

BARNYARDS & BACKYARDS

Crop Insurance in Wyoming: 2016

Examining the 2016 crop insurance program for Wyoming reveals the number of insured acres increased to 2,050,659 from 2015, and the number of policies in force and earning a premium declined steadily to 2,156.

The number of acres insured is similar to 2014 (Table 1, right).

Reported losses were substantially higher than 2015, correlating with the dry conditions and weather-related losses experienced in several parts of the state over the growing season. The loss ratio of 0.95 (reported losses divided by premiums paid) was double that of 2015 and the highest in three years. Prices for most commodities remained low, with a higher level of indemnity payments being made with increasingly dry conditions.

A total of 48 percent of all reported crop acreage (820,621 acres) was insured in 2016.

Crop Policy Data

The four main types of crop policies sold in Wyoming are the traditional APH (actual production history), RP (revenue protection), RP-HPE (revenue protection with harvest price exclusion), and YP (yield protection).

There was a significant decrease in the number of policies earning a premium, with the RP-HPE policy declining to a single user (Table 2). Policies earning an indemnity were up for APH (329 total, up from 163 in 2015), and down for all other policies.

While total liability for APH and RP policies was down from 2015 levels, indemnities were up for both, with an

increase of \$3,987,670 for APH and \$1,005,695 for RP over 2015 levels.

Forage and Livestock Programs

Pasture Rangeland, Forage - Rainfall Index (PRF-RI) continues to be heavily used in Wyoming. Table 3 (below right) shows the 2016 results for PRF-RI compared to the previous four years, where PRF Vegetation Index was offered (PRF-VI).

While the number of policies earning a premium declined by six for 2016, the net acres increased substantially (172,151). Total liability and premiums more than doubled, indicating participants purchased significantly more insurance for the year.

PRF-RI indemnities are a good gauge of dry conditions in the state. Managers are reminded the sign-up deadline for PRF-RI is November 15 of the year preceding the year of coverage.

The available livestock insurance programs, including Livestock Risk Protection (LRP), for fed cattle, feeder cattle, lamb, and swine, and Livestock Gross Margin (LGM), for beef and dairy cattle, have significant growth potential and continue to be underutilized.

The LGM program was not used, while LRP for feeder and fed cattle showed declines to \$401,921 and \$537,681 in total liability, respectively, in 2016.

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Table 1. Wyoming Crop Insurance Data Comparison, 2013-2016

Crop Year	Policies	Net Acres	Liability	Premium	Reported Losses	Loss Ratio
2013	2,524	1,792,857	\$145,361,474	\$18,532,901	\$23,781,018	1.28
2014	2,440	2,060,121	\$129,555,970	\$18,103,780	\$12,773,653	0.71
2015	2,308	1,894,812	\$124,569,032	\$16,262,366	\$7,616,371	0.47
2016	2,156	2,050,659	\$132,200,828	\$17,466,935	\$16,637,312	0.95

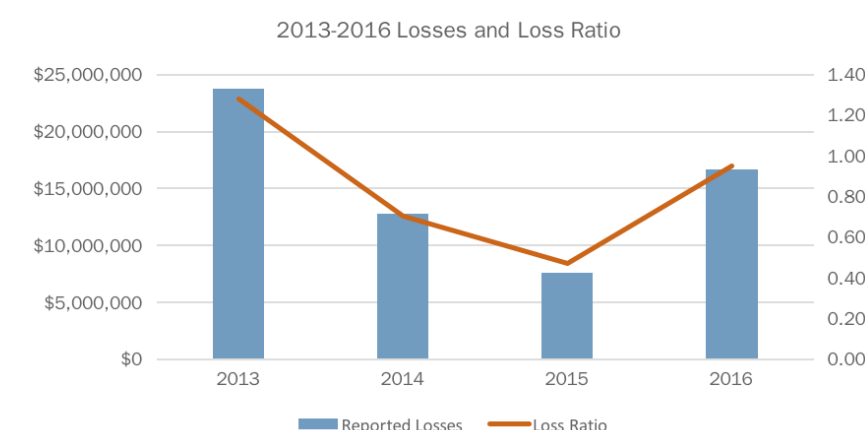


Table 2. Wyoming 2016 Crop Insurance Policy Data

Type	Policies Earning Premiums	Policies with Indemnity	Net Acres	Liabilities	Total Premium	Indemnity	Loss Ratio
APH	799	329*	154,722	\$43,449,252	\$5,822,101	\$5,931,095*	1.02*
RP	585	270	136,095	\$27,512,875	\$4,515,185	\$4,086,679*	0.91*
RP-HPE	1	0	55	\$20,954	\$1,723	\$0	0.00
YP	571	144	104,005	\$27,593,667	\$2,423,655	\$1,571,087	0.65

*Denotes significant change from 2015 data.

Table 3. Pasture, Rangeland, Forage Policy Comparison, 2012-2016

Year	Policy Type	Number Policies	Net Acres	Total Liability	Total Premium	Indemnity	Loss Ratio
2012	PRF-VI	127	769,568	\$4,896,190	\$853,373	\$3,466,523	4.06
2013	PRF-VI	199	1,349,970	\$10,457,387	\$1,754,261	\$3,812,582	2.17
2014	PRF-VI	192	1,635,617	\$13,689,302	\$2,446,290	\$760,723	0.31
2015	PRF-VI	173	1,482,323	\$12,099,316	\$2,280,736	\$326,891	0.14
2016	PRF-RI*	167	1,654,474	\$27,268,989	\$4,527,876	\$4,794,386	1.06

*PRF-RI available starting with the 2016 crop year

For more information

See RMA's Summary of Business page at www.rma.usda.gov/data/sob.html to view the full range of crop insurance program reports for 2016. Data can be viewed nationally, by state, crop, and in other formats. Visit RightRisk.org for more information about crop insurance products and other risk management topics.



Bright-green colors usually indicate higher quality hay that has been properly cut and baled with little or no damage from rain or overheating. Such hay usually has a fresh aroma.

Evaluating hay quality using the eye test

A forage analysis or visual evaluation are two methods for determining hay quality. Visual evaluation gives a rough estimate of the overall quality of hay, while forage analysis through a laboratory provides precise nutritional content.

Unlike the forage analysis, a visual evaluation of hay can be done with some basic understanding and practice.

A flake of hay or cross section of a bale is best to have for a full representation of the hay – not as easily done with round bales or large square bales as with small squares.

Color, stem, leaf, foreign material, bloom, and an eye test influence hay quality evaluations.

COLOR. A solid, bright-green color generally indicates a higher quality hay and hay that has been properly cut and baled with little to no damage from rain, mold, or overheating during storage. A fresh hay aroma typically accompanies green hay. Colors other than bright green denote lower quality hay. These could be greys, browns, blacks, white, or off-color greens. Off-color greens and greys to browns typically are seen in hay rained on prior to baling. Browns and blacks can indicate



Colors other than bright green can signal hay rained on after cutting, heat damage after cutting, or presence of mold.

heat damage after baling. White and brown colors can indicate the presence of mold. There is also an old or musty smell that accompanies discolored, lower-quality hay.

STEM. Higher quality hays will have soft, flexible stems. Soft, flexible stems are an indication of higher digestibility and palatability of hay.

Stems should be easily smashed with fingers and are typically flattened in the baling process. The thicker, woodier, and more robust stems will not be as desirable to livestock. Thick stems could also indicate the maturity of the plant at harvest, depending on the plant.

LEAF. The amount of leaves is one of the major contributors in hay quality, because 60 percent of total digestible nutrients, 70 percent of protein, and 90 percent of vitamins are found within the leaves. The higher leaf-to-stem ratio (65 to 70 percent leaves) is going to indicate higher quality forage, also known as leafy hay, whereas stemmy hay would have 10 to 15 percent leaves. The amount of leaves is also a great indicator of the maturity of the plant at time of harvest. As legumes and first cutting grasses advance in maturity, stem mass increases and leaf-to-stem ratio decreases because lower leaves fall off the plant. Look for healthy, wide leaves.

FOREIGN MATERIAL. Not always directly related to the nutrient value of hay. Foreign material is any material that does not belong or is not desirable in the hay such as dirt, rocks, wire, trash, straw, sticks, etc. Undesirable plants are considered foreign material; examples would be poisonous plants or

weeds. Hay that contains foreign material, especially high levels, is disfavored because it is considered waste generally not eaten by livestock or is a potential weed source to the property.

BLOOM. Bloom indicates the harvest time maturity. This can be difficult to assess in the bale, especially to an untrained eye. Alfalfa is gauged for the flowers, along with the stem texture and woodiness. Typically, around 10 percent bloom flowers and relatively fine, pliable stems found within the bale indicate high-quality forage.

'Tis the time of year to find and store hay for winter.

Hay that contains 100 percent bloom or seed curls, with thick stems, would be considered low-quality forage. As for grasses, the highest quality is between the boot stage (the seed head has not emerged from within the plant) and early heading (seed head has just emerged). Low quality would be seed heads that contain ripe seeds, which typically correlate with a yellowish-brown color of the entire plant.

EYE TEST. Also known as hay condition. This is assessing the appearance and condition of the hay. High-quality hay would be a bale uniform in appearance with low dust and no mold. The mold and dust is usually noticed when the bale is opened or flakes are shaken.

While selecting hay this fall, do not forget that visual hay evaluations mainly aid in identifying low-quality hay or selecting between different hay sources. The visual hay evaluation method is no substitute to forage analysis and will not help assess the hay's feed value.

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UW EXTENSION BULLETIN EXPLAINS GRASS-LEGUME MIXTURES BOOST FORAGE

Grass-legume mixtures benefit forage productivity, quality, and stand persistence, according to a new bulletin from the University of Wyoming Extension.

The results are from three years of tests at the James C. Hageman Sustainable Agriculture Research and Extension Center near Lingle, says extension forage specialist Anwar Islam, one of the authors.

At least 25 percent legumes in a mixed stand can produce higher yield and quality than monoculture alfalfa and nitrogen fertilized grasses, he says. A 50-50 percent mixture would be the optimum seeding proportion of meadow brome grass and alfalfa under Wyoming conditions.

The bulletin, "Grass-legume mixtures improve forage yield, quality, stand persistence," B-1309, is available for viewing and free download by going to www.uwyo.edu/uwe and clicking on Find a Publication. Type the title or number in the search field. The bulletin is available in pdf, HTML, or ePub formats.



Anwar Islam

