

USDA Accepts Changes Proposed by Ranchers Insurance

A call in a parking lot. What started out three years ago as a conversation in a parking lot has culminated with a major overhaul of USDA's Livestock Risk Protection (LRP). Three years ago, Brandon Willis from Ranchers Insurance reached out to the owner of LRP proposing major improvements to the program. They agreed to team up and work with USDA to overhaul LRP by making it more affordable and simpler to use. Three years later all the changes proposed have finally been accepted resulting in a dramatically improved program for cattle and swine producers.

On January 20th USDA announced further changes to the Livestock Risk Protection (LRP) plan of insurance. Below is USDA's press release announcing the final improvements to LRP.

Summary of Major Changes to LRP

Issue	Then	Now
Subsidy	13%	Up to 55%
Annual Head Limit	2,000 head	12,000 head
Unborn Calves	Uninsurable	Insurable
Retention Requirement	Could only sell up to 30 days prior to end of insurance coverage	Can now sell up to 60 days prior to the end of insurance coverage
Premium Due Date	Day coverage purchased	Following coverage

News Release

USDA Announces Implementation of Improvements to Livestock Risk Protection Insurance Program

WASHINGTON, Jan. 19, 2021 – The U.S. Department of Agriculture's (USDA) Risk Management Agency (RMA) today announced that further changes to its [Livestock Risk Protection](#) (LRP) insurance plan will take effect on January 20 for crop year 2021 and succeeding crop years.

"We are always looking for feedback from producers and other stakeholders," said RMA Administrator Martin Barbre. "These changes are a direct reflection of that feedback and will improve LRP coverage for producers in 2021 and beyond."

The improvements to LRP include:

- Increasing livestock head limits for feeder and fed cattle to 6,000 head per endorsement/12,000 head annually and swine to 40,000 head per endorsement/150,000 head annually.
- Modifying the requirement to own insured livestock until the last 60 days of the endorsement.
- Increasing the endorsement lengths for swine up to 52 weeks.
- Creating new feeder cattle and swine types to allow for unborn livestock to be insured.

For more information, please see the [livestock insurance plans page](#) on the RMA website.

RMA is authorizing additional flexibilities due to coronavirus while continuing to support producers, working through Approved Insurance Providers (AIPs) to deliver services, including processing policies, claims and agreements. RMA staff are working with AIPs and other customers by phone, mail and electronically to continue supporting crop insurance coverage for producers. Farmers with crop insurance questions or needs should continue to contact their insurance agents about conducting business remotely (by telephone or email). More information can be found at farmers.gov/coronavirus.

Crop insurance is sold and delivered solely through private insurance agents. A list of insurance agents is available online using the RMA [Agent Locator](#). Learn more about crop insurance and the modern farm safety net at rma.usda.gov.

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