United States Department of Agriculture

A Risk Management Agency Fact Sheet

Livestock Risk Protection Feeder Cattle

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Livestock Risk Protection

The Livestock Risk Protection Insurance Plan for Feeder Cattle (LRP-Feeder Cattle) is designed to insure against declining market prices. You may choose from a variety of coverage levels and insurance periods that match the time your feeder cattle would normally be marketed (ownership may be retained).

You may buy LRP-Feeder Cattle insurance throughout the year from Risk Management Agency (RMA)-approved livestock insurance agents. Premium rates, coverage prices, and actual ending values are posted online daily.

You may choose coverage prices ranging from 70 to 100 percent of the expected ending value. At the end of the insurance period, if the actual ending value is below the coverage price, you will be paid an indemnity for the difference between the coverage price and actual ending value.

Visit RMA's website to see the LRP-Feeder Cattle program's coverage prices, rates, actual ending values, and per hundredweight insurance cost on (see useful links below). Actual ending values are based on weighted average prices, from the Chicago Mercantile Exchange Group Feeder Cattle Index. Actual ending values are posted on RMA's website at the end of the insurance period.

Useful Links

Daily LRP Coverage Prices, Rates, and Actual Ending Values: www.rma.usda.gov/tools/livestock.html

Premium Calculator: https://ewebapp.rma.usda.gov/apps/costestimator/

Livestock Insurance Agent: www.ga.farm

Related AMS online livestock reports: marketnews.usda.gov/portal/lg?paf_dm

Availability

You submit a one-time application for LRP-Feeder Cattle coverage. After the application is accepted, you can buy specific coverage endorsements throughout the year for up to 1,000 head of feeder cattle that are expected to weigh up to 900 pounds at the end of the insurance period. The annual limit for LRP-Feeder Cattle is 2,000 head per producer per year (July 1 to June 30). All insured calves and cattle must be located in a state approved for LRP-Feeder Cattle at the time you buy an insurance policy.

The length of insurance coverage available for each specific coverage endorsement is 13, 17, 21, 26, 30, 34, 39, 43, 47, or 52 weeks. Coverage is available for:

- Calves;
- Steers;
- Heifers;
- Predominantly Brahman cattle; and
- Predominantly dairy cattle.

You may also choose from two weight ranges - under 600 pounds and 600-900 pounds.

LRP-Feeder Cattle insurance is available in: Alabama, Arizona, Arkansas, California, Colorado, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, West Virginia, Wisconsin, and Wyoming.

Buying a Policy

You must buy LRP-Feeder Cattle insurance through a livestock insurance agent. You may fill out an application at any time. However, insurance does not attach until you buy a specific coverage endorsement. Coverage will not attach unless the premium is paid on the day you buy coverage. You may buy multiple, specific, coverage endorsements with one application. Insurance coverage starts the day you buy a specific coverage endorsement and RMA approves the purchase.

There are funding limitations for all livestock programs. The Risk Management Agency tracks total policy sales against available underwriting capacity using a real-time, web-based program. Sales end when the livestock insurance policy underwriting capacity is reached.

This fact sheet gives only a general overview of the crop insurance program and is not a complete policy. For further information and an evaluation of your risk management needs, contact a crop insurance agent.

Where to Buy Crop Insurance

www.ga.farm

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