

Weather-Based Forage Insurance Example

Coverage Calculations

4 month coverage option
(May 1 to Aug 31)

	<u>Acres</u>	<u>Insurable Value</u>	
Hay	100 acres	@ \$288	= \$28,800
Pasture	50 acres	@ \$288	= \$ 14,400
Total Crop Value:			\$43,200
Long Term Average Rainfall (mm): 300			
Value per millimeter of rain:			\$144.00
Coverage Level:			80%
Rainfall Guarantee (mm)			240

Example Claim Calculation for Drought Coverage

4 month coverage option
(May 1 to Aug. 31)

Rainfall Guarantee (mm)	240
Recorded Rainfall (70mm daily cap)	150
Rainfall Deficit:	90
Value per millimeter of rain \$144.00	
Claim Amount	\$12,960.00
(90 mm X 144.00)	