

# Dairy Revenue Protection



RCIS.com

Customize  
to Your  
Dairy  
Operation



Talk to an RCIS crop insurance agent today.

The Dairy Revenue Protection (Dairy-RP) policy is designed to insure against unexpected declines in the quarterly revenue from milk sales relative to a guaranteed coverage level. Expected revenue is based on futures prices for milk and dairy commodities and the amount of covered milk production elected by the dairy producer. Covered milk production is indexed to the state or region where the dairy producer is located.

Dairy-RP was developed with flexibility and simplicity in mind, to help producers customize the policy for their dairy operations.

Available in  
all 50 states,  
in all counties.

## ESTABLISHING COVERAGE

Dairy-RP is available for purchase every business day when the coverage prices and rates are validated and published on the Risk Management Agency's (RMA) site.

Coverage is established by adding quarterly coverage endorsements to the policy. You can purchase quarterly endorsements during the sales period, which begins each day by 4:30 p.m. CT when the coverage prices and rates are validated on RMA's website, and ends at 9 a.m. CT the following business day. Effective June 5, 2020, the definition of sales period changed by shortening the time period allowed to purchase Dairy-RP quarterly endorsements over a weekend. The weekend sales period will begin when the coverage prices and rates are published on Friday afternoon and ends at 9:00 a.m. Central Time on Sunday.

If expected milk and dairy commodity prices are not available on the RMA website by 4:30 p.m. CT, then Dairy-RP will not be offered for the sales period. Dairy-RP will be suspended on days the monthly USDA Milk Production, Dairy Products and Cold Storage reports are released or milk futures experience limit movement.

## QUARTERLY COVERAGE ENDORSEMENT

Quarterly Coverage Endorsements correspond to the eight quarterly insurance periods available for purchase throughout the crop year. You may purchase coverage up to five subsequent quarters as specified in the actuarial documents. You may have multiple endorsements for the same quarterly insurance period.

Quarterly coverage endorsements must be purchased with the same Approved Insurance Provider (AIP) within the same crop year. An existing Dairy-RP policyholder can transfer to a different AIP by the Dairy-RP cancellation date, and begin the next crop year with a new AIP.

## COVERAGE LEVELS AND PREMIUM SUBSIDIES

Cover 80 to 95 percent of your expected quarterly revenue in five percent increments. A premium level subsidy is available and based on coverage level selected.

Coverage Level Percent	80	85	90	95
Premium Subsidy Percent	55	49	44	44

## PRICING OPTIONS

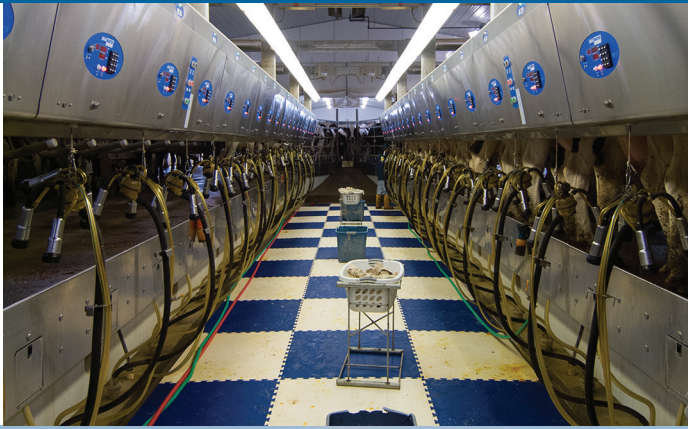
Dairy Revenue Protection offers two revenue pricing options:

- **Class Pricing Option** – uses a combination of Class III and Class IV milk prices as a basis for determining coverage and indemnities.
- **Component Pricing Option** – uses a combination of butterfat, protein, other solids and nonfat solid values based on the policyholder's declared butterfat test, declared protein test and declared component price weighting factor.

You may choose either pricing option on separate quarterly coverage endorsements, providing you are not covering the same milk.

## ENDING MILK PRICES AND YIELD

Final values are based upon the average monthly prices announced by USDA's Agricultural Marketing Service. Actual ending values are posted on RMA's website at the end of the insurance period. Milk yields are based upon USDA's National Agricultural Statistics Service Milk Production Report.



## OTHER POLICIES

- You can have Livestock Gross Margin for Dairy (LGM-Dairy) and Dairy-RP policies in effect for the same crop year, but only one policy, either LGM-Dairy or Dairy-RP, can have endorsements in effect for the quarterly insurance period. The policy with the earliest date of endorsement for the quarterly insurance period will be in force.
- You can participate in the Farm Service Agency (FSA) Dairy Margin Coverage program and Dairy-RP at the same time.



## CAUSES OF LOSS

Dairy-RP provides insurance only for the difference between final revenue guarantee and actual milk revenue, times actual share and protection factor, caused by natural occurrences in market prices and yields in the pooled production region.

Dairy-RP does not insure against:

- Death of dairy cattle
- Other loss or destruction of your dairy cattle
- Any other loss or damage of any kind whatsoever

## About RCIS



We are the #1 crop-hail insurance provider and #2 federal crop insurance provider based on market share<sup>1</sup>



We offer private and federal crop insurance solutions for about 160 crops across all 50 states and insure 95+ million acres<sup>2</sup>



The RCIS Claims Team had an overall Transactional Net Promoter Score (TNPS) of 78 from surveys of farmers who had a claim in 2018 – this is a leading TNPS score<sup>3</sup>

<sup>1</sup> Source BI Data Warehouse

<sup>2</sup> Source for acres insured, 2019: RCIS Crop Business Operations

<sup>3</sup> The Transactional Net Promoter Score (TNPS) is a measure of customer advocacy. TNPS gives a view of the company's performance according to customer perspective. TNPS is based on asking customers "How likely are you to recommend RCIS to a colleague or peer?" using a 0-10 scale. Source: Zurich Customer NPS® 2018. NPS (Net Promoter Score®) measures the willingness of customers to recommend a company's products or services. Net Promoter, NPS, and Net Promoter Score are trademarks of Sametrix Systems, Inc., Bain and Company, Inc., and Fred Reichfeld.

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