

FAQs

September 26, 2019

Are the Prevented Planting Disaster Payments the same as WHIP+ Payments?

No. The prevented planting top-up payments are different from the Wildfires and Hurricanes Indemnity Program Plus (WHIP+) payments. For more information on WHIP+, please visit <https://www.farmers.gov/recover/whip-plus>.

September 25, 2019

Who is eligible for disaster payments?

Eligibility for prevented planting supplemental disaster assistance payments is determined by RMA. Prevented planting supplemental disaster payments provide support to producers who were prevented from planting eligible crops for the 2019 crop year due to excess precipitation, flood, storm surge, tornado, volcanic activity, tropical depressions, hurricanes, and cyclones in the 2019 calendar year. Eligible crops are 2019 crop year crops with a final planting date that falls in the 2019 calendar year.

In general, prevented planting supplemental disaster payments will be administered in the same way as other Federal crop insurance programs. Producers who purchased a crop insurance policy and were prevented from planting due to one of the specified causes of loss will be eligible for prevented planting supplemental disaster payments if the insured crop is eligible for such payments.

USDA will make the final determinations as to who is eligible to receive payments, and not all insureds who received a prevented planting indemnity may ultimately be eligible.

Producers that are in violation of Highly Erodible Land or Wetlands Conservation for federal crop insurance are not eligible to receive prevented planting supplemental disaster payments.

Producers that received a prevented planting supplemental disaster payment must purchase crop insurance for the first two consecutive crop years for all acres planted to that crop in that county, otherwise, the producer must repay the prevented planting supplemental disaster payment.

How are disaster payments calculated?

RMA will calculate each supplemental prevented planting disaster payment.

For insured crops with a plan of insurance that provides revenue protection, the qualifying prevented planting payments will be multiplied by a factor measuring yield and price loss. For all other crops, the qualifying prevented planting payments will be multiplied by a factor based on yield only.

The payment limitations required under the WHIP+ program are not applicable for prevented planting supplemental disaster payments.

The values used for the factors will be 15% for those producers with revenue protection except those who select the harvest price exclusion option and 10% for those producers who do not have revenue protection.

When will disaster payments first be made available?

Based on the information currently available, RMA will run Disaster Relief Payment Reports based off the data submitted and accepted before the October monthly transaction cutoff date (i.e. 10/11/2019).

RMA plans to issue payments upon receipt of certified Disaster Relief Payment reports to AIPs under agreement within a few business days after the monthly transaction cutoff date for the total processed prevented planting additional amounts. Payments after the initial month of implementation are planned to occur on the normal monthly settlement cycle.

Given this information, ARMtech expects to start issuing payments the week of October 14, if not before.

Payments will continue as determined by USDA, but may not extend beyond October 9, 2020 or exhaustion of the funds allocated (\$3,005,442,000), whichever comes first.

How will insureds receive their payments?

Once ARMtech receives the final prevented planting supplemental disaster payment amounts from RMA through PASS, ARMtech will distribute checks along with a brief letter of explanation. The prevented planting supplemental disaster checks will follow the standard indemnity distribution processes and will be sent directly to agents for disbursement to insureds.

Prevented planting supplemental disaster payments must be distributed via check and are not eligible for direct deposit.

Will insureds receive both prevented planting and disaster payments on the same check?

No. Indemnities and prevented planting supplemental disaster payments are two different programs, and disbursements will come on two different checks, though they may arrive at the agent's office on the same day.

Not all prevented planting indemnities will arrive with the corresponding prevented planting supplemental disaster payment (or vice versa), though the initial round of prevented planting supplemental disaster payments will include checks based on prevented planting indemnities already paid.

Will ARMtech make any withholdings from disaster payments?

No. Unlike prevented planting indemnities, ARMtech may not withhold outstanding premium, interest, etc. from prevented planting supplemental disaster payments.

However, prevented planting supplemental disaster payments must honor any assignments of indemnity in effect for the eligible crops and will be payable to the same entities as the prevented planting indemnity.

Are all disaster payments final?

Not necessarily. Though USDA does not expect to modify disaster payments, they are based on prevented planting indemnities, so changes to indemnities may result in changes to disaster payments.

If RMA makes a change to the calculation of the prevented planting supplemental disaster payment that results in an overpayment, the producer must repay, with interest, any excess prevented planting supplemental disaster payment.

Adjustments may apply if the qualifying prevented planting payments are reduced due to errors or other irregularities.

If the AIP bills an insured for monies that include Federal crop insurance and additional disaster assistance payment, and if the insured makes a partial payment, the payment is applied to any Federal crop insurance debt first prior to the additional disaster assistance payment.

If an insured owes the AIP any additional disaster assistance payment due to an overpayment, the AIP may charge interest as provided in 7 C.F.R. § 460.6(b).

Can agents reference the disaster payments for each of their insureds?

Yes. In addition to receiving the actual prevented planting supplemental disaster payment checks for disbursement to insureds, agents may request a breakdown of the payments on an insured-by-insured basis from ARMtech.