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Kim Rinehart of the Ag 1st Insurance Agency in Hugoton talks to guests at Saturday’s Women in Agriculture Conference at the Seward County Activity Center about what types of crop insurance are available to producers and the risks and advantages of each type. L&T photo/Robert Pierce

By ROBERT PIERCE

• Leader & Times

EDITOR’S NOTE: This is the first in a series of stories pertaining to Seward County K-State Extension’s Women in Agriculture Conference Saturday at the Activity Center. Future articles will discuss tax preparation and farm succession planning.

While the cold of winter subsides outside, spring is a little less than two months away, and the sight of tractors and combines in fields will once again be a common one in the High Plains.

Most of what is produced from those fields will be harvested and taken to grain elevators in the area, but there is likely a small portion of those yields that may never be cut due to certain factors, in particular weather disasters.

Producers take losses on those crops, costing them a significant amount of money. This is where crop insurance comes into play.

Kim Rinehart of the Ag 1st Insurance Agency in Hugoton spoke Saturday at K-State Research and Extension's Women in Agriculture Conference at the Seward County Activity Center about some of the types of insurance farmers can buy to protect their crops.

"There's many types of crop insurance," he said. "The most common type is federal crop insurance policies. They consist of yield protection and revenue protection and revenue protection with the harvest price exclusion. You may select from 50 to 85 percent levels of coverage."

Rinehart said there are many other types of crop insurance policies, including those for livestock and dairy and privately-owned policies from various companies.

He then compared the two types of federal crop insurance.

"The yield protection policy covers yield only at a determined price regardless of what the price movement is during the season, during the year. The revenue protection policies cover both price and yield. You could have a loss if the price goes down in the growing season, mainly during harvest. The third policy is a revenue protection with a harvest price exclusion. It covers yield and revenue, but it excludes the harvest price."

With federal crop insurance, Rinehart said to determine a producer's coverage, yield information is provided with a minimum of four years and building to a 10-year database called the Actual Production History.

“Once the 10-year database is established, it is maintained by the newest year coming on yield and the oldest one being removed,” he said.

Rinehart said a lot of changes are coming from Washington D.C. for crop insurance, one of which is cover crops.

“The government has finally decided that if you plant a cover crop out there, it is not a detriment because it’s not taking as much moisture as they thought it had in the past,” he said. “They have some new rules on that. I would suggest you talk to your agent one on one on that.”

There are likewise some new rules that could affect 2015 crops, and Rinehart said the 2014 milo crop could be affected as well. This, however, is only if the crop is destroyed prior to certain dates.

“Then, it will not affect your milo or sunflowers that you’re planting out on dry land,” he said.

Rinehart then talked about livestock and dairy insurance the federal government provides.

“With the livestock, it is a price protection only,” he said. “You can quote one out to 52 months. When November feeders hit $160 plus, we could go out and price a portion of that feeder contract and lock that price in.”

Buying a livestock insurance policy is a risk management option, and Rinehart said producers should always carefully consider how a policy will work in conjunction with their other risk management strategies to insure the best possible outcome.

“If you buy a livestock policy, you have to follow it till the end,” he said. “If you make some money in that policy, if it’s not there at the end, you won’t collect it.”