

Livestock Risk Protection Fed Cattle



Livestock Risk Protection

The Livestock Risk Protection Insurance Plan for Fed Cattle (LRP-Fed Cattle) is designed to insure against declining market prices. Beef producers may choose from a variety of coverage levels and insurance periods that correspond with the time your marketweight cattle would normally be sold.

You may buy LRP-Fed Cattle throughout the year from Risk Management Agency (RMA) approved livestock insurance agents. Premium rates, coverage prices, and actual ending values are posted online daily.

You may choose coverage prices ranging from 75 to 100 percent of the expected ending value. At the end of the insurance period, if the actual ending value is below the coverage price, you may receive an indemnity payment for the difference between the coverage price and actual ending value.

Visit RMA's website to see the LRP-Fed Cattle program's coverage prices, rates, actual ending values, and per hundredweight insurance cost (see useful links below). The actual ending values are based on weighted prices from USDA's Agricultural Marketing Service. Actual ending values are posted on the RMA's website at the end of the insurance period.

Availability

You submit a one-time application for LRP Fed Cattle coverage. After the application is accepted, you may buy specific coverage endorsements for up to 12,000 head of heifers and steers (weighing between 1,000 and 1,600 pounds) or dairy cull cows (800 - 1,500 pounds) that will be marketed for slaughter near the end of the insurance period.

The annual limit for LRP-Fed Cattle is 25,000 head per producer for each crop year (May 1 to June 30). The length of insurance coverage available for each specific coverage endorsement is 13, 17, 21, 26, 30, 34, 39, 43, 47, or 52 weeks for heifers and steers, or 13 weeks for dairy cull cows. LRP-Fed Cattle insurance is available in all counties in all states.



Buying a Policy

You must buy LRP-Fed Cattle insurance through a livestock insurance agent. You can fill out an application at any time. However, insurance does not attach until you buy a specific coverage endorsement. You may buy multiple specific coverage endorsements with one application. Your insurance coverage starts the day you buy a specific coverage endorsement and RMA approves the purchase.

Where to Buy Livestock Insurance

All multi-peril livestock insurance, including Catastrophic Risk Protection policies, are available from private insurance agents. A list of livestock insurance agents is available on the RMA website at: rma.usda.gov/tools-reports/agent-locator

Useful Links

Daily LRP Coverage Prices, Rates, and Actual Ending Values:
rma.usda.gov/tools-reports/livestock-reports-lrp-lgm

Premium Calculator:
ewebapp.rma.usda.gov/apps/costestimator/

Related AMS online livestock reports:
mymarketnews.ams.usda.gov

This fact sheet gives only a general overview of the crop insurance program and is not a complete policy. For further information and an evaluation of our risk management needs, contact a crop insurance agent.