**2016 Updates for Whole-Farm Revenue Protection Crop Insurance**

Whole-Farm Revenue Protection (WFRP) provides single policy protection against the loss of revenue generated from multiple crops, animal, nursery, and resale products. WFRP is a new risk management option for diversified farms and those with historically limited access to crop insurance such as specialty and organic crop producers. Recent changes to WFRP for the 2016 crop year may make the policy more attractive to a wider audience, these changes include:

* **Eligibility for Beginning Farmers and Ranchers** (BFR)- BFR’s now qualify for WFRP with 3 years of farm tax forms and must earn farm revenue during their “lag year” prior to the insured year. BFR’s are also eligible for an additional 10% premium subsidy.
* **Modified Record Keeping Requirements-** “Contemporaneous” records are now accepted records for direct marketers. Examples of these records may be found on the USDA Risk Management Agency (RMA) WFRP webpage at <http://www.rma.usda.gov/policies/wfrp.html>.
* **Increased Coverage for Livestock and Nursery Producers-** Producers are now able to insure up to $1 million of expected revenue from animal/animal products and nursery/greenhouse products respectively.
* **Increased Coverage for Expanding Farm Operations**- Farms physically expanding or increasing capacity are now able to increase their insurance guarantee by up to 35% of their average revenue history.

**WFRP Basics**

*What farm revenue is covered?*

The amount of farm revenue protected with WFRP is based on your “approved” farm revenue. This is the lower of the expected gross revenue for the insurance year OR the whole-farm historic average gross revenue, usually based on the 5 previous years. WFRP covers all commodities produced by the farm during the insurance year except timber, forest products, and animals for sport, show or pets.

*What levels of coverage are available?*

Producers can choose to protect 50% to 85% of their approved revenue, but at least 3 commodities must be produced to be eligible for the 80% and 85% coverage levels. Your commodity count, or diversification, also determines the premium rate discount and subsidy.

*How much will a WFRP premium cost?*

The cost of your WFRP premium will be based on the farm county, the types of commodities produced, amount of revenue from each, and commodity count. Farms with 2 or more commodities will receive a whole-farm subsidy resulting in less cost to the producer.

*What information does a producer provide for WFRP?*

You will need 5 years of Schedule F forms (exceptions for BFR), or other tax forms plus supporting records to complete a Substitute Schedule F. Your farm plan for the year showing commodities you plan to produce and amounts, including historic information to help determine expected pricing, farm marketing records, coverage summary for individual crop insurance policies, and inventories of commodities.

*How are Schedule F tax forms used for WFRP?*

Schedule F forms provide your farm “revenue history”. For WFRP, items that cannot be insured are removed and the totals left are used for reporting your “allowable revenue” and “allowable expenses” for the specific tax year.

*What types of loss does WFRP protect?*

WFRP protects approved revenue from loss due to unavoidable natural causes during the insurance period. Losses must be reported within 72 hours of discovery.

*How are loss payments or indemnities paid?*

Indemnity payment occurs when revenue during the insurance year is less than the insured revenue. Claims are settled after taxes are filed for the insurance year.

*How do I purchase WFRP?*

WFRP is written and managed by RMA, but it is purchased from private crop insurance agents. Enroll by March 15, 2016 for a 2016 WFRP policy.

**Is WFRP for You?**

The efficacy of WFRP as a risk management tool depends on your ability to create and retain quality farm records. Are you able to keep sales records by crop and by market? Do you adhere to your yearly farm plan? Do your Schedule F’s reflect your actual whole-farm revenue? If you’re unable to utilize WFRP, consider protecting your crops individually with crop specific policies or with the Farm Service Agency’s Noninsured Disaster Assistance Program at <http://www.fsa.usda.gov/programs-and-services/disaster-assistance-program/noninsured-crop-disaster-assistance/index>.

**More Information**

RMA’s WFRP webpage: <http://www.rma.usda.gov/policies/wfrp.html>. Agents serving Maine: [http://prodwebnlb.rma.usda.gov/apps/AgentLocator/ - /](http://prodwebnlb.rma.usda.gov/apps/AgentLocator/#/).

*The University of Maine Cooperative Extension is in partnership with the USDA RMA to deliver crop insurance education in Maine. For more information, please visit the website at* [*http://umaine.edu/agriculture/maine-risk-management-and-crop-insurance-education-program/*](http://umaine.edu/agriculture/maine-risk-management-and-crop-insurance-education-program/)*.*

