

Crop INSURANCE

Coverage from Wind Damage

Straight line winds of over 100 miles per hour ripped through central Iowa during the early morning hours of July 11th. Power poles, farm buildings and empty grain bins were no match for the winds as a path up to 15 miles wide and over 100 miles long was impacted. There was no loss of life, but the yield loss to the maturing corn crop may be the large.

Iowa's corn crop was at a critical stage, just entering tasseling phase of pollination. When corn is blown down at this stage it tends to lodge. Most likely a significant yield loss will result from poor pollination and seed fill, but the actual yield loss will be difficult to determine until the crop is harvested this fall.

Wind is a peril covered by multiple-peril crop insurance policies. Primary farm-level products for 2011 are Revenue Protection (RP) and Yield Protection (YP). If a wind loss occurs, an indemnity payment is not triggered until the loss exceeds the deductible under that policy. For YP policies, the potential loss is measured in bushels, only. For RP policies losses are measured in terms of gross revenue, so the price of corn in October will also impact the indemnity payments.

Some farmers might have added private wind or green snap coverage to their existing multiple-peril coverage. These farmers will likely benefit the most from potential crop insurance indemnity payments, as coverage levels of 90 percent or more of potential yield are common. Since wind damage and multiple-peril policies are two separate coverages, insured farmers could receive payments under both. However, the actual loss in the affected fields will not likely be known until harvest.

Enterprise Unit Coverage

Many Iowa farmers elected to use enterprise units for multiple-peril coverage in 2011. The decision to choose enterprise units was popular, because it cut farmer paid premiums by as much as 50% compared to basic or optional units. Prior to this premium discount for enterprise units, many farmers insured each of their farms separately. This increased the chances of collecting an indemnity payment from an isolated hail or wind storm.

However, electing enterprise units for corn potentially exposes individual farms to a peril such as a wind. That's because all fields planted to that crop are combined at the county level to determine losses. While one or two fields may incur severe losses due to wind, the rest of the fields in the unit may not suffer loss. Production on all farms will be required in determining if an indemnity payment is made. A farmer should not expect to collect this payment until after all the corn is harvested, production evidence is submitted and for a revenue policy, futures prices are known for the month of October.

3 Steps for Maintaining Crop Insurance Coverage

While instructions will vary by crop insurance provider, generally a farmer impacted by potential yield loss and a covered peril such as wind should follow these basic steps:

Step 1: Notify your crop insurance agent within 72 hours (3 days) of the loss. Have your crop insurance policy available with policy number and the company providing coverage.

Step 2: Be prepared to report the date, approximate time and describe the approximate number of acres of that crop impacted, severity of the damage and

location of those fields. Since most farms would have recently filed their planted acreage form FSA-578, consider using a copy of this form to designate farms impacted by the loss.

Step 3: If a farm affected by the wind is on a crop-share lease, notify the land owner and provide this same information so he or she can inform their crop insurance provider.

Corn Plant's Response to Strong Winds

According to research from Iowa State University Agronomy Extension, corn hybrids vary in their tolerance to lodging from an event such as wind.

From a yield standpoint, bent stalks are much better than corn that is snapped off, which is referred to as "green snap." Before plants tassel, the lower stalk has enough flexibility to bend upward and to bring the upper stem and most of the leaves back to a more upright orientation. The prognosis for corn lodging at or after pollination is less favorable than for corn that lodged earlier.

After a couple of days, the upper portions of these plants resume a vertical growth pattern called "goosenecking." Although this rearrangement of the crop canopy may limit potential yield losses, it does make harvesting slower and increases the potential for ear loss during harvest. Rapidly growing corn in the late vegetative stages to tasseling is most vulnerable to greensnap. High winds, impact the likelihood of greensnap as well as root lodging.

Greensnap and corn lodging issues during the late vegetative growth period can result in plants that are less able to grow back toward the sun after lodging. This is especially true if stalks break rather than root-lodge from the wind. If this occurs, the "plumbing" of the lower stalks is compromised, water and nutrient flow is reduced or eliminated, and the plants have little chance to grow back upright.

If damage occurs at or just after pollination, low yield potential can be expected. Root systems that pull out of the ground can regenerate active roots, but tend to compromise grain fill.

The corn roots act as guy ropes and props that anchor corn plants against lodging. Initially both windward and leeward roots play a role with slow wind speeds. However, as wind speeds increase, the roots change. During high wind events, windward roots are pulled from the soil while leeward roots are pushed into the soil..

Root mass reaches its maximum at silking (R1). Brace roots provide support to the stalk and are of considerable importance in "resurrecting" plants root lodged by strong winds. Fortunately, plants root lodged before R1/R2 are somewhat able to compensate for the canopy disruption caused by the lodging.

Conclusion

It is too early to determine the severity of loss from the wind storms of July 11th. Notify your crop insurance provider immediately so they can gather information and file a loss claim with the respective insurance companies. Spend some time gathering crop insurance related information on farms impacted by the loss in advance. Do not destroy the crop prior to a crop insurance adjuster having visited your farms and releasing any acres.

Don't expect an immediate response to the yield potential from corn that is lodged or exhibits signs of greensnap. Work with your agronomy professional in diagnosing the production management needed to treat the corn or perhaps destroy the damaged crop that won't be harvested. Farmers affected should prepare for harvest that may involve additional time and concern for corn quality issues.