

Ten things to know about Dairy Revenue Protection

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There are many options for dairy farms to manage milk price, feed price, and production risk. RMA recently announced a new insurance product, Dairy Revenue Protection (Dairy-RP). Below are a few reasons why farms may want to consider learning more about Dairy-RP.

1. Dairy-RP provides protection against revenue decline due to either unexpected price or state – or regional-level – milk yield declines.
2. Flexible price protection: producers have either a class pricing option (Class III and IV) or a component pricing option. Prices used for the final revenue guarantee are based on USDA Agricultural Marketing Service monthly average prices
3. Milk yield protection: Dairy-RP provides protection against state- or regional-level milk yield declines (as estimated by NASS).
4. Purchased quarterly: coverage levels and protection factors can be changed for each 3-month coverage period
5. Dairy-RP and LGM-Dairy can be used by the same farm in the same crop year (July 1-June 30), but not in the same quarter
6. Farms can participate in Dairy-RP and MPP (Margin Protection Program) *at the same time*.
7. Protection can be purchased for up to 15 continuous months (5 quarters).

8. Coverage levels range from 70-95% in 5% increments and premium subsidies range from 44-59%. Producers select a protection factor between 1.00 and 1.5 in 0.05 increments.
9. Qualifying beginning farmers or ranchers can receive an additional 10 percent of premium subsidy.
10. Like other crop insurance policies, Dairy-RP can be purchased from [a local crop insurance agent](#).

To learn more about Dairy-RP, take a look RMA's livestock policy webpage, which has an FAQ, fact sheet and other details on Dairy-RP:

<https://www.rma.usda.gov/en/News-Room/Frequently-Asked-Questions/Dairy-Revenue-Protection>

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