



Prevented Plant Example Calculations for Wisconsin in 2024

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Here we present some example calculations and explain the prevented plant options for hypothetical cases to help farmers understand their options. For additional issues to consider, see Forage Options for Prevented Plant Acres in Wisconsin in 2024

<https://aae.wisc.edu/pdmitchell/2024/06/21/forage-options-for-prevented-plant-acres-in-wisconsin-in-2024/>

Assumptions: You bought crop insurance with a yield history of 175 bu/ac for your corn and 60 bu/ac for your soybeans. With 80% Revenue Protection, your yield guarantees are 140 bu/ac for the corn and 48 bu/ac for the soybeans. Revenue guarantees are 140 bu/ac x \$4.66/bu = \$652.40/ac and 48 bu/ac x \$11.55/bu = \$554.40/ac. The final planting dates in your county are May 31 for corn, June 5 corn silage, and June 10 for soybeans, but these dates vary by county and crop across the state (see map <https://aae.wisc.edu/pdmitchell/2024/06/21/forage-options-for-prevented-plant-acres-in-wisconsin-in-2024/>). By May 31, you planted 250 acres of corn and by June 10, you planted 150 acres of soybeans, leaving 100 acres unplanted. You qualify for Prevented Plant since at least 20 acres or 20% of the insured acres are affected.

What are Your Options?

- 1) Plant corn, corn silage, or soybeans late with a reduced guarantee
 - a. Corn: guarantee reduced 1% per day per acre for each day after May 31.
 - b. Corn silage: guarantee reduced 1% per day per acre for each day after June 5.
 - c. Soybeans: guarantee reduced 1% per day per acre for each day after June 10

Example: Suppose you planted all 100 remaining acres to soybeans on June 24 (14 days late). Your guarantee on these 100 soybean acres would be $(100\% - 14\%) = 86\%$ x \$554.40/ac = \$476.78/ac x 100 acres = \$47,678. The guarantee on the 150 soybean acres you planted on time is unchanged.
- 2) Take the full Prevented Plant (PP) indemnity equal to 55% of your original guarantee.
 - a. Corn: full PP indemnity = $55\% \times \$652.40/\text{ac} = \$358.82/\text{ac} \times 100 \text{ acres} = \$35,882$.
 - b. Soybean: full PP indemnity = $60\% \times \$554.40/\text{ac} = \$332.64/\text{ac} \times 100 \text{ acres} = \$33,264$.
You can plant a cover crop for forage, including establish alfalfa, and make hay, graze, or cut these acres for silage, haylage or baleage at any time. You cannot harvest them for grain or seed or use corn as a cover crop. Also, these acres must be managed as a cover crop, following agricultural expert guidelines for seeding rates, input use and termination dates.
- 3) Take a reduced Prevented Plant (PP) indemnity equal to 35% of your full PP indemnity
 - a. Corn: reduced PP indemnity = $35\% \times \$358.82/\text{ac} = \$125.59/\text{ac} \times 100 \text{ acres} = \$12,559$.
 - b. Soybean: partial PP indemnity = $35\% \times \$332.64/\text{ac} = \$116.42/\text{ac} \times 100 \text{ acres} = \$11,642$.
On these acres, you can plant a second crop and manage it as a crop (not a cover crop), including forage, establish alfalfa or other perennial crop, or harvest for grain or seed. If you insure the second crop, management should follow crop insurance. If you plant corn silage or soybeans on time, you CANNOT receive a reduced prevented plant payment for corn.
- 4) Leave the acres uninsured – you pay no premiums for these 100 acres, will receive no indemnities, but have no restrictions on planting & harvesting/grazing a forage or cover crop.