

STEP Corn Contest: INSURANCE PREMIUMS 2025

Total Corn Acreage: 1,000 acres

Actual Production History (APH) Yield: 205 bushels/acre

Projected Corn Price: \$4.66/bu

Yield Protection (YP)

Coverage Level	Guaranteed Yield per Acre	Premium Cost per Acre
50%	102.5 bushels	\$2.28
55%	112.8 bushels	\$3.18
60%	123.0 bushels	\$4.13
65%	133.3 bushels	\$6.15
70%	143.5 bushels	\$8.02
75%	153.8 bushels	\$11.69
80%	164.0 bushels	\$18.07
85%	174.3 bushels	\$28.46

Revenue Protection (RP)

Coverage Level	Guaranteed Revenue per Acre	Premium Cost per Acre
50%	\$477.65	\$3.09
55%	\$525.42	\$4.52
60%	\$573.18	\$6.22
65%	\$620.95	\$9.68
70%	\$668.71	\$12.98
75%	\$716.48	\$18.82
80%	\$764.24	\$28.56
85%	\$812.01	\$43.97

More Information

Yield Protection crop insurance protects against yield losses caused by adverse weather conditions, failure of irrigation water supply (if caused by an insured peril), fire, insects, or plant disease (but not damage due to insufficient or improper application of control measures), and wildlife. Revenue Protection crop insurance protects against loss of revenue due to yield losses and price changes. (USDA-RMA, <https://rma.usda.gov/en/Fact-Sheets/Valdosta-Regional-Office-Fact-Sheets/Corn-2018-AL-FL-GA-SC>)

Examples

Yield Protection with 75% coverage

A 75% coverage guarantee with an APH of 205 bu/acre, provides an insurance guaranteed yield of $0.75 \times 205 = 153.8$ bu/acre. If your actual harvest yield is below 153.8, you will receive an indemnity payment of the difference in bushels times the projected price. For example, if the actual harvest yield is 135 bu/acre and the projected price is \$4.66/bu, you would receive an indemnity payment of $18.8 \times \$4.66 = \87.61 per acre.

Revenue Protection with 75% coverage

A 75% coverage guarantee with an APH of 205 bu/acre, provides an insurance guaranteed revenue of 153.8 bu/acre (guaranteed yield) \times \$4.66/bu (projected price) = \$716.71 per acre. If your actual harvest yield is 135 bu/acre and the harvest price is \$4.00/bu, you would receive an indemnity payment of $\$716.48 - \$540 (135 \times \$4.00) = \176.71 per acre. With RP insurance, your guaranteed revenue is based on the higher of the projected price or harvest price. For example, if the harvest price is \$5.00/bu, your guaranteed revenue is \$769/acre (153.8 bu/acre \times \$5.00/bu). In that case, with an actual yield of 135 bushels/acre, you would receive an indemnity payment of $\$769 - \$675 (135 \times \$5.00) = \94 per acre.

The harvest price for Florida producers is determined by the average Chicago Board of Trade September futures price during the month of August.