

# INSURANCE

## Select Hay Insurance

### Purpose

- Select Hay Insurance provides maximum insurance coverage for producers who experience a forage production shortfall or quality loss due to designated perils.

### Eligibility

- Select Hay Insurance is available to Manitoba hay producers.
- This program provides insurance for a production shortfall or quality losses for Alfalfa, Alfalfa Grass Mixtures, Tame Grasses, Sweet Clover and Coarse Hay.
- To be eligible for coverage, there must be at least five acres of the hay type grown.
- All hay types must have greater than 75% ground cover to qualify for insurance.
- Alfalfa includes stands of 75 per cent or more Alfalfa - the Relative Feed Value (RFV) guarantee is 105.
- Alfalfa Grass Mixture includes stands of between 25% and 75% alfalfa - the RFV guarantee is 95.
- Grasses includes stands of 75% or more Tame Grasses - the RFV guarantee is 85.
- Sweet Clover is only insurable the year after establishment - the RFV guarantee is 95.
- Coarse Hay includes stands of native hay and other hay used for livestock feed that consists of less than 75% Tame Hay - the RFV guarantee is 75. Coarse Hay does not include bulrushes and other species of low feed value.
- For coverage and claim calculations, each hay type is a separate insurable crop with no offsetting between hay types.
- Producers can select coverage levels of 70% or 80% of Probable Yield for each individual crop.

### Cost

- There are separate premium rates for each provincial forage region and each hay type under Select Hay Insurance. Forage stands less than or equal to 4 years of age and those over 4 years of the same hay type will be charged the same premium per acre, but will have separate Probable Yields.
- Premiums are shared 40 per cent by the producer, 36 per cent by the Government of Canada and 24 per cent by the Province of Manitoba.

### Other Program Details

- Select Hay Insurance renews automatically each year unless cancelled by the producer by March 31.
- MASC adjustors may inspect fields to determine the type of hay and whether it qualifies for insurance.
- The Hay Disaster Benefit is included with Select Hay Insurance. For more information, refer to the Hay Disaster Benefit factsheet.
- Producers that select Alfalfa at the 80% coverage level are eligible to enroll in the Enhanced Quality Option, which provides a higher Relative Feed Value (RFV) guarantee. For more information, refer to the Enhanced Quality Option factsheet.
- Pasture Insurance provides additional insurance coverage to cover potential losses resulting from shortfalls in summer grazing capacity. All hay types must be insured at the same coverage level to qualify.
- 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.
- The Forage Restoration Benefit provides compensation 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.

## Coverage

- Probable Yield is based on an individual's 10-year yield history (Individualized Coverage) and is calculated separately for each crop type, and in the case of Alfalfa, Alfalfa Grass Mixture and Tame Grasses, by age of stand (less than or equal to 4 years old and those over 4 years old) .
- Producers are assigned to the Forage Region in which their farm has the most forage acres.
- Coverage levels of 70% or 80% of Probable Yield may be selected.

## Claims

- Producers must register a claim for Select 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 for each insured hay type.
- For claim purposes, production and quality losses will be offset between age of stand, but not between hay types.
- If the yield for a hay type is less than the tonnage coverage for that hay type, then there is a payable claim.
- Select Hay coverage will be reduced by the amount of any previously paid Forage Restoration claim.

### Example:

Hay Type	Acres	Coverage (tonnes)	Harvested Yield (tonnes)	Difference (tonnes)	Claim
Alfalfa	160	260.50	315.75	55.25	no
Alfalfa Grass Mix	100	193.00	165.50	- 27.50	yes

$$\text{Production Shortfall (tonnes)} \times \text{Dollar Value of Crop} \times \text{RFV Adjustment} = \text{Indemnity}$$

$$27.50 \text{ tonnes} \times \$138/\text{tonne} \times (\text{no adjustment}) = \$3,795$$

In this example, the producer's Alfalfa / Grass Mixture harvested yield is less than the tonnes of coverage and there is no adjustment for quality loss. The Alfalfa / Grass Mixture Dollar Value is \$138/tonne. The producer would be entitled to a claim payment of \$3,795.

## Important Dates and Deadlines

**March 31** is the last day to apply for Select Hay Insurance, make changes (add or delete crops, change coverage levels) or to cancel Select Hay Insurance.

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

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

**September 30** is the last day to file a Forage Restoration, Harvest Flood Option or Enhanced Quality Option claim without penalty.

**October 15** is the last day to file a Forage Restoration or 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 Select Hay Insurance or Enhanced Quality Option claim with penalty.

For more information, contact your local MASC insurance agent or visit [masc.mb.ca](http://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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