2021 Policy Options & Endorsements

**Basic Unit (BU)** – all insurable acreage of the insured crop in the county on the date coverage begins for the crop year excluding acreage reported and insured as an enterprise unit which the remaining insurable acreage is reported as a basic or optional unit:

1. In which you have 100 percent crop share; or
2. That is owned by one person and operated by another person on a share basis.

**Contract Price (CP)** – see Actuarial Documents for available crops

**Enhanced Coverage Option (ECO)** – a new crop insurance option that provides additional area-based coverage for a portion of you underlying crop insurance policy deductible. The endorsement offers producers a choice of 90 or 95 percent trigger levels. Trigger means the percentage of expected yield or revenue at which a loss becomes payable.

**Enterprise Unit by Practice (EP) –** this unit structure is only available if allowed by the actuarial documents. When available, insureds will have the option to select enterprise units by practice for the same crop if both NI/IRR practices exist on the policy for the crop in which enterprise unit structure was elected. The insured may have an EP for one practice and a different unit structure for the other practice.

**Enterprise Unit (EP)** – consists of all insurable acreage of the same insured crop or all insurable irrigated or non-irrigated acreage of the same crop in the county in which you have a share on the date coverage begins for the crop year, provided the requirements in section 34 are met. This means that ground with 100% share and ground that is share cropped are grouped together if they are in the same county. Because all acreage of the crop is grouped together, the losses may not be as large compared to basic or optional units.

**Level by Practice (LP)** – if actuarial documents allow, you may select one coverage level for all irrigated acreage and one coverage level for all non-irrigated acreage. For example, you may choose a 65 percent coverage level for all irrigated acreage (corn irrigated practice) and an 80 percent coverage level for all non-irrigated acreage (corn non-irrigated practice).

<https://legacy.rma.usda.gov/help/faq/coveragelevelfaq.html>

**Multi-County Enterprise Unit (MCEU)**­ - Allows a producer to combine acreage of an insured crop, by irrigation practice, if applicable, in two contiguous counties in the same state into one enterprise unit. To qualify for a MCEU, one county must qualify independently for an enterprise unit and the other county must not qualify for an enterprise unit. Both county crop policies in the MCEU must be with the same Approved Insurance Provider and have the same elections for Multi-County Enterprise Units, insurance plan, coverage level, and enterprise unit by practice.

**PF –** Prevented Planting +5% as authorized by actuarial documents

**Optional Unit (OU) –** Basic units can be divided into smaller optional units if elected by the producer and the requirements outlined in the policy are met. Generally there is better coverage if there is a loss as each unit is looked at and adjusted separately. Optional units can be established by location, type of crop or method of farming practice. To qualify, acres must be in separate sections or section equivalents and must keep separate production records. Irrigated and non-irrigated acres in the same section may qualify for separate optional units if production records are kept separate by practice.

**Quality Loss Option (QL)** – allows insured to replace actual yields based on post-quality production in their APH database(s) with actual yields based on pre-quality total production. \*replacement only applies when a Notice of Loss (NOL) was timely field and the crop had quality-adjusted production, regardless of whether an indemnity payment occurred.

**Supplemental Coverage Option (SCO)** - a county-level crop insurance option that provides additional coverage for a portion of a producer’s underlying crop insurance policy deductible. Producers must buy it as an endorsement to either the Yield Protection, Revenue Protection, or Revenue Protection with the Harvest Price Exclusion policies.

**Seed Endorsement (SE)** - The Endorsement increases the amount of insurance for a unit by including the cottonseed separated from the cotton lint during the ginning process. The Endorsement must be elected on a policy basis by applicable sales closing.

**STAX** – An insurance product for upland cotton that provides coverage for a portion of the expected revenue for your area. Most often your area will be your county, but it may include other counties or even practices as necessary to obtain a credible amount of data to establish an expected yield and premium rate. STAX may be purchased on its own, or in conjunction with another policy—including Yield Protection, Revenue Protection, Revenue Protection with the Harvest Price Exclusion, and any of the Area Risk Protection Insurance policies. We refer to this as a "companion policy." The federal government will pay for 80 percent of the premium cost for STAX.

**Trend Adjustment (TA)** – if elected, TA adjusts yields in APH databases to reflect increases in yields through time in the county. Trend adjustments are made on each eligible yield within a qualifying APH database based on the county’s historical yield trend. The actuarial documents provide the historical yield trend. The approved APH yield is calculated using trend-adjusted yields and any other applicable yields within the APH database.

**Yield Adjustment (YA)** – helps to mitigate the effect of a catastrophic year, by allowing the insured, for APH calculation purposes, to elect to substitute 60 percent of the T-Yield for low actual yields caused by drought, flood, or other natural disasters. Option must be elected by sales closing date.

**Yield Cup (YC)** - Prevents your approved APH yield from decreasing by more than 10 percent from the prior year’s approved APH yield. A cup will apply to an APH database when your approved APH yield, calculated using other yield measures, is less than 90 percent of the prior year’s approved APH yield. It only applies to APH databases with at least one actual or assigned yield and is only available for carryover policies. Beginning with the 2018 crop year, this option is available for an additional premium and will automatically apply to your policy for the 2018 crop year, unless you cancel the option by the crop’s cancellation date. This option is continuous and remains in effect unless cancelled. Not available with CAT policies.

**Yield Exclusion (YE)** - allows for the exclusion of an actual yield for a crop year when RMA determines the county per planted acre yield for a crop year was at least 50 percent below the simple average of the per planted acre yield for the crop in the county for the previous 10 consecutive crop years. When a crop year is determined to be eligible for YE for a crop in a county, producers in contiguous counties will also be eligible to exclude their actual yield for that crop year under YE. Separate determinations will be made for irrigated and non-irrigated acreage, when data is available. The YE option will be listed in the county actuarial documents showing the crop and eligible crop year(s) for exclusion.