



Whole-Farm Revenue Protection (WFRP) insurance provides coverage against the loss of revenue that you expect to earn, or will obtain from commodities you produce or purchase for resale during the insurance period under one insurance policy.

The WFRP policy includes:

- A range of coverage levels from 50-85 percent to fit the needs of farming operations;
- Coverage for all commodities on the farm except timber, forest and forest products, and animals for sport, show or pets;
- Premium discounts based on the amount of farm revenue diversification, such as a farm that obtains revenue from milk, steers, replacement heifers, and hay compared to one that obtains revenue only from corn;
- Whole-Farm premium subsidy levels for farms with more than one commodity and meeting diversification requirements;
- Replant coverage for annual crops;
- The ability to consider market readiness costs as part of the insured revenue and expenses; and
- Provisions to adjust the insurance guarantee for expanding operations.

Q: Is revenue from milk, replacement animals, calf sales, or planned culling covered?

A: Yes, these are covered as well as any other commodities that are grown and sold on the farm except timber, forest, and forest products, and animals for sport, show or pets.

Q: I grow crops on my farm to feed to my dairy herd. Will the feed I grow for my dairy cattle be insurable under WFRP?

A: No, only commodities that will be sold for revenue will be included in the insurance protection offered by WFRP.

Farm diversification is an important factor in WFRP. Farm diversification reduces revenue risk on the farm. In general, diversification is measured by the number of commodities on the farm and how much each contributes to the total farm revenue. Premium subsidy is applicable for all farms with WFRP coverage; increased subsidies are applied for farms with two or more commodities, resulting in less premium cost to the producer. Diversification with at least three commodities qualifies the farm for the highest coverage levels (80 and 85 percent); farms with two or more commodities will receive a premium rate discount based on the amount of diversification.

Q: How is diversification (commodity count) measured?

A: The WFRP commodity count is a calculation based on the proportion of revenue a commodity contributes to the farm, rather than simply a count of commodities produced. The commodity count used by WFRP is a measure of farm diversification that shows the farm has reduced its risk by producing significant amounts of revenue from multiple commodities. Your insurance agent will help you determine the number of commodities that count under the policy.

Q: For a dairy, would milk, calf sales, replacement heifers, and hay sold all count towards diversification?

A: Every county has a list of commodities under WFRP. Each commodity listed that is sold on the farm counts towards diversification. For commodities not listed, there are categories called ‘other’, such as ‘other animals’ or ‘other animal products’. (Note: If a commodity you sell isn’t on the list, please contact your regional RMA office and request it be added for the next year.)

Q: What type of premium subsidy is available for WFRP?

A: Whole-farm subsidy is available for WFRP if you qualify through diversification on your farm. Your WFRP subsidy amount will be based on the commodity count calculation indicating the amount of farm level diversification of revenue that you have.

Q: What is the insurance period for WFRP?

A: The insurance period under WFRP is based on your tax year. If you are a calendar year filer, the insurance period is January 1 through December 31. If you are a fiscal year filer your insurance period will be the same as your fiscal tax year (i.e., October 1 – September 30). For first year insureds under WFRP, coverage begins ten days after the application is accepted by your insurance company.

Prices must be reasonable for your local market and will be determined using the expected value section in the policy. Organic prices may be used for certified organic acreage, and organic prices may also be used for small farms that do not have to have an official organic certification, as long as an organic plan in accordance with the National Organic Program is being followed.

Other crop insurance - You may purchase other Federal crop insurance coverage for any of your commodities as long as the other policy provides coverage at a “buy-up” coverage level and not at the “catastrophic” (CAT) coverage level. If you have a CAT policy for another crop but don’t plant any acreage of that crop, you must cancel the CAT policy, even if you do not plan to plant any acreage of the crop, in order to be eligible for the WFRP policy.

Sales closing dates (SCD) in Vermont are March 15 for calendar year and early fiscal year filers; SCD is November 20 for late fiscal year filers.

More information about WFRP and premium quotes can be obtained from a USDA-licensed crop insurance agent. A list of crop insurance agents is available online at www.rma.usda.gov/tools/agent.html. If you need assistance locating an agent, contact UVM Ag Risk Management and Crop Insurance Education. WFRP program information can also be found on the Risk Management Agency web site at www.rma.usda.gov/policies/wfrp.html.

UVM Ag Risk Management and Crop Insurance Education

Website: <http://go.uvm.edu/ag-risk>

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