

CRC Crop Ins. & Sure Illustration - 75% vs. CAT/NAP Levels of Coverage					Impact of Higher C.I. Coverage	
					75% CRC	CAT 50/55%
Insuring at higher levels of crop insurance increases guarantees for Crop ins. & SURE						
	Wheat	Corn	Soybeans	Total Farm		
Planted Acres	50	100	100	250		
APH Yield (bushels)	60	125	40			
Crop Insurance CRC Price	\$8.58	\$5.40	\$13.36			
Crop Insurance Guarantee Percentage	75%	75%	75%			
Crop Insurance CRC 75% Lvl. Revenue Guarantee	\$19,305	\$50,625	\$40,080	\$110,010		
Crop Insurance CAT Guarantee	\$4,043	\$16,328	\$12,650			\$33,021
(Acres x Yield x Price x Percent Guarantee)						
Harvested Acres	50	100	100			
Harvested Yield (bushels)	30	60	20			
Bushels Harvested	1,500	6,000	2,000			
Actual CRC Revenue for Crop Ins. (bu. X CRC price)	\$8.58	\$5.40	\$13.36			
Actual Revenue for Crop Insurance (bu. X price)	\$12,870	\$32,400	\$26,720	\$71,990		
Crop Insurance Indemnity Payment	\$6,435	\$18,225	\$13,360	\$38,020		\$0
(Insurance Guarantee less CRC Harv.Price Actual Yield = Revenue)						
SURE guarantee (115% of CRC @ 75% Level of Coverage Insurance Guarantee)				\$126,512		
SURE guarantee (115% of Yield Coverage @ CAT Coverage Insurance Guarantee)						\$37,974
Marketing year average cash price (Est.)	\$8.58	\$5.40	\$13.36			
Actual Revenue for SURE (bushels x market year price)	\$12,870	\$32,400	\$26,720	\$71,990		\$71,990
Crop Insurance indemnity payment				\$38,020		\$0
15% of Direct Payment of \$4,000				\$600		\$600
Total Crop Revenue for SURE				\$110,610		\$72,590
Revenue Shortfall for SURE (guarantee less actual)				\$15,902		\$0
SURE Payment (60% of shortfall)				\$9,541		\$0

Source: Developed from initial work of Wes Musser, UMD