2016 Crop Insurance Risk/Reward Analysis Aid

For questions and comments related to the Interactive Crop Insurance Risk/Reward Analysis Aid contact Breana Watkins at 870-526-2199 ext. 100 or bjwatkins@uaex.edu.

**General Information**

The interactive crop insurance risk/reward analysis aid was designed for producers and is available through the USDA Risk Management Agency. The project was led by the Food and Agricultural Policy Research Institute (FAPRI) at the University of Missouri, and the Agricultural and Food Policy Center (AFPC) at Texas A&M University.

**User Guide**
The 2016 crop insurance analysis tools can be accessed at [https://usda.afpc.tamu.edu/home](https://usda.afpc.tamu.edu/home).

You must register an account to use the decision aid. This is the same account used for the 2014 Farm Bill Decision Aid.

This will also allow you to use the decision aid for future crop insurance analysis.

If you have an account from use with the farm bill decision aid, enter the information and choose “Login”.

If an account has not been created for the decision aid, create an account by selecting “Register” and following the instructions for setting up the new account.
After creating an account or signing in with your existing account, you will need to set up each farm unit for your operation. To enter any new farm units, select the 'Add New Farm Unit' button.

Even if you have previously entered data for the 2014 farm bill decision aid, review each farm unit to check for correct information and add updated yields.
The following is information you will need to enter for each farm unit.

If you previously set up farm units for use with the 2014 farm bill decision aid, much of this information will already be entered. However, you may need to enter information for the basis, and crop insurance boxes.

Farm Name and Description allows you to easily identify the property which corresponds with the farm unit. FSA #, Crop, Administrative State, Administrative County, Counter Cyclical Yield, and 2013 Base Acres. This information can be found from FSA-156EZ forms.
Next you will need to enter the crop type and practice in the drop down selections. For this farm unit, commodity soybeans refers to the type of soybean and not following another crop, irrigated refers to the irrigation type.

Enter in a harvest time basis: This is used to calculate expected market receipts for selling your crop. This number may be negative or positive, and must be in the same price units as the farm unit’s crop.

In the crop insurance box, rate yield is the simple average of your production history yields without any plugs (only includes actual yields). Approved APH yield is the yield used to determine your insurance guarantee. The approved yield is typically found on your production and yield report supplied by your crop insurance agent. The approved yield is calculated by summing the yearly actual, assigned, adjusted or unadjusted transitional yields and dividing the sum by the number of yields in your production history.

Future Acres are your intended planted acres for 2014-2018. These acres do not have to be historical or base acres, but help in assessing the risk/reward for crop insurance decisions.

Finally the 2014 Insurance Policy Box is where you enter in the information for previous policies. Policy type, coverage, and unit structure can all be found by contacting your crop insurance agent.

Save your information and return to the home screen. You should now see this farm unit listed under Your Farm Units.

Next you will need to enter in 10 year of historical yields if you have not done so previously. For the actual yields per planted acre you should only enter “A-Yields” as reported on crop insurance Actual Production History Summaries. Do not enter T-yields or any other non-actual yields denoted by other letters (for example: P, T or Z).
After you have entered in the historical yields, to run the Risk/Reward analysis return to the home page.

Select 2016 Insurance to run the risk/reward analysis.
On the next screen “Insurance 2016” you will select “get started”.

After clicking on "get started", you will select the crop intended for the farm unit.
Finally, you will enter in your 2014 Farm Bill Election (ARC or PLC) and the projected price. The projected price will be announced by RMA.

Select “Analyze Options” to reveal the risk/reward analysis.
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