



Weekly Farm Economics: Introducing the Crop Insurance Summary of Business Tool

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Information on crop insurance performance is now available in a new spreadsheet tool in the [farmdoc FAST Tool](#) lineup. The [Crop Insurance Summary of Business Tool](#) provides county-level summaries of the federal crop insurance program based on information from the Risk Management Agency's publicly available [Summary of Business](#) data files.

Today's article introduces the new tool and highlights the 'Product Use' feature which shows users historical trends in insurance use for the major policies at the county level for corn, soybeans, and wheat. This feature of the tool provides farmers with trends in insurance use, which can serve as benchmarks as they make their own crop insurance choices.

Using the Summary of Business Tool

The latest update of the [Crop Insurance Summary of Business Tool](#) from *farmdoc* includes crop insurance program data from 1996 through 2023. Crop insurance use information is provided by major policy type. Major policies include those under the current COMBO product: Revenue Protection (RP), Revenue Protection with the Harvest Price Exclusion (RPHE) and Yield Protection (YP). The tool also summarizes use of the corresponding plans under the current Area Risk Protection Insurance (ARPI) umbrella, and for the Supplemental and Enhanced Coverage Option policies (SCO and ECO), which require use of a COMBO product.

The tool offers several sets of information from the menu. We will focus on "Product Use" information (see Figure 1).

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Figure 1. Opening Sheet and Main Menu in the Summary of Business Tool



The Crop Insurance Use sheet displays the use of insurance products by State, County, Crop and Year (see Figure 2). The user can select their values for these options using the provided dropdowns in the cells highlighted in yellow as shown in Figure 2, which provides an example for corn in Champaign County, Illinois.

Use of the major policy types is summarized in two tables. Users can select and change the year for which to report use statistics. In the example shown in Figure 2, statistics are shown for 2023. There were 234,993 corn acres insured in Champaign County, Illinois for the 2023 crop year. The vast majority of acres (97.3%) were insured using RP, and most of those acres were insured at the 80% or 85% coverage levels.

The second table summarizes SCO and ECO use for the year, state, county and crops selected. In 2023, 21.9% of the corn acres insured with RP also added SCO while 12.8% of RP insured corn acres added ECO in Champaign County.

Figure 2. Product Use Sheet in the Summary of Business Tool

Crop Insurance Use



State	Illinois						Menu	Print
County	Champaign							
Crop	Corn							

Percent of Acres Insured by Plan and Coverage Level						
Year	2023 << select year		Acres Insured: 234,993			
Coverage Level	Insurance Plan ¹					
	RP	RPhpe	YP	ARP	ARPhpe	AYP
Acres	228,587	2,471	3,114	809	-	12
50%	2.3%	0.0%	0.0%			
55%	0.0%	0.0%	0.0%			
60%	0.1%	0.0%	0.0%			
65%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%
70%	0.8%	0.0%	0.1%	0.0%	0.0%	0.0%
75%	5.8%	0.5%	0.2%	0.0%	0.0%	0.0%
80%	48.8%	0.4%	0.6%	0.0%	0.0%	0.0%
85%	39.5%	0.2%	0.2%	0.0%	0.0%	0.0%
90%				0.3%	0.0%	0.0%
Total	97.3%	1.1%	1.3%	0.3%	0.0%	0.0%

Percent of Acres Using SCO/ECO by Insurance Plan						
Policy Acres	YP 3,114		RP 228,587		RPhpe 2,471	
Coverage Level	Insurance Plan					
	SCO	ECO	SCO	ECO	SCO	ECO
50%	0.0%		0.8%		0.0%	
55%	0.0%		0.0%		0.0%	
60%	0.0%		0.1%		0.0%	
65%	0.0%		0.0%		0.0%	
70%	0.0%		0.1%		0.0%	
75%	0.0%		2.2%		0.0%	
80%	0.0%		17.0%		0.0%	
85%	0.0%		1.7%		0.0%	
90%		0.0%		5.3%		0.0%
95%		0.0%		6.5%		15.9%
Total	0.0%	0.0%	21.9%	11.8%	0.0%	15.9%

¹ Product names are Revenue Protection (RP), RP with harvest Price Exclusion (RPwHPE), Yield Protection (YP), Area Risk Protection (ARP), ARP with harvest price exclusion (ARPhPE), Area Yield Protection). The above COMBO products did not exist prior to 2010. Actual Production History policies are categorized as YP, Crop Revenue Coverage and Revenue Assurance policies as RP, Income Protection policies as RPwHPE. The above APRJ products did not exist prior to 2013. Group Risk Plan policies are categorized as AYP and Group Risk Income Plan as ARP.

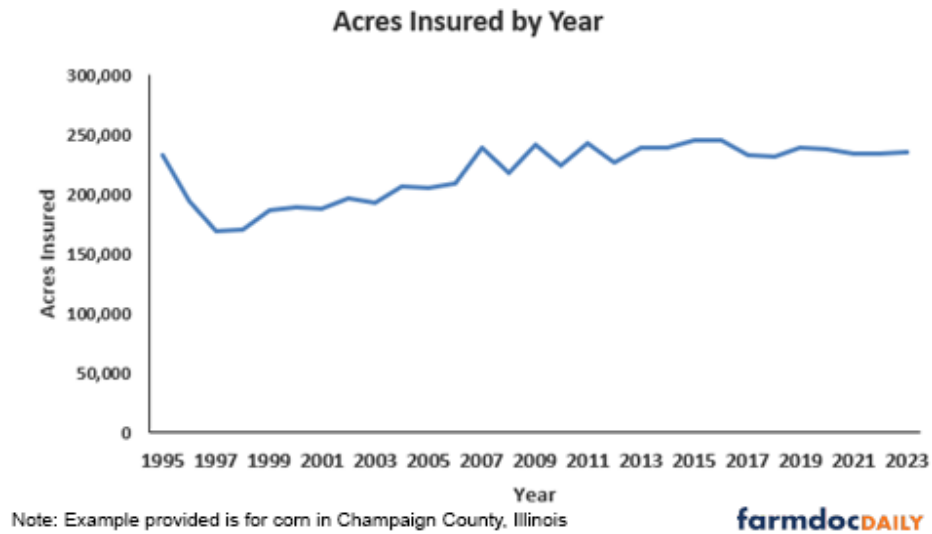
Note: Example provided is for corn in Champaign County, Illinois



Three summary charts showing annual trends since the mid-1990s are also provided, highlighting total acres insured under the major policies, percentage of acres insured under each major policy, and coverage level selections for acres insured with RP.

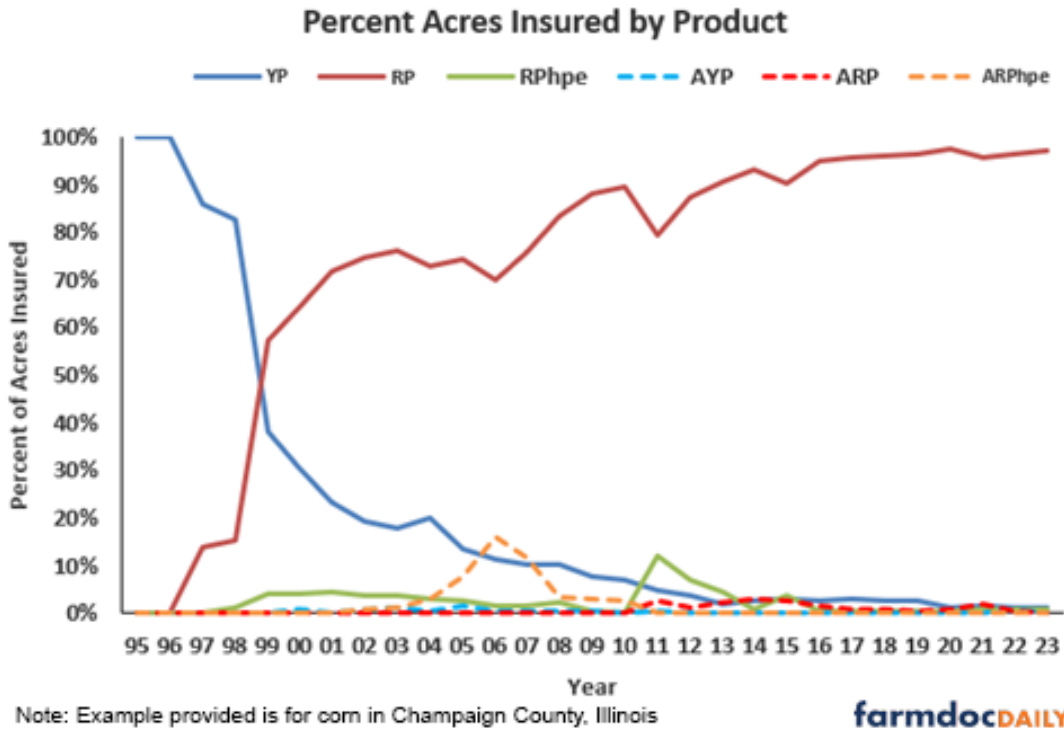
From 1997 to 2010, corn acres insured under the six major policies in Champaign County trended up from 170,000 to around 240,000 acres (see Figure 3). Since 2010, total corn acres insured has leveled off ranging between 235,000 and 245,000 acres.

Figure 3. Acres Insured from Product Use Sheet



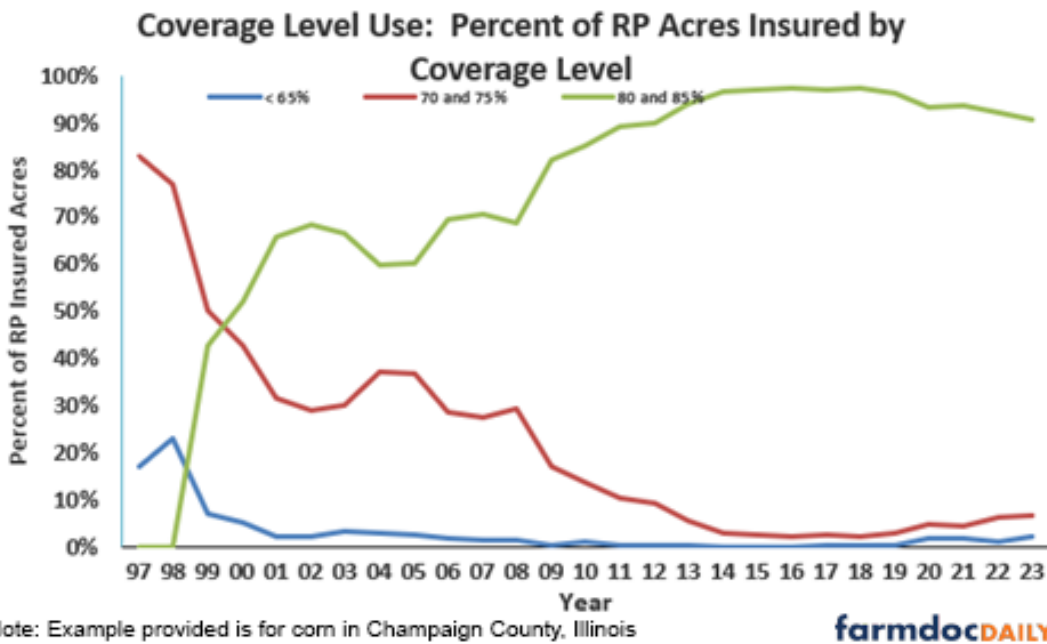
Insured corn acres by policy type experienced a dramatic shift as revenue-based policy options were introduced in 1996 (see Figure 4). Policy choice has shifted almost entirely away from yield-based coverage under policies like YP and its predecessors, with the vast majority of acres now insured under the RP policy. Current and recent use of all other major policy types for corn acres in Champaign County, Illinois has been minimal.

Figure 4. Percent Acres Insured by Product from Product Use Sheet



Coverage level selections for RP insured acres in Champaign County have also shifted dramatically over the past 30 years (see Figure 5). The 70 and 75% coverage levels were the most widely used until the late-1990s. Since 2000, use of the 80 and 85% coverage levels have become the dominant choice of producers. Use of the higher coverage levels continued to increase through the early 2010s, surpassing 90% of total RP insured acres.

Figure 5. Coverage Level Use for RP Insured Acres from Product Use Sheet



Summary

The *farmdoc* [Crop Insurance Summary of Business Tool](#) provides county-level summaries of crop insurance policy use. The tool can be used to examine historical trends in county-level policy and coverage level choice for corn, soybeans, and wheat across the US.

In addition to crop insurance use, the tool also provides summaries of county-level historical performance measures for major policies and crops. Future articles will highlight and illustrate these program performance summaries.