

Crop Insurance and Government Policy: Managing Risk in Uncertain Times



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Ad Hoc Programs

- **American Relief Act – passed by Congress in December 2024**
 - Emergency Commodity Assistance Program (ECAP)
 - One-time **economic** assistance payment based on **2024 acres** planted
 - **\$10 Billion authorized, \$9.4 Billion paid out nationally***, **Kansas = \$736 million***
 - Supplemental Disaster Relief Program (SDRP)
 - Assistance payments because of **natural disaster** related losses for **2023 and 2024 crop years**
 - Stage 1: Losses where a crop insurance indemnity was received
 - Stage 2: Shallow losses not triggering an insurance indemnity, quality losses, uncovered losses
 - Deadline for both extended to Sept. 30th, 2026
 - Original payments factored by 35%, **paid an additional 35% in April 2026**
 - **\$16 Billion authorized, \$13.6 Billion paid out nationally***, **Kansas = \$1.4 billion***
 - Emergency Livestock Relief Program (ELRP)
 - “Top-up” to Livestock Forage Disaster Program (LFP) for 2023 and 2024 of 35%, **increased to 43.2% in Feb. 2026**
 - **Kansas: \$528 million***



**Payment totals as of 9/15/2026*



Ad Hoc Programs

- **Farmer Bridge Assistance (FBA)**

- Announced by Trump Administration/USDA in Dec. 2025, *did not go through Congress*
- Paid on planted acres from 2025
- Paid out in March/April 2026
- \$12 Billion authorized, \$10.6 Billion paid out nationally*, Kansas = \$794 million*

Total Ad Hoc Payments in 2025 & 2026

Kansas			
Program	\$ Paid	Approved Applications	Average \$ per Application
ECAP	\$735,676,099	52,857	\$13,918
SDRP	\$1,394,950,842	80,813	\$17,261
ELRP	\$527,502,194	35,137	\$15,013
FBA (cropland)	\$792,796,213	49,858	\$15,901
FBA (specialty crops)	\$1,053,939	297	\$3,549
Total	\$3,451,979,287	218,962	\$15,765

More assistance coming???

- Talk of another \$11 billion + ?
- ARC and PLC – October

Title I and Crop Insurance

- Newly enhanced ARC and PLC for 2025 crops, paid October 2026
- New Base Acre Allocation
- Strategies for Electing ARC/PLC for 2026 Crop
- Crop Insurance

October ARC/PLC for 2025 Crop

- For the 2025 harvested crop **ONLY**, farmers will receive the higher of the calculated ARC or PLC payment
- Wheat, Oats and Barley marketing years ended May 31st, final payments are known
- Corn, Soybeans and Grain Sorghum marketing years end August 31st, prices will be known Sept. 29th
- Payments should ACH to producers first week of October

Reference Prices - PLC

Crop	Effective Reference Price for 2025 and 2026 Crop	2025/2026 MYA Price	2025/2026 PLC Payment Rate (per bushel)
Wheat	\$6.35	\$5.06	\$1.29
<i>Forecasts</i>			
Corn	\$4.42	\$4.15*	\$0.27
Soybeans	\$10.71	\$10.47*	\$0.24
Grain Sorghum	\$4.67	\$3.72*	\$0.95

*KSU estimate: <https://www.agmanager.info/crop-insurance/risk-management-strategies/mya-price-estimates-updated-arc-and-plc-commodity-0>

Calculating your PLC payment

Wheat example:

PLC Payment = \$1.29 per bushel * Program Yield * Wheat Base Acres * 85%

*\$1.29 per bushel * 45 bushels = \$58.05 per acre*

*\$58.05 per acre * 500 acres * 85% = \$24,671*

Will ARC be higher???

<https://www.agmanager.info/ag-policy/estimated-arc-plc-payments>



Estimated ARC/PLC Payments 2025/2026

The screenshot shows the AgManager.info website. The navigation menu includes links for Farm Management, Crop Insurance, Grain Marketing, Livestock & Meat, and Ag Policy. The 'Ag Policy' link is highlighted, and a dropdown menu is visible with 'Estimated ARC/PLC Payments' circled in red. Other links in the dropdown include Farm Bill, Estimated ARC/PLC Payments, Kansas ARC/PLC Enrollment Maps, Foreign Holdings of U.S. Agricultural Land, Livestock Policy, Water Policy, and Historic Net Crop Insurance Payments. The main content area features a 'Farm Management' section with a 'View' button and a 'Welcome to AgManager.info' message from the Department of Agricultural Economics at Kansas State University.

Estimated ARC & PLC Payments

The first Title I Farm Bill program payments that include the One Big Beautiful Bill Act enhancements will be received by farmers starting in October 2025, for the crop harvested in 2025. These payments are the one-time opportunity farmers have to receive the higher of the calculated Agricultural Risk Coverage (ARC) and Price Loss Coverage (PLC) programs, before going back to annual program elections, starting with this year's harvested crop.

PLC payments are based on Marketing Year Average (MYA) prices only, in which current forecasts will be very close to final numbers when they are released at the end of the marketing year. Wheat, corn, and barley MYA prices are now final, and corn, soybeans, and grain sorghum will be final on August 31st and announced in late September.

The following Maps show estimated PLC payments and include a paper discussing how they are calculated:

Maps of PLC Estimates	Accompanying Paper
Kansas	Kansas Paper
National	National Paper

ARC-County payments are based on MYA prices (discussed above) and county yields. The following Maps show estimated ARC payments and accompanying paper explains how they are calculated:

Maps of ARC Estimates	Accompanying Paper
Kansas	Paper
National	Paper



New Base Acre Allocation

- 30 million more base acres allowed nationwide
 - Deadline was August 31st, 2026
 - Cap was exceeded so 3.69% reduction in NEW base acres will be applied
- Allocated to farms that were planting more acres than they had in base acres
- New base acres were assigned to covered commodities based on historical plantings 2019-2023

New Base Acre Allocation

- EXISTING BASE DOES NOT CHANGE!!!
- New base will be added for the 2026 harvested crop
ARC/PLC payment, paid in October of 2027
- When will we elect ARC or PLC for the 2026 crop?!?

Timelines Just Announced

- Election/enrollment for the **2026** crop year:
Sept. 16 - Dec. 11, 2026
- Election/enrollment for the **2027** crop year
from Nov. 2, 2026 - March 15, 2027

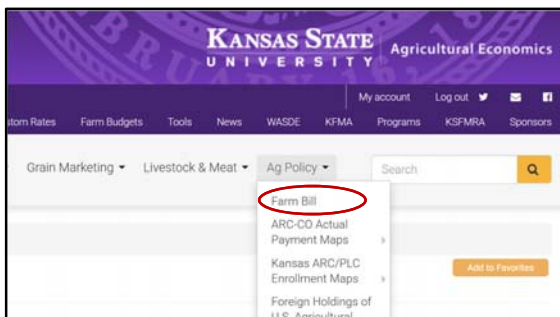


Tradeoff Between 2026/2027 ARC and PLC

Tool available at:

<https://www.agmanager.info/ag-policy/farm-bill-0/tradeoff-between-20262027-arc-and-plc>

AgManager.info ➡ Ag Policy ➡ Farm Bill



ARC Payments vs. PLC Payments Under Different Yields and Prices for 2026/2027 Marketing Year											
State:	Kansas		Crop:	Corn		Type:	Nonirrigated				
County:	Marshall			ARC			PLC				
5 Yr. Olympic Avg. County Yield				162.33	Bushels	Program Yield			113.2	Bushels	
5 Yr. Olympic Avg. MYA Price				\$5.03		Eff. Reference Price			\$4.42		
Benchmark Revenue				\$816.52							
Guaranteed Revenue				\$734.87		PLC> ARC-CO max @			\$3.55		
Yield											
			66	83	104	130	162	178	196	214	
MYA Price	PLC		ARC Payment								
	Payment										
\$6.05	\$0.00	\$97.98	\$97.98	\$97.98	\$97.98	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$5.82	\$0.00	\$97.98	\$97.98	\$97.98	\$97.98	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$5.60	\$0.00	\$97.98	\$97.98	\$97.98	\$97.98	\$6.87	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$5.38	\$0.00	\$97.98	\$97.98	\$97.98	\$97.98	\$35.47	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$5.17	\$0.00	\$97.98	\$97.98	\$97.98	\$97.98	\$62.77	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.97	\$0.00	\$97.98	\$97.98	\$97.98	\$97.98	\$88.77	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

2026/2027 ARC and PLC Example Payouts

Tool available at: <https://www.agmanager.info/ag-policy/farm-bill-0/tradeoff-between-20262027-arc-and-plc>

ARC Payments vs. PLC Payments Under Different Yields and Prices for 2026/2027 Marketing Year									
State:	Kansas								
County:	Finney		Crop:	Wheat		Type:	Nonirrigated		
			ARC				PLC		
5 Yr. Olympic Avg. County Yield			36.17		Bushels	Program Yield	44.5		Bushels
5 Yr. Olympic Avg. MYA Price			\$6.98			Eff. Reference Price	\$6.35		
Benchmark Revenue			\$252.47						
Guaranteed Revenue			\$227.22			PLC > ARC-CO max @	\$5.67		
Yield									
			30	32	34	36	38	40	42
MYA Price	PLC Payment	ARC Payment							
\$8.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$7.72	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$7.42	\$0.00	\$4.62	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$7.13	\$0.00	\$13.32	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$6.86	\$0.00	\$21.42	\$7.70	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$6.60	\$0.00	\$29.22	\$16.02	\$2.82	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$6.35	\$0.00	\$30.30	\$24.02	\$11.32	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$6.10	\$11.13	\$30.30	\$30.30	\$19.82	\$7.62	\$0.00	\$0.00	\$0.00	\$0.00
\$5.86	\$21.82	\$30.30	\$30.30	\$27.98	\$16.26	\$4.54	\$0.00	\$0.00	\$0.00
\$5.63	\$32.07	\$30.30	\$30.30	\$30.30	\$24.54	\$13.28	\$2.02	\$0.00	\$0.00
\$5.40	\$42.31	\$30.30	\$30.30	\$30.30	\$30.30	\$22.02	\$11.22	\$0.42	\$0.00
\$5.18	\$52.11	\$30.30	\$30.30	\$30.30	\$30.30	\$30.30	\$20.02	\$9.66	\$0.00

Estimated MYA Price(s)	Est 26/27 Wt.*	Est
June	5.70	13.0
July	6.06	18.6
Forecast August	6.28	12.7
Forecast September	6.45	10.4
Forecast October	6.45	6.2
Forecast November	6.45	5.2
Forecast December	6.60	7.2
Forecast January 27	6.60	7.0
Forecast February	6.60	6.1
Forecast March	6.67	5.2
Forecast April	6.67	4.7
Forecast May	6.65	3.8
Estimated 26/27 MYA price	\$6.32	

County Yield History	
Year	County Yield*
2020	32
2021	66
2022	29
2023	28
2024	47
2025	64

*Trend adjusted county yields as determined by FSA to set the ARC guarantee
*Low yielding years are replaced with 80% of the county T-yield

2026/2027 ARC and PLC Example Payouts

Tool available at: <https://www.agmanager.info/ag-policy/farm-bill-0/tradeoff-between-20262027-arc-and-plc>

ARC Payments vs. PLC Payments Under Different Yields and Prices for 2026/2027 Marketing Year									
State:	Kansas		Crop:		Wheat		Type:		Irrigated
County:	Finney								
5 Yr. Olympic Avg. County Yield			ARC		Program Yield		PLC		
5 Yr. Olympic Avg. MYA Price			60.79 Bushels		Eff. Reference Price		44.5 Bushels		
Benchmark Revenue			\$424.31				\$6.35		
Guaranteed Revenue			\$381.88		PLC> ARC-CO max @		\$5.21		
Yield									
		52	55	58	61	64	67	70	74
MYA Price	PLC Payment	ARC Payment							
\$8.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$7.72	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$7.42	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$7.13	\$0.00	\$11.12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$6.86	\$0.00	\$25.16	\$4.58	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$6.60	\$0.00	\$38.68	\$18.88	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$6.35	\$0.00	\$50.92	\$32.63	\$13.58	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$6.10	\$11.13	\$50.92	\$46.38	\$28.08	\$9.78	\$0.00	\$0.00	\$0.00	\$0.00
\$5.86	\$21.82	\$50.92	\$50.92	\$42.00	\$24.42	\$6.84	\$0.00	\$0.00	\$0.00
\$5.63	\$32.07	\$50.92	\$50.92	\$50.92	\$38.45	\$21.56	\$4.67	\$0.00	\$0.00
\$5.40	\$42.31	\$50.92	\$50.92	\$50.92	\$50.92	\$36.28	\$20.08	\$3.88	\$0.00
\$5.18	\$52.11	\$50.92	\$50.92	\$50.92	\$50.92	\$50.36	\$34.82	\$19.28	\$0.00

Estimated MYA Price(s)	Est 26/27 Wt.*	Est
June	5.70	13.0
July	6.06	18.6
Forecast August	6.28	12.7
Forecast September	6.45	10.4
Forecast October	6.45	6.2
Forecast November	6.45	5.2
Forecast December	6.60	7.2
Forecast January 27	6.60	7.0
Forecast February	6.60	6.1
Forecast March	6.67	5.2
Forecast April	6.67	4.7
Forecast May	6.65	3.8
Estimated 26/27 MYA price	\$6.32	

County Yield History	
Year	County Yield*
2020	52
2021	67
2022	57
2023	58
2024	67
2025	76

*Trend adjusted county yields as determined by FSA to set the ARC guarantee
*Low yielding years are replaced with 80% of the county T-yield

2026/2027 ARC and PLC Example Payouts

Tool available at: <https://www.agmanager.info/ag-policy/farm-bill-0/tradeoff-between-20262027-arc-and-plc>

ARC Payments vs. PLC Payments Under Different Yields and Prices for 2026/2027 Marketing Year										
State:	Kansas		Crop:		Wheat		Type:		All	
County:	Riley									
5 Yr. Olympic Avg. County Yield			ARC		Bushels		Program Yield		PLC	
5 Yr. Olympic Avg. MYA Price			\$3.25				Eff. Reference Price		\$39.4	
Benchmark Revenue			\$6.98						Bushels	
Guaranteed Revenue			\$371.69						\$6.35	
			\$334.52				PLC> ARC-CO max @		\$5.22	
					Yield					
			46	48	50	53	56	59	62	65
	PLC		ARC Payment							
MYA Price	Payment									
\$8.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$7.72	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$7.42	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$7.13	\$0.00	\$6.54	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$6.86	\$0.00	\$18.96	\$5.24	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$6.60	\$0.00	\$30.92	\$17.72	\$4.52	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$6.35	\$0.00	\$42.42	\$29.72	\$17.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$6.10	\$9.84	\$44.60	\$41.72	\$29.52	\$11.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$5.86	\$19.29	\$44.60	\$44.60	\$41.52	\$23.94	\$6.36	\$0.00	\$0.00	\$0.00	\$0.00
\$5.63	\$28.35	\$44.60	\$44.60	\$44.60	\$36.13	\$19.24	\$2.35	\$0.00	\$0.00	\$0.00
\$5.40	\$37.41	\$44.60	\$44.60	\$44.60	\$44.60	\$32.12	\$15.92	\$0.00	\$0.00	\$0.00
\$5.18	\$46.07	\$44.60	\$44.60	\$44.60	\$44.60	\$44.44	\$28.90	\$13.36	\$0.00	\$0.00

Estimated MYA Price(s)	Est 26/27	Est Wt.*
June	5.70	13.0
July	6.06	18.6
Forecast August	6.28	12.7
Forecast September	6.45	10.4
Forecast October	6.45	6.2
Forecast November	6.45	5.2
Forecast December	6.60	7.2
Forecast January 27	6.60	7.0
Forecast February	6.60	6.1
Forecast March	6.67	5.2
Forecast April	6.67	4.7
Forecast May	6.65	3.8
Estimated 26/27 MYA price	\$6.32	

61%

County Yield History	
Year	County Yield*
2020	45
2021	55
2022	52
2023	54
2024	70
2025	70

*Trend adjusted county yields as determined by FSA to set the ARC guarantee

*Low yielding years are replaced with 80% of the county T-yield

2026/2027 ARC and PLC Example Payouts

Tool available at: <https://www.agmanager.info/ag-policy/farm-bill-0/tradeoff-between-20262027-arc-and-plc>

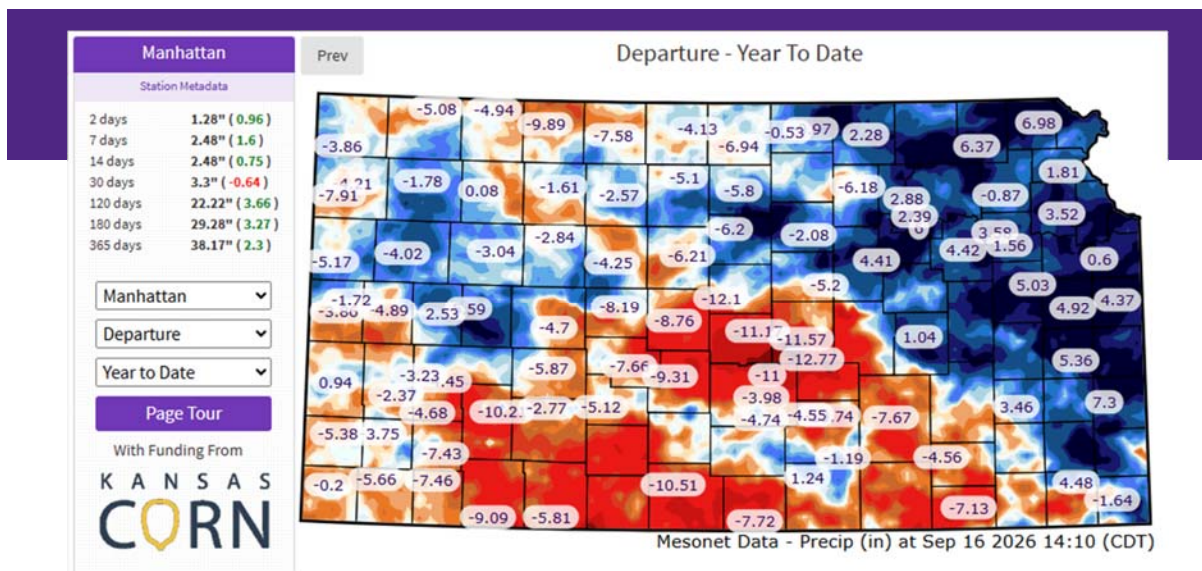
ARC Payments vs. PLC Payments Under Different Yields and Prices for 2026/2027 Marketing Year												
State:	Kansas		Crop:		Corn		Type:		Nonirrigated			
County:	Marshall											
					ARC	PLC						
5 Yr. Olympic Avg. County Yield					162.33	Bushels	Program Yield	113.2	Bushels			
5 Yr. Olympic Avg. MYA Price					\$5.03		Eff. Reference Price	\$4.42				
Benchmark Revenue					\$816.52							
Guaranteed Revenue					\$734.87		PLC> ARC-CO max @	\$3.55				
					Yield							
					147	152	157	162	167	172	177	182
PLC					ARC Payment							
MYA Price	Payment											
\$5.60	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$5.38	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$5.17	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.97	\$0.00	\$4.28	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.78	\$0.00	\$32.21	\$8.31	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.60	\$0.00	\$58.67	\$35.67	\$12.67	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.42	\$0.00	\$85.13	\$63.03	\$40.93	\$18.83	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.24	\$20.38	\$97.98	\$90.39	\$69.19	\$47.99	\$26.79	\$5.59	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.07	\$39.63	\$97.98	\$97.98	\$95.88	\$75.53	\$55.18	\$34.83	\$14.48	\$0.00	\$0.00	\$0.00	\$0.00
\$3.91	\$57.75	\$97.98	\$97.98	\$97.98	\$97.98	\$97.98	\$81.90	\$62.35	\$42.80	\$23.25	\$0.00	\$0.00

County Yield History	
Year	County Yield*
2020	173
2021	172
2022	155
2023	160
2024	153
2025	167

*Trend adjusted county yields as determined by FSA to set the ARC guarantee

*Low yielding years are replaced with 80% of the county T-yield





<https://mesonet.k-state.edu/>

KANSAS STATE UNIVERSITY Agricultural Economics



2026/2027 ARC and PLC Example Payouts

Tool available at: <https://www.agmanager.info/ag-policy/farm-bill-0/tradeoff-between-20262027-arc-and-plc>

ARC Payments vs. PLC Payments Under Different Yields and Prices for 2026/2027 Marketing Year										
State:	Kansas									
County:	Scott		Crop:	Corn		Type:	Nonirrigated			
			ARC				PLC			
5 Yr. Olympic Avg. County Yield			62.78 Bushels		Program Yield		131.9 Bushels			
5 Yr. Olympic Avg. MYA Price			\$5.03		Eff. Reference Price		\$4.42			
Benchmark Revenue			\$315.78							
Guaranteed Revenue			\$284.20		PLC> ARC-CO max @		\$4.13			
Yield										
			54	57	60	63	66	69	72	76
MYA Price	PLC Payment	ARC Payment								
\$5.60	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$5.38	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$5.17	\$0.00	\$5.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.97	\$0.00	\$15.82	\$0.91	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.78	\$0.00	\$26.08	\$11.74	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.60	\$0.00	\$35.80	\$22.00	\$8.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.42	\$0.00	\$37.89	\$32.26	\$19.00	\$5.74	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.24	\$23.73	\$37.89	\$37.89	\$29.80	\$17.08	\$4.36	\$0.00	\$0.00	\$0.00	\$0.00
\$4.07	\$46.15	\$37.89	\$37.89	\$37.89	\$27.79	\$15.58	\$3.37	\$0.00	\$0.00	\$0.00
\$3.91	\$67.25	\$37.89	\$37.89	\$37.89	\$37.87	\$26.14	\$14.41	\$2.68	\$0.00	\$0.00
\$3.75	\$88.34	\$37.89	\$37.89	\$37.89	\$37.89	\$36.70	\$25.45	\$14.20	\$0.00	\$0.00
\$3.60	\$108.12	\$37.89	\$37.89	\$37.89	\$37.89	\$37.89	\$35.80	\$25.00	\$10.60	\$0.00

Estimated MYA Price(s)		Est	Est
Forecast	September	4.72	6.3
Forecast	October	4.72	14.0
Forecast	November	4.72	11.5
Forecast	December	4.86	9.6
Forecast	January 27	4.86	14.4
Forecast	February	4.86	7.3
Forecast	March	4.94	7.4
Forecast	April	4.94	6.2
Forecast	May	4.97	5.3
Forecast	June	4.97	6.2
Forecast	July	4.79	5.4
Forecast	August	4.79	6.2
Estimated 26/27 MYA price		\$4.83	

County Yield History	
Year	County Yield*
2020	60
2021	70
2022	59
2023	64
2024	64
2025	122

*Trend adjusted county yields as determined by FSA to set the ARC guarantee
*Low yielding years are replaced with 80% of the county Y-yield

2026/2027 ARC and PLC Example Payouts

Tool available at: <https://www.agmanager.info/ag-policy/farm-bill-0/tradeoff-between-20262027-arc-and-plc>

ARC Payments vs. PLC Payments Under Different Yields and Prices for 2026/2027 Marketing Year										
State:	Kansas									
County:	Scott		Crop:	Corn		Type:	Irrigated			
			ARC				PLC			
5 Yr. Olympic Avg. County Yield			178.18 Bushels		Program Yield		131.9 Bushels			
5 Yr. Olympic Avg. MYA Price			\$5.03		Eff. Reference Price		\$4.42			
Benchmark Revenue			\$896.25							
Guaranteed Revenue			\$806.63		PLC> ARC-CO max @		\$3.60			
					Yield					
			153	161	169	178	187	196	206	216
PLC			ARC Payment							
MYA Price	Payment									
\$5.60	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$5.38	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$5.17	\$0.00	\$15.62	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.97	\$0.00	\$46.22	\$6.46	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.78	\$0.00	\$75.29	\$37.05	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.60	\$0.00	\$102.83	\$66.03	\$29.23	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.42	\$0.00	\$107.55	\$95.01	\$59.65	\$19.87	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$4.24	\$23.73	\$107.55	\$107.55	\$90.07	\$51.91	\$13.75	\$0.00	\$0.00	\$0.00	\$0.00
\$4.07	\$46.15	\$107.55	\$107.55	\$107.55	\$82.17	\$45.54	\$8.91	\$0.00	\$0.00	\$0.00
\$3.91	\$67.25	\$107.55	\$107.55	\$107.55	\$107.55	\$75.46	\$40.27	\$1.17	\$0.00	\$0.00
\$3.75	\$88.34	\$107.55	\$107.55	\$107.55	\$107.55	\$105.38	\$71.63	\$34.13	\$0.00	\$0.00
\$3.60	\$108.12	\$107.55	\$107.55	\$107.55	\$107.55	\$107.55	\$101.03	\$65.03	\$29.03	\$29.03

Estimated MYA Price(s)		Est	Est
	26/27	Wt.*	
Forecast September	4.72	6.3	
Forecast October	4.72	14.0	
Forecast November	4.72	11.5	
Forecast December	4.86	9.6	
Forecast January 27	4.86	14.4	
Forecast February	4.86	7.3	
Forecast March	4.94	7.4	
Forecast April	4.94	6.2	
Forecast May	4.97	5.3	
Forecast June	4.97	6.2	
Forecast July	4.79	5.4	
Forecast August	4.79	6.2	
Estimated 26/27 MYA price	\$4.83		

County Yield History	
Year	County Yield*
2020	187
2021	196
2022	157
2023	179
2024	168
2025	208

*Trend adjusted county yields as determined by FSA to set the ARC guarantee
*Low yielding years are replaced with 80% of the county T-yield

2026/2027 ARC and PLC Example Payouts

Tool available at: <https://www.agmanager.info/ag-policy/farm-bill-0/tradeoff-between-20262027-arc-and-plc>

ARC Payments vs. PLC Payments Under Different Yields and Prices for 2026/2027 Marketing Year											
State:	Kansas										
County:	Lane		Crop:	Grain Sorghum		Type:	Nonirrigated				
				ARC			PLC				
5 Yr. Olympic Avg. County Yield				61.44	Bushels	Program Yield			67.1 Bushels		
5 Yr. Olympic Avg. MYA Price				\$5.30		Eff. Reference Price			\$4.67		
Benchmark Revenue				\$325.63							
Guaranteed Revenue				\$293.07		PLC > ARC-CO max @			\$4.09		
				Yield							
				55	57	59	61	63	65	67	69
				PLC							
MYA Price	Payment		ARC Payment								
\$5.91	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
\$5.68	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
\$5.46	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
\$5.25	\$0.00	\$4.32	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
\$5.05	\$0.00	\$15.32	\$5.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
\$4.86	\$0.00	\$25.77	\$16.05	\$6.33	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
\$4.67	\$0.00	\$36.22	\$26.88	\$17.54	\$8.20	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
\$4.48	\$12.75	\$39.08	\$37.71	\$28.75	\$19.79	\$10.83	\$1.87	\$0.00	\$0.00	\$0.00	
\$4.30	\$24.82	\$39.08	\$39.08	\$39.08	\$30.77	\$22.17	\$13.57	\$4.97	\$0.00	\$0.00	
\$4.13	\$36.23	\$39.08	\$39.08	\$39.08	\$39.08	\$32.88	\$24.62	\$16.36	\$8.10	\$8.10	
\$3.96	\$47.63	\$39.08	\$39.08	\$39.08	\$39.08	\$39.08	\$35.67	\$27.75	\$19.83	\$19.83	

County Yield History	
Year	County Yield*
2020	63
2021	69
2022	54
2023	65
2024	60
2025	69

*Trend adjusted county yields as determined by FSA to set the ARC guarantee
*Low yielding years are replaced with 80% of the county T-yield



2026/2027 ARC and PLC Example Payouts

Tool available at: <https://www.agmanager.info/ag-policy/farm-bill-0/tradeoff-between-20262027-arc-and-plc>

ARC Payments vs. PLC Payments Under Different Yields and Prices for 2026/2027 Marketing Year									
State:	Kansas		Crop:		Soybeans		Type:		Nonirrigated
County:	Riley		ARC		PLC				
5 Yr. Olympic Avg. County Yield	43.37		Bushels		Program Yield		35.6		Bushels
5 Yr. Olympic Avg. MYA Price	\$12.17		Eff. Reference Price		\$10.71				
Benchmark Revenue	\$527.81								
Guaranteed Revenue	\$475.03		PLC > ARC-CO max @		\$8.93				
			Yield						
			37		39		41		43
									45
									47
									49
									51
MYA Price	PLC		ARC Payment						
\$13.55	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
\$13.03	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
\$12.53	\$0.00		\$11.42		\$0.00		\$0.00		\$0.00
\$12.05	\$0.00		\$29.18		\$5.08		\$0.00		\$0.00
\$11.59	\$0.00		\$46.20		\$23.02		\$0.00		\$0.00
\$11.14	\$0.00		\$62.85		\$40.57		\$18.29		\$0.00
\$10.71	\$0.00		\$63.34		\$57.34		\$35.92		\$14.50
\$10.28	\$15.32		\$63.34		\$63.34		\$53.55		\$32.99
\$9.87	\$29.92		\$63.34		\$63.34		\$50.62		\$30.88
\$9.48	\$43.82		\$63.34		\$63.34		\$48.43		\$29.47
\$9.10	\$57.36		\$63.34		\$63.34		\$63.34		\$47.33
\$8.74	\$70.18		\$63.34		\$63.34		\$63.34		\$46.77

Estimated MYA Price(s)	Est 26/27	Est. Wt.*
Forecast September	11.78	7.4
Forecast October	11.78	21.4
Forecast November	11.93	14.7
Forecast December	11.93	12.0
Forecast January 27	11.99	14.6
Forecast February	11.99	5.7
Forecast March	12.06	4.4
Forecast April	12.06	3.7
Forecast May	12.09	2.8
Forecast June	12.09	3.5
Forecast July	11.94	4.5
Forecast August	11.60	5.3
Estimated 26/27 MYA price	\$11.90	

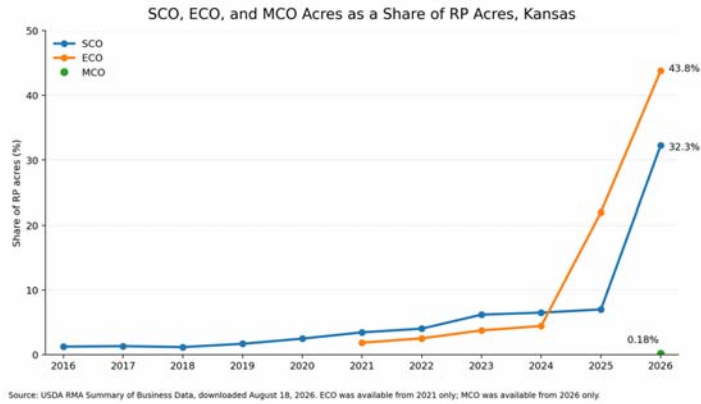
County Yield History	
Year	County Yield*
2020	49
2021	50
2022	34
2023	32
2024	48
2025	53

*Trend adjusted county yields as determined by FSA to set the ARC guarantee
*Low yielding years are replaced with 80% of the county T-yield

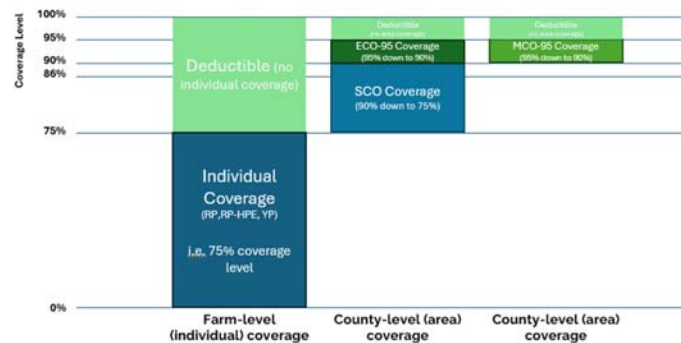
Crop Insurance

- OBBBA increased premium subsidy for supplemental area policies, participation increased in the 2026 crop year
- No major changes for 2027 crop year anticipated
 - SCO now covers up to 90% of expected yield or revenue
 - ECO and MCO now cover 90-95% yield or revenue (equivalent)

Substantial Growth in 2026



Supplemental Policy Refresher



SCO + ECO Refresher

- County-based trigger, pays out when county yields released around June of the following year
 - Guarantee is based on the farm, amount of loss is based on the county
- SCO *now* increases underlying YP or RP coverage to 90%
- ECO *now* (Enhanced Coverage Option) covers 90-95%

MCO Refresher

- Operating margin coverage
 - Similar but different than MP
 - Can be triggered by revenue decline and/or *select* input cost increases
- Can be used with SCO, but not ECO
- Deadline of **September 30** for corn, cotton, grain sorghum, soybeans

Supplemental Policy Tradeoffs

Benefits

- 80% premium subsidy is highly favorable to the producer in the long run
- (More) predictable coverage of shallow losses

Concerns

- Paid out in June
- Tied to county yields
- Increases total premium cost substantially
- Can go a few years without triggering

MCO vs ECO

- Key difference
 - Price discovery Aug 15-Sept 14 vs Feb.
 - MCO payouts affected by input prices
- Over time, MCO and ECO payouts are similar and revenue drives payouts for MCO
 - “Bigger” decision is whether to use these policies
 - MCO could be considered for producers who want an add-on policy at current crop prices with *some* input cost protection

Other 2027 Considerations

- ECO vs SCO
 - Can be used together, but recent growth shows many farms are only using ECO
 - With coverage band change, ECO guarantee and price decrease substantially
 - ECO pays out more often
 - SCO will pay out less often, but *when you need it the most*—years with larger revenue declines
- ECO and SCO for wheat
 - \$8.11 per bushel base price for wheat
 - If actual = expected yields, ECO triggers at harvest price of ~\$7.70 per bushel, SCO at ~\$7.30

For more information

Two AgManager.info webinars, with Jennifer Ifft and Henrique Monaco (University of Minnesota Applied Economics)

September 8: *What's New in Supplemental Coverage for 2027: SCO, ECO, and MCO*

Slides and Recordings: <https://agmanager.info/news/recent-videos/crop-insurance-catch-whats-new-supplemental-coverage-2027-sco-eco-mco-slides>

September 18: *The 2027 MCO Decision: Premiums, Past Performance, and MCO-ECO Tradeoffs*

Slides and Recordings: <https://www.agmanager.info/crop-insurance-catch-2027-mco-decision-premiums-past-performance-and-mco-eco-tradeoffs-slides>

Other Resources:

<https://agmanager.info/crop-insurance/kansas-crop-insurance-maps>

<https://www.margincoverageoption.com/>

<https://agmanager.info/news/recent-videos/winter-wednesday-webinar-2-farm-safety-nets-crop-insurance-and-government>

<https://agmanager.info/events/kansas-crop-insurance-workshop/2025-kansas-crop-insurance-presentations/margin-coverage>

<https://agmanager.info/events/kansas-crop-insurance-workshop/2025-kansas-crop-insurance-presentations/high-coverage>

New Farm Bill?

- House of Representatives passed “Food, Farm, and National Security Act of 2026” on April 30th
- Senate Ag Committee advanced the “Agricultural Act of 2026” out of committee on September 16th
 - Currently expected: no action before midterm elections, then partisan disputes over SNAP and cost sharing timeline for states in lame duck session
- 2018 Farm Bill expires Sept. 30th after it’s third extension, action needed before Dec. 31st

Resources

ARC and PLC

<https://www.agmanager.info/ag-policy/farm-bill-0>

2025/2026 Payment Projections

<https://www.agmanager.info/ag-policy/estimated-arc-plc-payments>

Tracking Ad Hoc Payments made in KS:

ECAP: <https://www.fsa.usda.gov/resources/programs/emergency-commodity-assistance-program/dashboard>

ELRP: <https://www.fsa.usda.gov/resources/programs/emergency-livestock-relief-program-elrp/dashboard>

SDRP: <https://www.fsa.usda.gov/resources/programs/supplemental-disaster-relief-program-sdrp/dashboard>

FBA: <https://www.fsa.usda.gov/resources/income-support/farmer-bridge-assistance-fba-program>

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