## DAIRY REVENUE PROTECTION (DRP) PROGRAM



University of Idaho Extension



STERN TENSION K MANAGEMENT UCATION



ited States Department of Agriculture lional Institute of Food and Agriculture

https://bit.ly/UIDairyRM

## **PROGRAM OVERVIEW**

The Dairy Revenue Protection (DRP) program is an area-based insurance program designed to protect the revenue from a producer's milk production.

It insures against natural losses due to:

- A DROP IN MILK PRICE
- A DROP IN MILK YIELD
- OR BOTH

It does NOT cover against

-DEATH OF DAIRY CATTLE

-OTHER DAMAGE OR CAUSE OF LOSS

## **EXPLANATION OF COVERAGE**

Quarterly period coverage JANUARY- MARCH, APRIL- JUNE, JULY - SEPTEMBER, OCTOBER- DECEMBER

To obtain an estimate of premiums

 Select coverage based on 80-95% selected coverage percentage up to 5 nearby quarters

## **4 BASIC DECISIONS TO CALCULATE LIABILITY**

- Declare the Amount of Milk Production for a specific quarter
- Establish the Coverage Level from 80%-95% in 5% increments of milk production, for a *specific quarter*
- Establish Protection Factor between 1 and 1.5
- Declare Price Option: Class price or Component Price



Use the USDA online cost estimator to obtain an estimate of premiums for selected liability options.

TO FIND MORE INFORMATION VISIT: HTTPS://BIT.LY/UIDAIRYRM

