Dairy Revenue Protection (DRP)

- Flexible to fit all dairy operations
- Area-based revenue product designed to protect the revenue of milk production on a dairy operation.
- Insures against unexpected declines in the quarterly revenue from milk sales.
- The expected revenue is based on futures prices for milk and dairy commodities and the amount of covered milk production elected. Covered milk production is indexed to the state or pooled production region.

Dairy REVENUE PROTECTION WWW.DAIRYRP.COM

To locate an AFBIS appointed agent in your area, visit us online at www.FarmBureauSellsCropInsurance.com

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Dairy Revenue Protection (DRP)

a RMA Plan of Insurance

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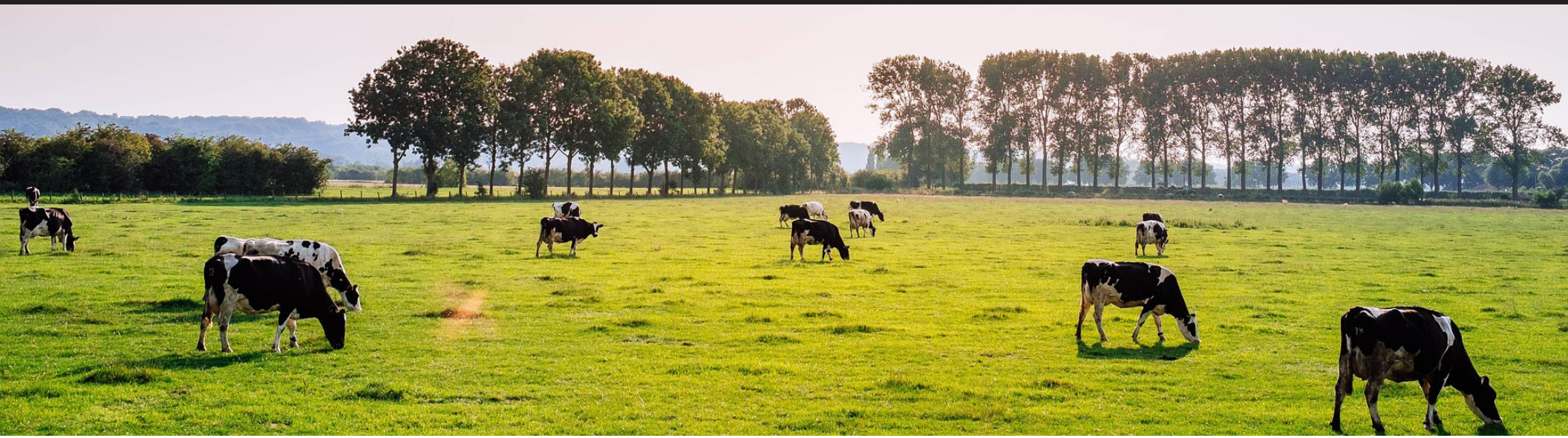
Dairy Revenue Protection (DRP)

Plan of Insurance Details



Dairy Revenue Protection (DRP) is an area-based revenue product designed to insure against unexpected declines in the quarterly revenue from milk sales relative to a guaranteed coverage level.

Dairy producers may choose from a variety of milk pricing options that align with Federal Milk Marketing Order end-product pricing formulas and the manufacturing value of Class III and Class IV milk.

The expected revenue is based on futures prices for milk and dairy commodities and the amount of covered milk production elected by the dairy producer. The covered milk production is indexed to the state or pooled production region where the dairy producer is located.

Policies correspond to the quarters of the calendar year, and producers may purchase coverage up to five nearby quarters and have multiple endorsements for the same quarterly insurance period.

Producers may cover 80 to 95 percent of their expected quarterly revenue in five percent increments. At the end of the insurance period, if the actual milk revenue is below the final revenue guarantee, the producer may receive an indemnity payment for the difference between the final revenue guarantee and the actual milk revenue multiplied times the share and protection factor.

Coverage Level	80%	85%	90%	95%
Premium Subsidy	55%	49%	44%	44%

DRP is available in all counties in all 50 states.

DRP does not insure against death of dairy cattle, the loss or destruction of dairy cattle, or any other loss or damage.

Class Price Option provides revenue protection based on an index of state-level revenue constructed with Class III and Class IV milk prices. The producer can choose the percent of Class III and Class IV used to establish their Price Guarantee per hundredweight to tailor to their operation.

Component Pricing Option uses the component milk prices for butterfat, protein and other solids as a basis for determining coverage and indemnities. Under this option you may select the butterfat test percentage and protein test percentage to establish your insured milk price. The other solids percentage is fixed at 5.7%.

DRP and Livestock Gross Margin (LGM) - Dairy policies may be in effect for the same crop year, but only one policy, either DRP or LGM-Dairy, can have endorsements in effect for the quarterly insurance period.