CASE STUDY

CONSERVATION PRACTICES RATING ADJUSTMENT



PRODUCTION CHANGE: Cover cropping

FOCUS REGION: Corn Belt

EXISTING INSURANCE OPTIONS:

Crop insurance premiums in the Federal Crop Insurance Program are set uniformly without accounting for conservation practices like cover crops. Farmers who adopt cover crops do not receive premium discounts despite evidence that these practices reduce risk. The existing pathway for developing new insurance products is USDA's Section 508(h) process under the Federal Crop Insurance Act, which allows private organizations to propose new products for federal approval. CPRA has been developed through this 508(h) process. It is sponsored by the Illinois Corn Growers Association's Zea Mays Foundation, with support from Country Financial and Rain and Hail insurance companies.

INSURANCE GAPS:

Farmers who invest time, labor, and money in conservation practices such as cover crops build resilience into their soils, protecting against flooding and drought — the two biggest crop insurance perils. This creates a financial disincentive; farmers absorb the full cost of adoption while effectively subsidizing lower payouts for insurers and taxpayers, with none of those savings passed back to them.

To learn more:

edf.org/crop-insurance

PROPOSED SOLUTION:

CPRA would lower crop insurance premiums for farmers who use cover crops, with University of Illinois researchers estimating a modest premium reduction in a four-state pilot area of Wisconsin, Illinois, Indiana, and Iowa. This directly addresses the financial disincentive farmers face by recognizing the risk-reducing benefits of cover crops by lowering insurance premium costs. The solution engages private sector partners through the 508(h) process, with two USDA-approved insurance providers — Country Financial and Rain and Hail — sponsoring the product, and the Illinois Corn Growers Association's Zea Mays Foundation leading development.

KEY STAKEHOLDERS:

Illinois Corn Growers Association (Zea Mays Foundation), USDA RMA, University of Illinois (Dr. Gary Schnitkey and Dr. Bruce Sherrick) and corn and soybean farmers using cover crops.

CURRENT STATUS: In 508(h) process.

Cover cropping reduces the risk of crop loss during extreme weather events.

Increasing the financial resilience of farms and the crop insurance program.

PATHWAY TO SCALE:

If successful in the four-state pilot, CPRA could expand nationally, offering recognition of risk reduction through a ratings adjustment that results in premium discounts to all cover crop users across crops and regions.

Case study content provided by Illinois Corn Growers Association's Zea Mays Foundation.

