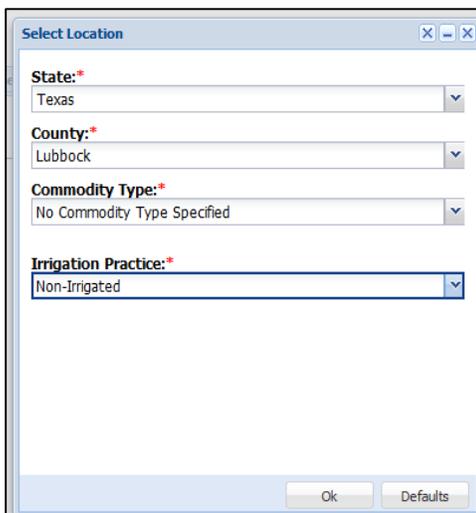


RMA Crop Insurance Decision Tool Instructions

1. Open the RMA Crop Insurance Decision Tool (CIDT) located at: <http://prodwebnlb.rma.usda.gov/apps/CIDT/>
2. Click OK after reading the CIDT pop-up note.
3. Select a commodity by clicking on the crop name.



4. Select the state, county, commodity type (for cotton, click on 'No Commodity Type Specified', and irrigation practice. Then click OK.

A screenshot of a web application window titled "Select Location". It contains four dropdown menus: "State:" with "Texas" selected, "County:" with "Lubbock" selected, "Commodity Type:" with "No Commodity Type Specified" selected, and "Irrigation Practice:" with "Non-Irrigated" selected. At the bottom of the window, there are two buttons: "Ok" and "Defaults".

5. Planting Time Information:

Enter your APH, Projected Price and Expected County Yield. These boxes are auto-filled with a value that is not the actual value. You need to enter information for all of these fields, including the expected county yield. When you enter your state and county, an expected county yield will be auto-filled and it will be close to the actual RMA expected yield but it is not correct. You can either highlight the value in the box and type over it or use the up/down arrows (it is easier to highlight and type over the value).

You can find the projected and harvest prices for cotton in the *Insurance Projected and Harvest Price* file in the NCC crop insurance section of our website. You can find the prices for other crops on the RMA Price Discovery website (see link and instructions in the NCC crop insurance section). You can find the expected county yield in the *STAX Expected Yield* file in the STAX section of the NCC website.



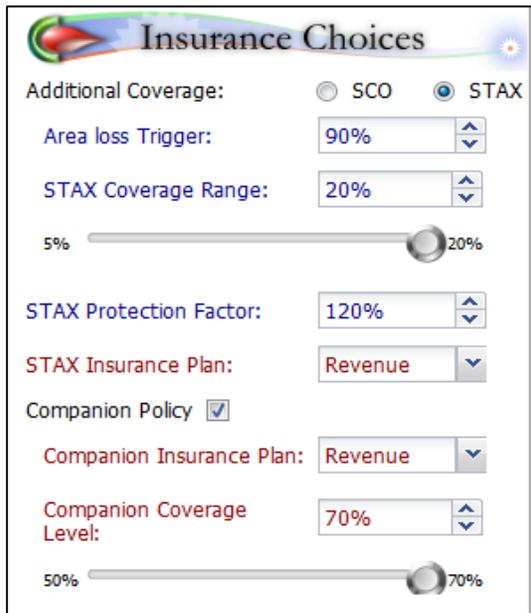
The screenshot shows a web form titled "Planting Time" with a green and blue header. Below the title, there are three input fields, each with a label on the left and a text box with up/down arrows on the right. The first field is labeled "Your APH:" in red text and contains the value "350". The second field is labeled "Projected Price:" in black text and contains the value "\$0.65". The third field is labeled "Expected County Yield:" in blue text and contains the value "335".

6. Insurance Choices:

Select STAX, area loss trigger (most will choose 90%), STAX coverage range, STAX protection factor (most will choose 120%), STAX Insurance Plan (RP or RPHPE), check the box if you have an individual policy, companion insurance plan (RP, RPHPE, or YP), and companion coverage level (this is the coverage level of your individual policy).

The maximum STAX coverage range is 20%. If the individual policy coverage level is 70% or lower, you can purchase the full STAX coverage of 20%. If the individual policy coverage level is 75% or higher, the STAX coverage range will be less than 20%. For example, if the coverage level of the individual policy is 75%, enter 75% for the companion coverage level and 15% for the STAX coverage range.

Note: If the STAX coverage range is 20% and you enter a companion coverage level higher than 70%, you will see an error showing that the plan coverage level is limited to 70.



Insurance Choices

Additional Coverage: SCO STAX

Area loss Trigger: 90%

STAX Coverage Range: 20%

5% 20%

STAX Protection Factor: 120%

STAX Insurance Plan: Revenue

Companion Policy

Companion Insurance Plan: Revenue

Companion Coverage Level: 70%

50% 70%

7. Harvest Time:

Enter your actual yield and the harvest price. As mentioned above, you can find the harvest price on the NCC website for the current and previous crop years. During current and previous crop years (and prior to the harvest price discovery period), you can enter alternative harvest prices to estimate potential insurance indemnities.



Harvest Time

Your Actual Yield: 325

0

Harvest Price: \$0.62

8. Results:

On the top right of the screen, the STAX protection amount is shown, along with the coverage for the individual policy (in this example Revenue = RP policy coverage). The producer premium is shown along with the premium subsidy amounts for each policy. In the example below, total STAX coverage is \$52.26/acre and the producer would pay a premium of \$6.67. The chart and table show crop returns (green bar), underlying or individual policy payment (red bar), STAX payment (blue bar), and expected crop value (black line). As you move from left to right on the chart, the actual county yield drops so the STAX payment increases up to the maximum of \$52.26/acre. In this example, the expected county yield is 335 lbs/acre, the projected price is \$0.65 and the harvest price is \$0.65. The actual county yield would need to be 308 lbs/acre or lower to trigger a STAX payment. In this example, the actual farm yield was not low enough to trigger an indemnity under the individual policy.

Coverage Amounts (per acre)

Costs (per acre)

\$228.00
Expected Crop Value:

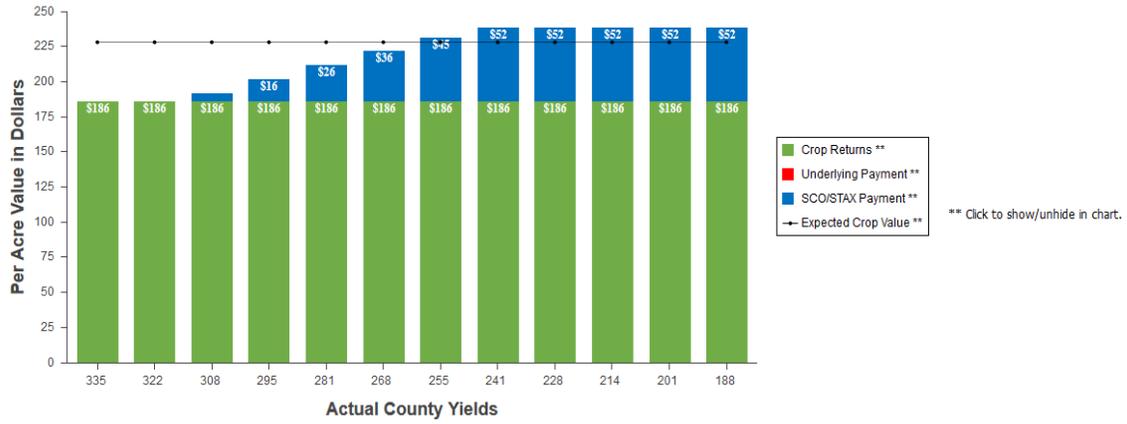
Protection Amounts	Coverage Range	Producer Premium*	Premium Subsidy*
STAX \$52.26	20% (90% - 70%)	\$6.67	\$26.69
Revenue \$159.60	70% (70% - 0%)	\$31.50	\$45.32
Total \$211.86	90% (90% - 70%)	\$38.17	\$72.01

Select Location

Selected Location:
Lubbock, Texas

* Estimates only.

Crop Returns by Actual County Yields Chart Premium Cost by Coverage Levels Chart Premium Cost by Underlying Insurance Plan Chart



Calculations (per acre)						
Actual County Yields	Percent of Expected Yield	Crop Returns	Underlying Payment	STAX Payment	Total Payment	Total Income
335	100%	\$201.50	\$0.00	\$0.00	\$0.00	\$201.50
322	96%	\$201.50	\$0.00	\$0.00	\$0.00	\$201.50
308	92%	\$201.50	\$0.00	\$6.02	\$6.02	\$207.52
295	88%	\$201.50	\$0.00	\$15.69	\$15.69	\$217.19
281	84%	\$201.50	\$0.00	\$26.11	\$26.11	\$227.61
268	80%	\$201.50	\$0.00	\$35.78	\$35.78	\$237.28
255	76%	\$201.50	\$0.00	\$45.45	\$45.45	\$246.95
241	72%	\$201.50	\$0.00	\$52.26	\$52.26	\$253.76
228	68%	\$201.50	\$0.00	\$52.26	\$52.26	\$253.76
214	64%	\$201.50	\$0.00	\$52.26	\$52.26	\$253.76
201	60%	\$201.50	\$0.00	\$52.26	\$52.26	\$253.76
188	56%	\$201.50	\$0.00	\$52.26	\$52.26	\$253.76