

RPowerD™ - RP + SCO + RPowerD = Expanded Safety-net Opportunities

February 14, 2019

As agents and producers review the ARC vs. PLC choice for the 2019 & 2020 crop year, most are coming to the conclusion that all commodities, with the exception of soybeans, will have the best possible safety-net for the 2019-2020 season if enrolled in the PLC program when sign-up at FSA opens. This means Supplemental Coverage Option "SCO" is back on the table for consideration by producers.

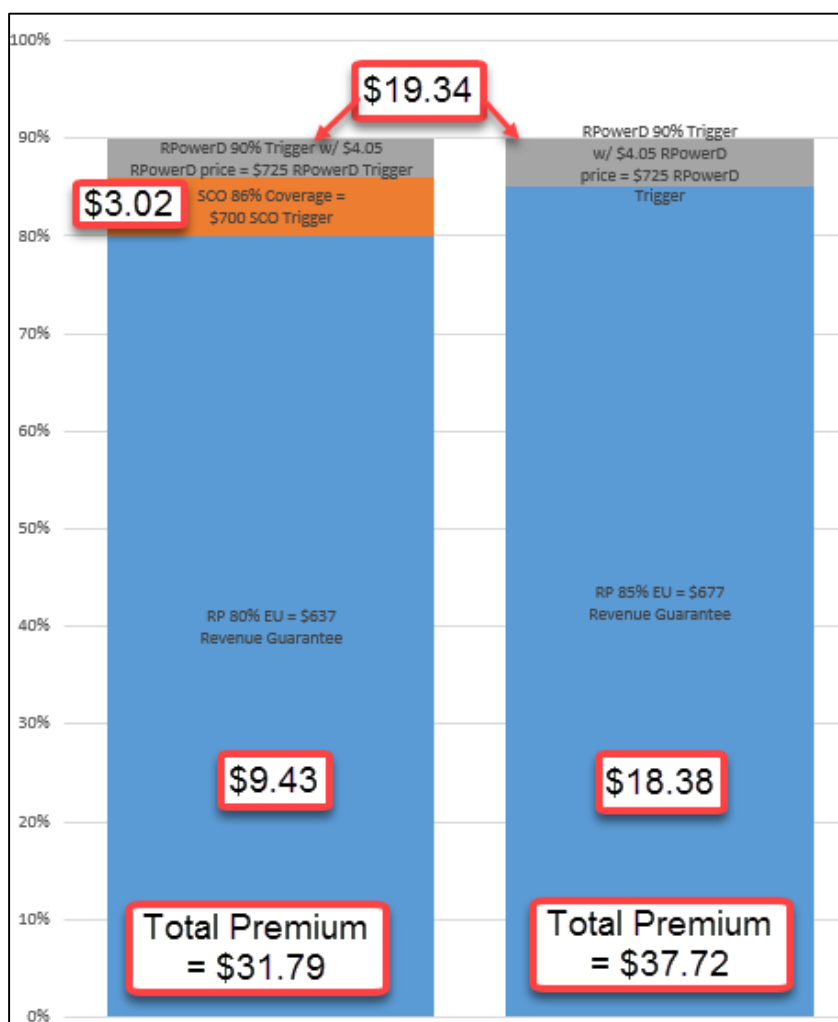
SCO coverage starts at 86% and stops where MPCl coverage starts. Coverage is based on the SCO area (usually county) expected and harvest yields as reported by RMA. SCO uses crop insurance projected and harvest prices for calculating revenue on the policy.

Some of the considerations before purchasing SCO must include:

- Does the producer want individual 85% coverage? If so, no need for SCO.
- If soybean base acres are very small vs. planted acres, using PLC so SCO is an option may be an alternative to consider.
- Do producer yields track SCO County Yields? If so, may be a candidate for area plan of coverage like SCO.
- Does the cost of additional Hail Insurance mitigate savings from SCO coupled with lower MPCl coverage?
- Can a producer's financials support cash flow delay's vs. individual plans of coverage while waiting for SCO indemnities?

We bring up SCO because **RPowerD adds opportunity for the highest levels of Minimum Guaranteed Revenue**, not only for those buying high level RP policies, but also for those electing SCO on lower level RP policies as shown in the graphic below.

Just choose 85% MPCl in the estimator to create an SCO Band of Coverage as shown.



ARC / PLC Comparative Tool shown above is located at www.AgentVantage.com.

If you need to create your sign in credentials for www.AgentVantage.com, contact your NAU Country Marketing Representative for assistance. Contact the NAU Country Call Center at 1-866-942-6724 or via email at callcenter@naucountry.com to reset your password, or make additional changes.

View previous RPowerD newsletters on the [NAU Country website](http://www.naucountry.com).



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