

Simplified Claim Process Instructions

The Simplified Claims Process (SCP) was developed to allow insured's to self-certify harvested production and unit acreage on claims when certain criteria are met. The SCP allows the insured a quicker turnaround on claim processing when the certification is properly completed.

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The guidelines for a claim to qualify for the SCP are addressed in Para. 1243 of the 2016 Loss Adjustment Manual (attached)

To initiate the SCP the insured must complete the "Simplified Claims Process (SCP) Qualification and Notice of Loss" form as completely as possible.

In addition to the "SCP Qualification and The insured must submit copies of the settlement sheets/summary sheets with units identified and aerial photos or FSA 578 producer print identifying the specific crop and number of acres planted in each field for each unit for which the insured is claiming a loss.

After submitting this information to the company, a review will be performed to determine if the insured meets all the applicable criteria to have the claim as an SCP loss. If any of the criteria are not met the claim will be required to be worked under normal loss procedures and a Crop Risk Services Claims Representative will be contacting you to setup an appointment to adjust the loss.

Please return completed documentation to:

Mailing Address:

Crop Risk Services
PO Box 1470
Decatur, IL 62524-1470

E-mail: claims@cropriskservices.com

Fax: 217-451-7829 (Attn: Claims)

1242 Chemical Damage due to Adverse Weather Condition (Continued)

3. Any loss of production caused by chemical damage resulting from excess precipitation causing the chemical previously applied to the crop to prematurely release all at once, is covered provided the insured followed recognized GFPs (i.e., the chemical was appropriate for the crop, applied at the proper times, the proper amount applied in accordance with the manufacturer's instructions, the insured adhered to any manufacturing warnings about planting under certain conditions, etc.). However, any payments or replacement product value(s) from chemical companies or suppliers as compensation for loss of production must be converted to an uninsured COL appraisal as instructed in (4) below.
4. Calculate the uninsured cause appraisal by dividing the payment (or replacement product value) by the insured's price election for the insured crop. Include, as an uninsured **COL** appraisal, any payments or replacement product values:
 - (a) Provided to the insured,
 - (b) Pending,
 - (c) Offered to the insured (even if such offer has been rejected by the insured), and/or
 - (d) For which the insured might be eligible if a claim to the chemical company or supplier had been filed.
5. Explain your calculations in the Narrative of the **PW** or on a **Special Report**.

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1. AIP and producer participation in SCP is voluntary.
2. Eligible crops are: Almonds, buckwheat, barley, canning and processing sweet corn, canola, corn, cotton, dry beans, dry peas, flax, grain sorghum, green peas, oats, peanuts, popcorn, rapeseed, rice, rye, soybeans, sugar beets, sunflowers, and wheat.

Claims involving QA for the crops listed above that have pre-established DFs (to determine the QAF) for the level and type of damage in the SP quality provisions will qualify for SCP.

Exception: Claims involving substances or conditions injurious to human or animal health will not qualify for SCP.

Factors that affect quality must be determined by a licensed grain grader as specified in subparagraph 1102B. A verifiable document (e.g., grade certificate) from a licensed grader must be included with the **SCP** form. The grade slip must include insured's name, the applicable crop, and crop year.

3. Claims involving any of the following conditions are not eligible:
 - (a) Farm-stored production, even if weighed and returned to farm.
 - (b) Claims with only **PP**, and **PP** claims that have not been finalized prior to the submission of the **SCP** claim for the planted portion of the unit.
 - (c) Corrected claims.
 - (d) Claims with delayed notices or delayed claims.
 - (e) Claims requiring a revised **AR** unless it is a downward revision in liability, that results from third-party verified documentation agreed to, and supplied by the insured.

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- (f) AIP employees, loss adjusters, agents, or FCIC/RMA employees or any spouse or family member residing in the same household as any such person.
 - (g) Zero production is reported.
 - (h) Production fed to livestock.
 - (i) Crops covered under a pilot program that has been in effect for 2 or fewer crop years.
 - (j) Claims for crops other than cotton involving quality adjustment if:
 - (i) One of the qualifying quality deficiencies is due to a substance or condition injurious to human or animal health; e.g., Aflatoxin.
 - (ii) There are no pre-established **DFs** (to determine **QAFs**) contained in the actuarial documents for the level or type of damage.
4. Eligible crop policies may be designated in any risk sharing fund of the SRA.
5. Crop policies with basic, optional, whole farm, EPs, or EUs are eligible, provided all other SCP criteria are met.
6. SCP can be used on a unit containing both planted and prevented planted acreage provided a PP claim has been finalized prior to submission of the SCP claim on the planted portion of the unit. However, SCP cannot be used on a unit containing only PP acreage.
7. Dollar Tolerances for **SCP**
- (a) The gross indemnity (insured's share prior to any dollar amount due the insurance provider) must not be greater than \$20,000 for any **OU**. The gross indemnity must not be greater than \$40,000 for any basic, whole farm, or enterprise crop unit.

When calculating the gross indemnity, replanting payments and **PP** payments shall be excluded. PP Payments are not considered in the **SCP** dollar tolerance because they are a separate payment from the payment for the planted acres.
 - (b) SCP dollar tolerances are based on dollar amount of the production loss; therefore, if the insured crop is insured under the RP plan and the harvest price causes the dollar indemnity to exceed the SCP limit, the claim is still eligible for SCP.
8. All planted acreage in the unit must be harvested and the production must be sold or in commercial storage.

Exception: Claims with an on-site preliminary inspection where acreage was determined, appraised, and an acreage release executed for the unit may be finalized under **SCP**, provided none of the appraised acres have been harvested.

- (a) Third-party, written verification must be available and the insured must submit these with the completed SCP form that accounts for all production from all indemnified units. The insured must write beside each load on the settlement sheet or warehouse receipt, the unit numbers and or field identification from which this production came. If only a field identification is shown, the adjuster must be able to verify that the field identification can be correlated with the unit numbers for the crop/county for the current crop year. If the field identification cannot be correlated to a unit number for the crop/county, the settlement sheet or storage records are not considered acceptable.

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- (b) Settlement sheets or summary sheets for sold production or warehouse receipts for production in commercial storage are acceptable written verification; however, individual load weight tickets are not acceptable.
 - (c) No portion of the crop may be left in the field except appraisals made on preliminary inspections as outlined in the "Exception" above.
 - (d) Copies of either FSA acreage measurements or third-party measurements as allowed by paragraph 821, must also be provided by the insured, if available. Otherwise, copies of aerial photos identifying each field, crop planted in each field, and number of acres in each field must be provided with the completed SCP form. In all cases, the applicable indemnified unit acreage must be identified. If the insured does not have acceptable acreage measurements available, but acceptable previous measurements (as defined in subparagraph 821D) are available to the AIP, the AIP must use these measurements.
9. AIPs must not allow their agents to complete or become involved in the SCP. Agents are allowed to mail, e-mail scanned documents, or fax the SCP form(s) and supporting documents to the designated AIP representative/office but cannot help the insured complete the SCP form.
 10. The AIP must instruct the insured to submit the SCP form within the time frame specified in the CP or timeframe specified in the quality provisions section of the SP, if applicable. (Also refer to subparagraph 702B if the AIP has extended the time the insured has to harvest the crop due to adverse weather preventing harvest by the calendar date for the EOIP). SCP forms and required documentation (e.g., maps, settlement sheets, etc.) received after this timeframe (SP, if applicable), must be denied in accordance with section 14 of the BP.
 11. If FCIC determines that an AIP or managing general agent does not have a satisfactory performance record as defined in the SRA, use of this procedure by such AIP or managing general agent shall be suspended until such time that a satisfactory performance record has been restored.
 12. The AIP shall not use the SCP for any insured if there is any reason to suspect fraud, waste or abuse.
 13. SCP claims data must be processed through PASS in accordance with Appendix III requirements. The AIP is responsible for administering the SCP in a manner that assures accurate information is collected and submitted through PASS.
 14. All SCP claims must be completed on a form developed by the AIP that captures all the required loss information from the insured as contained in the DSSH. The AIP is also responsible for providing the insured the comprehensive completion instructions as shown in exhibit 17 to complete the SCP form. If the item numbers are not the same for a required form item, the AIP may change to the correct item number for the AIP's SCP Form.

1244 Large Claim Reviews & FCIC Participation

1. In accordance with Section IV, Large Claims of Appendix I of the SRA, it states: As a condition of reinsurance and prior to commencing any loss adjustment activity, the Company agrees to comply with all provisions of FCIC's Large Claims Procedures, as applicable.
2. Refer to the Large Claims Handbook, FCIC-14040 (<http://www.rma.usda.gov/handbooks/14000/2010/14040.pdf>) for detailed procedures for RMA participation in Large Claim Reviews