

INSURANCE

Basic Hay Insurance

Purpose

- Basic Hay Insurance provides a lower cost whole-farm forage insurance option to insure winter feed supplies against losses due to designated perils.

Eligibility

- Basic Hay Insurance is available to Manitoba hay producers.
- To be eligible for coverage, there must be an aggregate acreage of at least five acres of any hay type grown.
- This program provides production insurance for Alfalfa, Alfalfa / Grass Mixtures, Tame Grasses, Sweet Clover and Coarse Hay. Each hay type is combined for coverage and claim calculations.
- All hay types require greater than 75% ground cover to qualify for insurance.
- Coarse Hay includes stands of native hay and other hay used for livestock feed consisting of less than 75% Tame Hay, excluding bulrushes and other species deemed to have low feed value.
- If Basic Hay Insurance is selected, all hay types and all insurable fields must be insured under Basic Hay Insurance.

Coverage

- Each eligible hay type has its own Probable Yield (PY), however all hay types are combined into an aggregate PY for coverage and claim purposes.
- Basic Hay Insurance offers only a coverage level of 80% of the PY, which provides an effective trigger for claims when there is a production shortfall.
- There is no Relative Feed Value quality guarantee for Basic Hay Insurance.
- High Dollar and Low Dollar Value options are available.
- Yields must be reported on a Harvested Production Report by November 30.

Cost

- The premium cost is shared 40 per cent by the producer, 36 per cent by the Government of Canada and 24 per cent by the Province of Manitoba.
- A producer's aggregated Probable Yield and premium costs cannot be calculated until the actual acreage of each hay type is determined. Final coverage and premium costs will be provided to the producer after their Seeded Acreage Report is accepted by MASC. A Basic Hay Insurance calculator is available at masc.mb.ca for producers to estimate coverage and premium.

Other Program Details

- Basic Hay Insurance renews automatically each year unless cancelled by the producer by March 31.
- The Hay Disaster Benefit is included with Basic Hay Insurance. For more information, refer to the Hay Disaster Benefit factsheet.
- The Forage Restoration Benefit provides a benefit to restore an insured hay crop that was damaged by excess moisture before September 30 (refer to the Forage Restoration factsheet). The Forage Restoration Benefit does not apply to Coarse Hay or Sweet Clover.
- The Harvest Flood Option provides coverage for Coarse Hay if a producer is unable to harvest due to excess moisture. For more information, refer to the Harvest Flood Option factsheet.
- Pasture Insurance provides additional coverage for potential losses resulting from shortfalls in summer grazing capacity. For more information, refer to the Pasture Insurance factsheet.

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Claims

- Producers must register a claim for basic Hay Insurance before September 30, and provide notice at least 10 days prior to feeding, selling or storing any production in an immeasurable position, or the claim may be denied.
- Losses are determined over the entire acreage of all hay types under Basic Hay Insurance.
- A claim is payable when a producer's total harvested yield is less than the aggregate coverage.
- Basic Hay Insurance coverage will be reduced by the amount of any previously paid Forage Restoration claim.
- Bales that cannot be removed from the field due to wet field conditions are eligible for production losses, as well as Wildlife Damage Compensation, and therefore not eligible for any other disaster assistance programs.

Example:

Hay Type	Acres	Coverage (tonnes)	Harvested Yield (tonnes)	Difference (tonnes)
Alfalfa	160	284.8	180	- 104.8
Alfalfa Grass Mix	40	71.2	68	- 3.2
Coarse Hay	80	142.4	190	47.6
Total	280	498.4	438	- 60.4

Aggregate coverage is 1.78 tonnes per acre
Total Production Shortfall (tonnes) x Dollar Value = Indemnity

$$60.4 \text{ tonnes} \times \$84/\text{tonne} = \$5,073.60$$

In this example, the producer's total harvested yield is less than the total aggregate coverage. The selected High Dollar Value is \$84/tonne. The producer would be entitled to a claim payment of \$5,073.60

Important Dates and Deadlines

March 31 is the last day to apply for Basic Hay Insurance, make changes to Dollar Value selection, or to cancel Basic Hay Insurance.

June 30 is the last day for filing Seeded Acreage Reports.

September 30 is the last day to register a Basic Hay Insurance claim without penalty.

September 30 is the last day to file a Forage Restoration claim without penalty.

September 30 is the last day to file a Harvest Flood Option claim without penalty.

October 15 is the last day to file a Forage Restoration claim with penalty.

October 15 is the last day to file a Harvest Flood Option claim with penalty.

November 30 is the last day to file Harvested Production Reports without penalty.

November 30 is the last day to file a Basic Hay Insurance claim with penalty.

For more information, contact your local MASC insurance agent or visit masc.mb.ca

Note: This information sheet contains general information only and does not form part of the AgrilInsurance Contract between an insured and MASC. In all cases, the AgrilInsurance Contract shall prevail.

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