

# Crop Insurance For Wheat



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**T**he drought of 2012 has more people talking about crop insurance than I can remember. Folks with crop insurance are asking about the details of managing their crops to insure that they don't negate their insurance contract. Folks

without crop insurance are rethinking their decision. And now comes wheat planting season with the question of whether or not to insure.

This summer's drought may impact individual decisions to plant wheat and whether or not to insure it. Hopefully recent rains will provide the soil moisture necessary to plant a fall crop. But crop insurance is purchased before the crop is actually planted and before soil moisture conditions at planting are known. What happens if a farmer purchases crop insurance for wheat and then finds that the ground is too dry to plant the wheat with any hope of germination? This might be a prevented planting event that is insurable, but not necessarily. In order to receive an indemnity for prevented planting several conditions must be met and the specific documentation must be provided to prove the conditions were met.

First, the prevented planting must occur after the sales closing date for fall planted crops, which is September 30 this year. Prevented planting cannot be claimed for any cause of loss prior to September 30, 2012.

Also, there must be evidence that insufficient soil moisture for germination of seed or progress towards maturity at the final planting date – not just when you planted the wheat. Final planting date for Missouri counties north of the Missouri River is October 31; for counties south of the Missouri River, it is November 15. Farm

records and newspaper reports are not acceptable evidence of insufficient moisture. Acceptable documentation would include local weather forecasters' reports and university records of weather conditions. The U.S. Drought Monitor can be used as supporting evidence but not as sole evidence. The insurance provider will take into account whether other producers with similar characteristics also were prevented from planting their crops. In short, prevented planting payments on insured acres may occur but be prepared for a thorough study to prove that it was a natural phenomenon that caused the problem.

How does insurance treat wheat that is planted but results in a poor stand because of poor soil moisture conditions? In this case insurance would consider the crop insured and treat it as a production problem that needs to be managed but can earn an indemnity if yields are sufficiently affected.

Besides soil moisture conditions at planting, atrazine carryover is a concern that could affect crop insurance. If a farmer would like to plant wheat following corn but is concerned that atrazine is still present in the soil, crop insurance has no good option for him. Planting wheat into soil with atrazine is not a generally recognized good production practice and therefore not covered by insurance. If the farmer goes ahead with planting wheat into soil with atrazine carryover, damages would not be covered by insurance. Don't purchase insurance for wheat when you are concerned that you will not be able to plant or that production will be negatively impacted due to atrazine carryover.

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