

# Crop Insurance Worksheet

(to be used with powerpoint presentation)

1. Risk is \_\_\_\_\_ to a variety of outcomes that cannot be \_\_\_\_\_ or \_\_\_\_\_; it is also the chance or probability of an \_\_\_\_\_ outcome.
2. Management is how we deal with risks and our approach to them by making \_\_\_\_\_ utilizing \_\_\_\_\_ and \_\_\_\_\_ available to us.
3. Risk management is making \_\_\_\_\_ based upon your \_\_\_\_\_, economic \_\_\_\_\_ and business survival \_\_\_\_\_ with your willingness to assume risks.
4. Risks in agriculture can be grouped into seven major areas. Please complete the list of these areas.
  - a.
  - b.
  - c.
  - d.
  - e.
  - f.
  - g.
5. List the two major types of crop insurance.
6. \_\_\_\_\_ was the first crop insurance.
7. Crop insurance has served as a risk management tool for over \_\_\_\_\_ years and continues today. It has evolved from “guestimates” and negotiating with farmers to the use of \_\_\_\_\_ and established procedures.

8. Multi-peril Crop Insurance (MPCI) is \_\_\_\_\_ sponsored insurance with a goal to protect farmers from severe \_\_\_\_\_ hardship and to support the national \_\_\_\_\_ system.
9. What is the primary reason U. S. crops fail? \_\_\_\_\_  
 What percentage of crops fail due to hail? \_\_\_\_\_  
 List four other causes of crop failure.
- |    |    |
|----|----|
| a. | c. |
| b. | d. |
10. List the four key players in crop insurance.
- |    |    |
|----|----|
| a, | c. |
| b. | d. |
11. A farmer gets insurance by entering into a \_\_\_\_\_ agreement with the insurance company.  
 This agreement is brokered by an insurance \_\_\_\_\_.
12. Insurance is a continual cycle that initially begins for a farmer by the application process and coverage and billing.  
 What are the two other major components of the cycle?
- |    |    |
|----|----|
| a. | b. |
|----|----|
13. List two of the five features of crop hail insurance.
14. Identify these Federal Crop Insurance products:
- |      |      |
|------|------|
| MPCI | IP   |
| CAT  | GRIP |
| CRC  | AGR  |
| RA   |      |