



CROP INSURANCE UPDATES FOR 2026 AND BEYOND



ONE BIG BEAUTIFUL BILL CROP INSURANCE CHANGES

- Margin Coverage Option
- Supplemental Coverage Option and Enhanced Coverage Option
- Beginning Farmer and Veteran Farmer changes
- Premium Subsidies
- Prevent Plant Changes

Margin Coverage Option

- Covered commodities (Corn, Soybeans, Wheat)
- Sales Closing – September 30th, 2025
 - Premiums due 2026, Indemnities paid 2027
- Calculated using:
 - Coverage Range 90% or 95%
 - Coverage percentage 50% - 100%
 - Margin Projected Price and Harvest Price (same as Revenue Protection)
 - Expected crop value, expected area revenue, expected margin, trigger margin, harvest area revenue, harvest margin and coverage value
- Cause of Loss - MCO provides protection when harvest margin is less than the trigger margin
- Enhanced Coverage Option (ECO) can't be purchased if MCO is on the policy



Margin Coverage Option

Input	Quantity/acre	Projected	Harvest
Diesel	20.5 gal.	\$3.15/gal	\$4.00/gal
Urea	325 lbs.	\$670/ton	\$740/ton
DAP	137 lbs.	\$735/ton	\$810/ton
Potash	75 lbs.	\$865/ton	\$925/ton
Unit APH	181 bu.	Expected area revenue	\$1,080
Exp. area yield	180 bu.	Harvest area revenue	\$907.50
Final area yield	165 bu.	Expected cost	\$256.25
Planted acres	500	Harvest cost	\$292.43
Crop share	100%	Expected margin	\$823.75
Coverage %	100%	Trigger margin	\$769.75
Trigger level	.95	Harvest margin	\$615.07
Coverage range	.09	Area margin loss	\$154.68
Margin projected price	\$6.00	Coverage value	\$97.20
Margin harvest price	\$5.50	MCO protection	\$48,870
Expected crop value	\$1,086	Indemnity	\$30,710

SUPPLEMENTAL COVERAGE OPTION (SCO) ENHANCED COVERAGE OPTION (ECO)

1. Premium subsidies increased from **65% to 80%**
2. Can have both options
3. Cannot have MCO and ECO on the same crop
4. Will be able to have ARC or PLC with either option

SCO – difference between your underlying coverage and 86%

- $(75\% - 86\% = 11\%$ additional coverage)

ECO – two options 90% or 95%, difference between them and 86%


- ECO uses farm APH to calculate liability and SCO does not (SCO based only on county numbers)
- Both pay on difference between expected area revenue and final area revenue
- Combined with underlying coverage can allow producers to be 95% covered

BEGINNING FARMER OR VETERAN FARMER

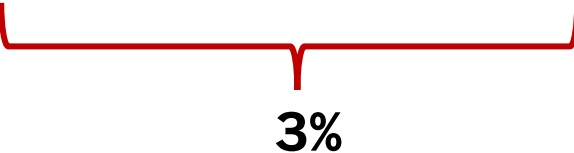
10 years of BFR/VFR Benefits

- Years 1-2 (15% premium subsidy)
 - Year 3 (13% premium subsidy)
 - Year 4 (11% premium subsidy)
 - Years 5-10 (10% premium subsidy)
- If a producer has not surpassed 10 crop years they would still be eligible to receive benefits

INCREASE IN PREMIUM SUBSIDY



Unit	.50	.55	.60	.65	.70	.75	.80	.85
Basic	.67	.69	.69	.64	.64	.60	.51	.41
Optional	.67	.69	.69	.64	.64	.60	.51	.41
Enterprise	.80	.80	.80	.80	.80	.80	.71	.56



The diagram illustrates the impact of a 5% increase in premium subsidy on the Basic and Optional units, and a 3% decrease on the Enterprise unit. The 5% increase is shown by a bracket spanning from the .60 column to the .65 column. The 3% decrease is shown by a bracket spanning from the .80 column to the .71 column.

PREVENT PLANT

5% buy up no longer available

- Corn – 55%
- Soybeans and Wheat – 60%
- “1 in 4” rule change
 - No longer need to have a crop insured for 1 year for PP eligibility, crop would have had to been planted and harvested in 1 out of the last 4 years



ADDITIONAL INFORMATION

- If a producer moves their business to a new agency, no longer need to provide production to old agency
- Spring dates and deadlines
 - Policy change deadline – March 15th
 - Production reporting – April 29th

	Early Plant Date	Final Plant Date
Corn	4/10	5/31*
Wheat	3/27	5/31
Soybeans	4/20	6/10
Sugar beets	4/11	5/31
Sunflowers	4/21	6/10
Canola	4/15	6/5

*Norman County 5/25

THANK YOU

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*Over 100 years of combined
experience

