming operations that they were previously involved in the decision-making or physical activities; and
- An increase in the substitute Yield Adjustment, which allows them to replace a low yield due to an insured cause of loss, from 60-80% of the applicable transitional yield.

These benefits will be available beginning with crops having a June 30 contract change date or later. Qualifications for a beginning farmer or rancher, as well as other details of the program, are described in an RMA fact sheet available at [http://www.rma.usda.gov/pubs/rme/beginningfarmer\\_2014.pdf](http://www.rma.usda.gov/pubs/rme/beginningfarmer_2014.pdf).

## Native sod guidelines

The RMA's native sod guidelines are designed to inform producers about new rules that impact crop insurance benefits when native sod is tilled for annual crops in the upper Midwest. These guidelines apply to all counties in Iowa, Minnesota, Montana, Nebraska, North Dakota, and South Dakota. Producer benefits are reduced if they till native sod acreage to grow an annual crop during the first four crop years they are covered by Federal crop insurance for that acreage. This reduction in benefits applies only to native sod acreage and does not extend to other acreage in their operation.

The native sod guidelines apply to acreage that is greater than five acres per crop policy and for annual crops only. Documentation is required to prove that acreage was previously tilled. Details on the documents required, as well as other details regarding the program, are included in another RMA fact sheet available at [http://www.rma.usda.gov/pubs/rme/nativesod\\_2014.pdf](http://www.rma.usda.gov/pubs/rme/nativesod_2014.pdf).

The Beginning Farmers and Ranchers, Native Sod, and the Authority to Correct Errors procedures have all been released via manager's bulletins. The work of implementation will continue this year and the next, and we'll continue to keep you informed on progress through this newsletter and the ProAg website. 🌾

## Beginning farmers and ranchers

Beginning farmers and ranchers are eligible for certain benefits designed to help them as they start their operation.

## A NEW LOOK FOR PROAG.COM

Watch *ProAg.com* for a fresh, new look in the near future. Users who tested the new version of the website gave it high praise. Come and see why.

The sleek, new look incorporates responsive web design that makes it easy to view on any Internet-enabled device. All the great

information you are accustomed to finding on *ProAg.com* will soon be accessible in a colorful, clean, and easy-to-use format.

*ProAg.com* – still your gateway to everything you need to know about crop insurance and now more convenient than ever. Experience the new look and feel of ProAg, coming soon! 🌾

[www.ProAg.com](http://www.ProAg.com)

## WHOLE-FARM REVENUE – WORTH A SECOND LOOK?

By *JEFFREY VANLANDINGHAM, REGIONAL VICE PRESIDENT – EASTERN REGION*

When considering insurance options and tools for the 2015 reinsurance year, one program is focused on converting all agricultural commodities (plant and animal) to historic revenue dollars (based upon the numbers reported by the grower/entity on the past five consecutive Schedule F federal tax return documents) and providing an insurance guarantee based upon those historical revenues. That product is Whole-Farm Revenue Protection.

For those familiar with the Adjusted Gross Revenue (AGR) and Adjusted Gross Revenue Lite (AGR Lite) programs, Whole-Farm Revenue represents RMA's effort to offer a single insurance plan that provides effective revenue protection for commodities not currently covered within the family of MPCI crop county options while offering the best aspects of both previous insurance programs. Considering the goal of risk management, growers who currently have risk not protected by the Federal Crop Insurance Corporation due to crop exclusion may want to give this premium-subsidized program a second look.

The 2014 Farm Bill mandated a whole-farm crop insurance policy option, and paved the way for the Risk Management Agency (RMA) to make Whole-Farm Revenue available to specialty crop, organic, and diversified growers selling two to five commodities, including those selling specialty crops to wholesale markets. This new policy is also designed to meet

the risk management needs of diversified crop or livestock producers, including those selling to local and regional markets, farm identity preserved markets, or direct markets.

"Crop Insurance has been the linchpin of the farm safety net for years and continues to grow as the single most important factor in protecting producers of all sizes from the effects of unpredictable weather," said Tom Vilsack, United States Secretary of Agriculture. "Providing farmers the option to insure their whole farm at once gives farmers more flexibility, promotes crop diversity, and helps support the production of healthy fruits and vegetables. More flexibility also empowers farmers and ranchers to make a broader range of decisions with their land, helping them to succeed and strengthening our agricultural economy."

Considering the plan's value and the Farm Bill mandate, the Whole-Farm Revenue insurance offering will be available where the current programs of AGR and AGR-Lite are currently offered, and will expand to other counties as data becomes available for underwriting and actuarial rate integrity. Policies may contain income and percentage limitations on certain commodities.

The continued development of programs like Whole-Farm Revenue is a result of USDA's ongoing commitment to provide subsidized insurance protection products to small and mid-sized producers who manage diversified operations. ProAg<sup>®</sup> is committed to providing the necessary outreach and education to our agencies to help them utilize this tool effectively.

Please contact your marketing representative for upcoming training opportunities within the Eastern Region. This training will allow you to become better equipped to meet your growers' needs once this insurance plan is finalized with a targeted early 2015 calendar sales closing date.

We look forward to exceeding your expectations with education, service, and product support. 

