



CROP & LIVESTOCK INCOME PROTECTION (CLIP) Training Presentation



Photo Source: NC State Extension

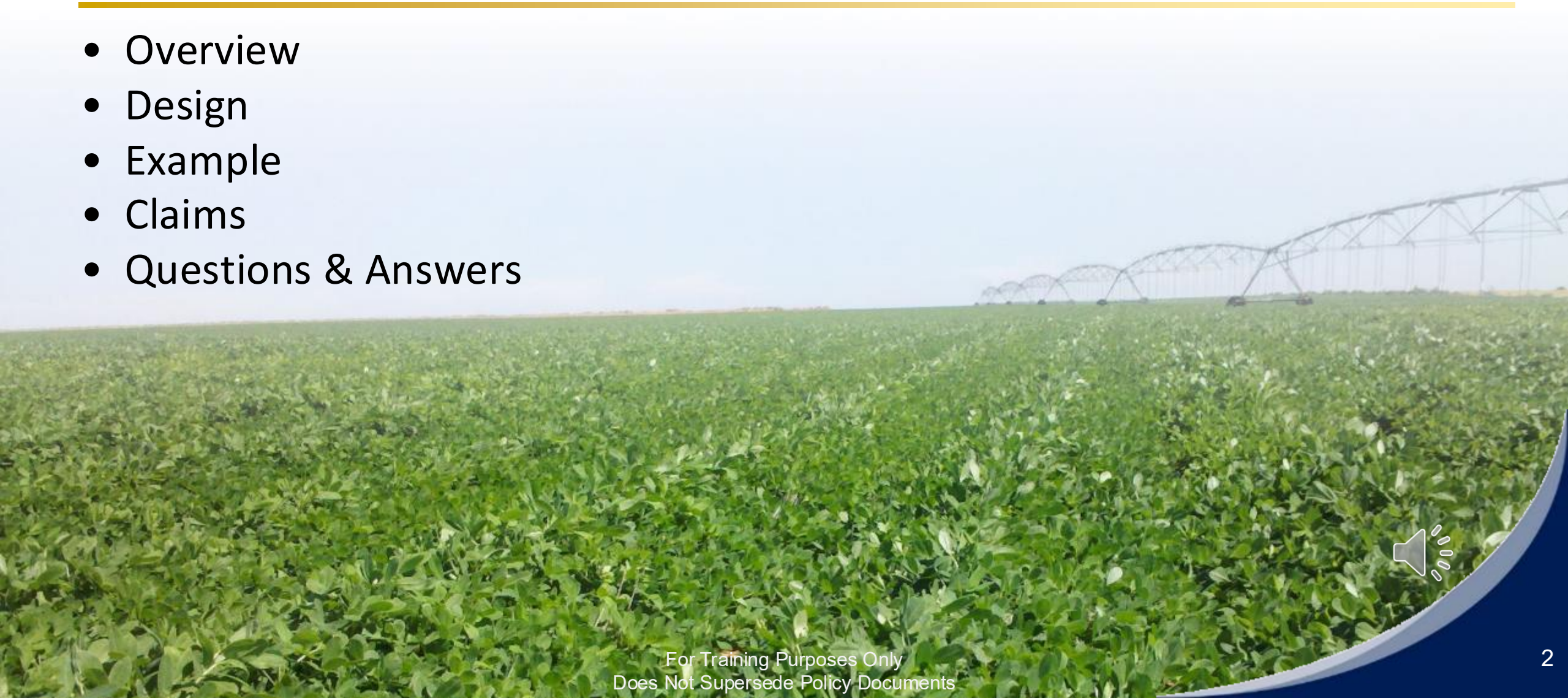


[For Training Use]
January 2026

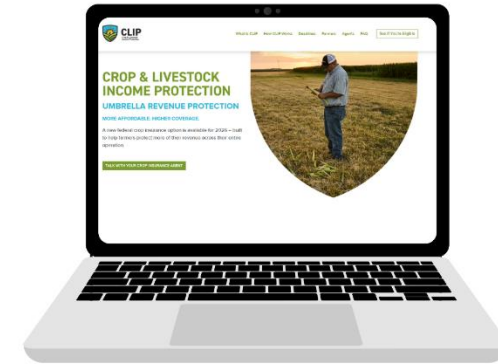
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Does Not Supersede Policy Documents

CLIP Training Topics

- Overview
- Design
- Example
- Claims
- Questions & Answers



Overview



www.ClipFarmCoverage.com

Texas Corn Producers CLIP Website



CLIP Objective

Provide a form of umbrella **Revenue Protection (RP) coverage** that works in conjunction with individual commodity RP policies beginning with the 2026 crop year.



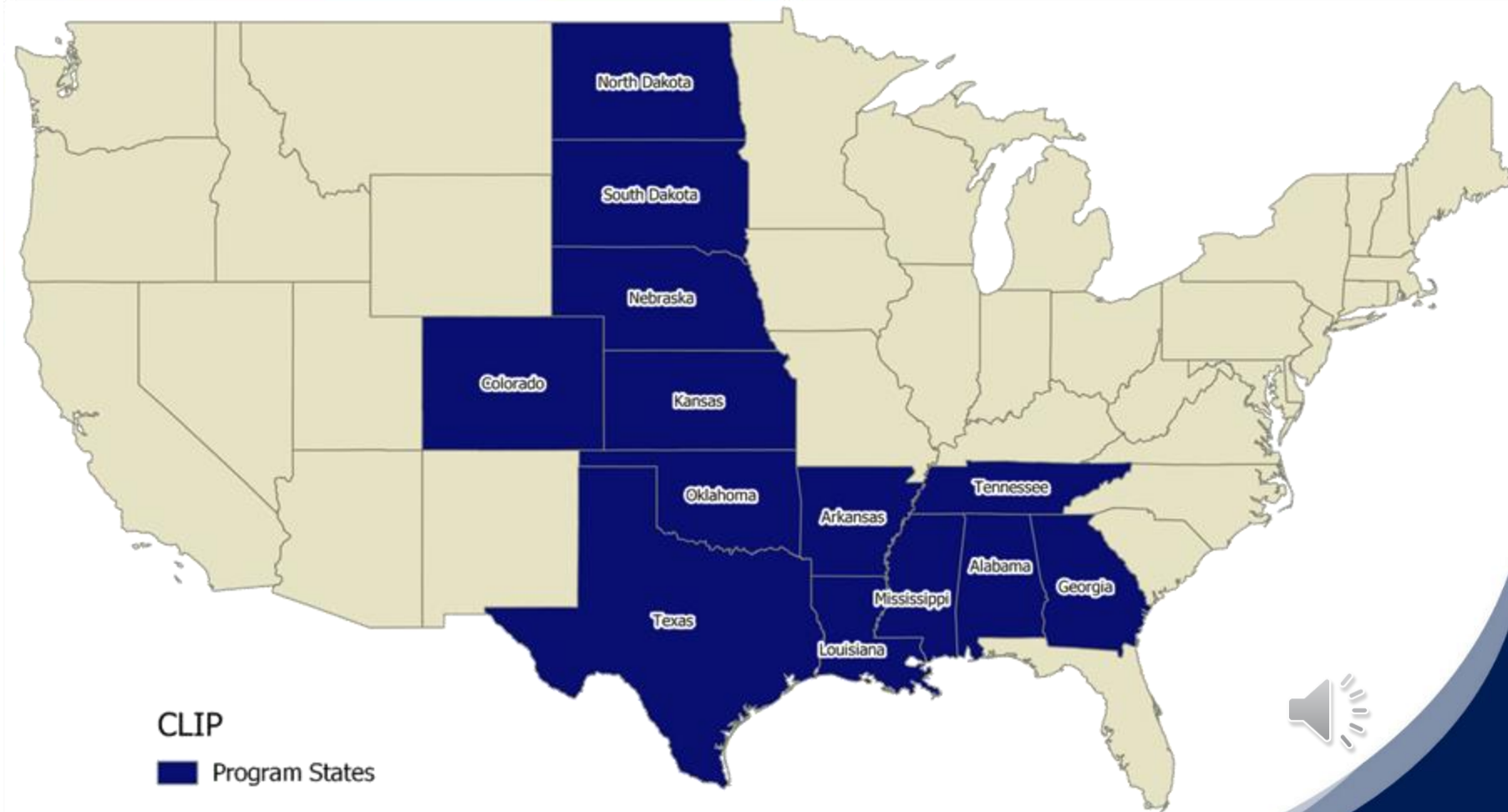
Need for the Program

- CLIP is a risk management tool that will be attractive to producers particularly in an environment of escalating production costs & challenging commodity prices.
- The design of CLIP makes higher CLIP coverage levels more affordable to producers than if the same coverage level is elected for individual commodity RP policies.
- The goals of CLIP are to be:
 - Affordable
 - Easy to administer
 - Adaptable to various operations



Coverage Area

CLIP will initially be offered in the **Central & Northern Plains, Midsouth, & Southeast** where the premium costs of higher coverage levels for individual RP policies is more expensive than those in other areas.



Revenue Protection in CLIP Coverage Area

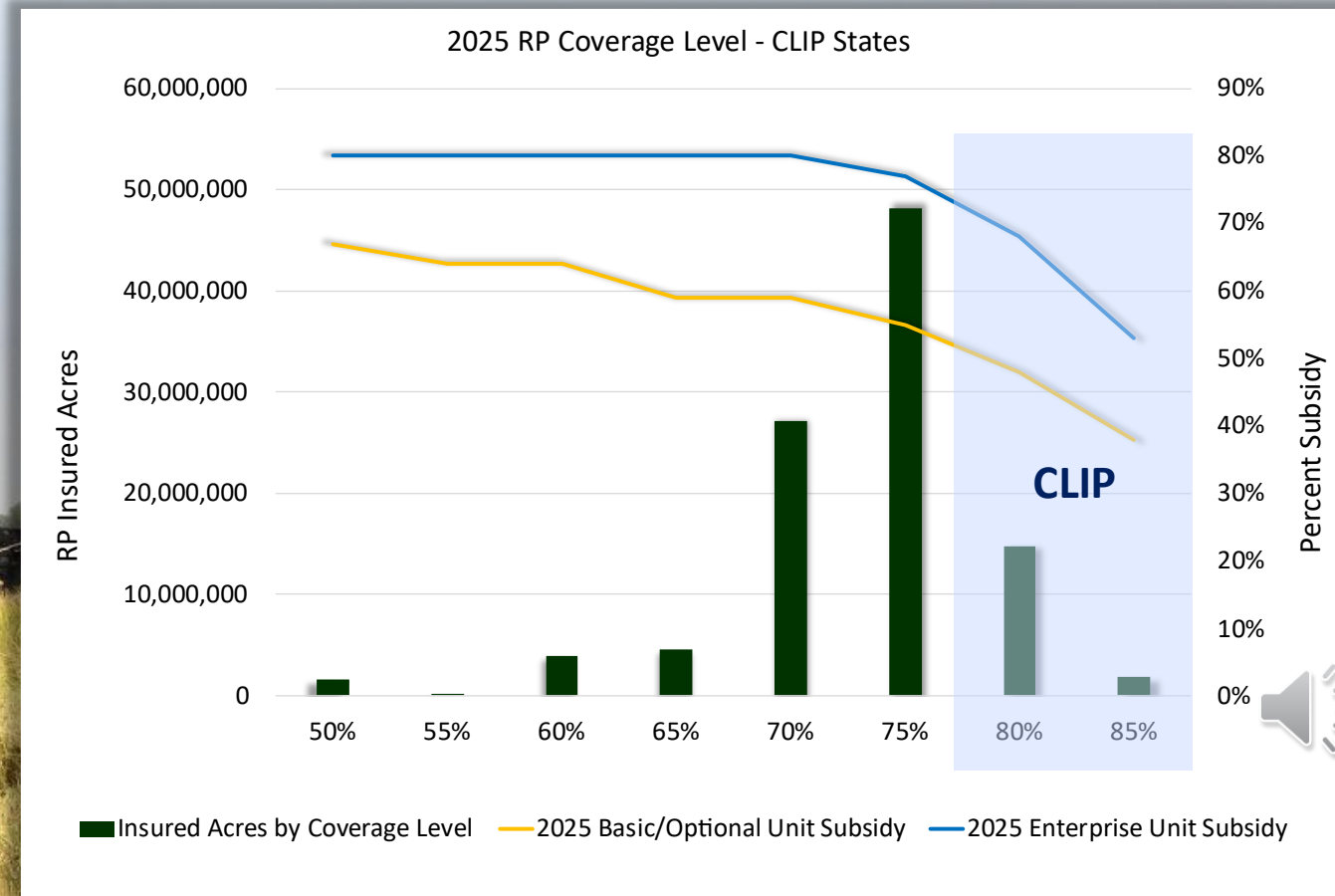
Revenue Protection in CLIP States (2025)*

*Includes spring & fall SCD commodities though CLIP only covers spring; weaned calves are only included in liability & premium totals.

102.3 Million Acres

\$40 Billion Liability

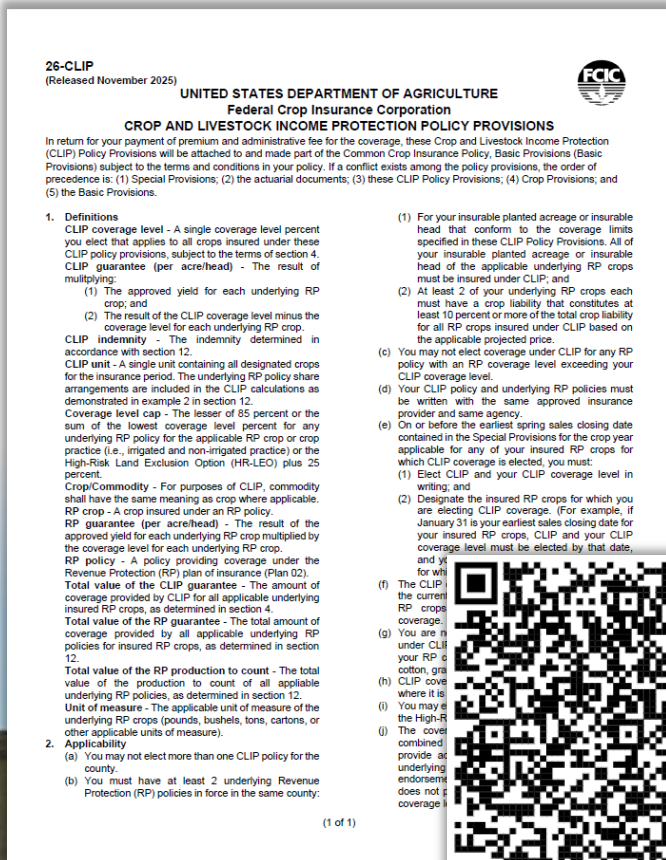
\$5.2 Billion Total Premium



For Training Purposes Only
Does Not Supersede Policy Documents

Program Materials

- CLIP Provisions (CP)



26-CLIP
(Released November 2025)

UNITED STATES DEPARTMENT OF AGRICULTURE
Federal Crop Insurance Corporation
CROP AND LIVESTOCK INCOME PROTECTION POLICY PROVISIONS

In return for your payment of premium and administrative fee for the coverage, these Crop and Livestock Income Protection (CLIP) Policy Provisions will be attached to and made part of the Common Crop Insurance Policy, Basic Provisions (Basic Provisions) subject to the terms and conditions in your policy. If a conflict exists among the policy provisions, the order of precedence is: (1) Special Provisions; (2) the actuarial documents; (3) these CLIP Policy Provisions; (4) Crop Provisions; and (5) the Basic Provisions.

1. Definitions

CLIP coverage level - A single coverage level percent you elect that applies to all crops insured under these CLIP policy provisions, subject to the terms of section 4.

CLIP guarantee (per acre/head) - The result of multiplying:

- (1) The approved yield for each underlying RP crop; and
- (2) The result of the CLIP coverage level minus the coverage level for each underlying RP crop.

CLIP indemnity - The indemnity determined in accordance with section 12.

CLIP unit - A single unit containing all designated crops for the insurance period. The underlying RP policy share arrangements are included in the CLIP calculations as demonstrated in example 2 in section 12.

Coverage level cap - The lesser of 85 percent or the sum of the lowest coverage level percent for any underlying RP policy for the applicable RP crop or crop practice (i.e., irrigated and non-irrigated practices) or the High-Risk Land Exclusion Option (HR-LEO) plus 25 percent.

Crop/Commodity - For purposes of CLIP, commodity shall have the same meaning as crop where applicable.

RP crop - A crop insured under an RP policy.

RP guarantee (per acre/head) - The result of the approved yield for each underlying RP crop multiplied by the coverage level for each underlying RP crop.

RP policy - A policy providing coverage under the Revenue Protection (RP) plan of insurance (Plan 02).

Total value of the CLIP guarantee - The amount of coverage provided by CLIP for all applicable underlying insured RP crops, as determined in section 4.

Total value of the RP guarantee - The total amount of coverage provided by all applicable underlying RP policies for insured RP crops, as determined in section 12.

Total value of the RP production to count - The total value of the production to count of all applicable underlying RP policies, as determined in section 12.

Unit of measure - The applicable unit of measure of the underlying RP crops (pounds, bushels, tons, cartons, or other applicable units of measure).

2. Applicability

- (a) You may not elect more than one CLIP policy for the county.
- (b) You must have at least 2 underlying Revenue Protection (RP) policies in force in the same county;

(1 of 1)

- CLIP Insurance Standards Handbook (ISH)



USDA
United States Department of Agriculture

Federal Crop Insurance Corporation
FCIC-20750U (11-2025)

CROP AND LIVESTOCK INCOME PROTECTION INSURANCE STANDARDS HANDBOOK

2026 and Succeeding Crop Years

Additional Resources

- CLIP Fact Sheet

USDA Risk Management Agency
U.S. DEPARTMENT OF AGRICULTURE

Crop and Livestock Income Protection (CLIP)

2026 and Subsequent Crop Years

General Information
Crop and Livestock Income Protection (CLIP) provides a form of umbrella revenue coverage with a higher overall coverage level for two or more underlying policies with Revenue Protection coverage (RP policies). CLIP premium savings are the result of diversification of risk across each of the covered commodities. A CLIP indemnity is due when an operation's combined revenue from the covered commodities falls below the insurance guarantee at the CLIP coverage level due to a covered cause of loss. CLIP may not be elected for use with the Catastrophic Risk Protection (CAT) Endorsement.

Below is an illustrative example of an 85% CLIP coverage level with underlying RP policies for corn, soybean, and cotton with coverage levels of 75%, 60%, and 70%, respectively.

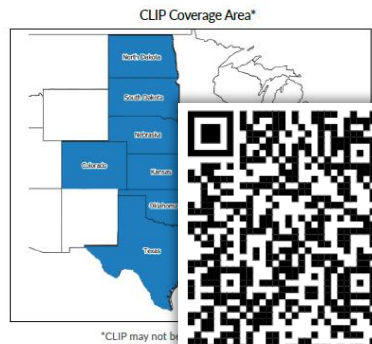
CLIP Illustration

Coverage Level	Commodity
85%	CLIP
75%	CORN RP
60%	SOYBEAN RP
70%	COTTON RP

Causes of Loss
CLIP provides protection against the causes of loss covered by the underlying RP policies including both natural perils and a change in the harvest price from the projected price (increase or decrease).

DECEMBER 2025

- Eligible Commodities**
RP policies with a spring sales closing date (SCD) between January 31 and March 15, for the following crops:
- Barley (Spring)
 - Canola (Spring)
 - Corn
 - Cotton
 - Dry Beans
 - Dry Peas
 - Flax
 - Grain Sorghum
 - Oats (Spring)
 - Peanuts
 - Popcorn
 - Rice
 - Soybeans
 - Sunflowers
 - Weaned Calves
 - Wheat (Spring)
- Availability**
CLIP is available in select counties in thirteen states, as shown in the map below, and specified in the actuarial documents.



- CLIP Frequently Asked Questions

Crop and Livestock Income Protection (CLIP)

This FAQ document is intended for informational purposes only. Refer to the policy and procedures for complete details.

Administrative and Design

- Is CLIP an endorsement or a policy? +
- How does CLIP work? +
- What coverage levels are available with CLIP? +
- What is the unit structure for CLIP? +
- Are separate types and/or practices (e.g., high amylose and grain corn, irrigated and non-irrigated) of an insurable crop treated as separate crops under CLIP? +
- Are written agreements allowed for CLIP? +
- How do you know acres and liability at application time?
- If a producer applies for CLIP but the policy does not attach or ineligibility (e.g., only one crop under CLIP with insurable plan premium still due?
- Are there separate administrative fees for each CLIP crop?
- Do Beginning Farmer or Rancher (BFR) and Veteran Farmer or benefits apply to CLIP?



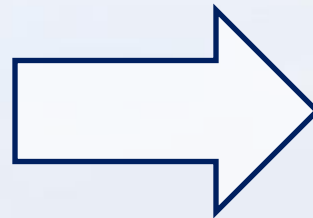
Design



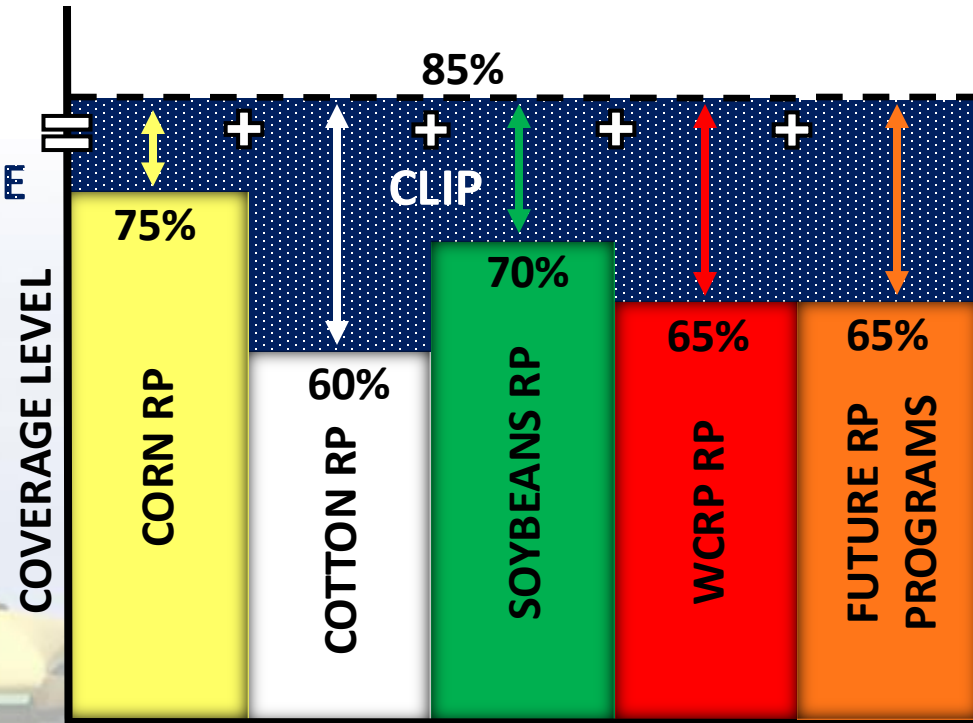
Design (Spring Only)

Spring Revenue Protection

- Barley (Spring)
- Canola (Spring)
- Corn
- Cotton
- Dry Beans
- Dry Peas
- Flax
- Grain Sorghum
- Oats (Spring)
- Peanuts
- Popcorn
- Rice
- Soybeans
- Sunflowers
- Weaned Calf
- Wheat (Spring)
- Future Programs*



CLIP
GUARANTEE



- More affordable higher coverage levels
- Simplified administration
- Applicable to a wide range of producers

Design (Spring Only)



At least two of an insured's RP **spring SCD** (i.e., 1/31 – 3/15) policies with insurable planted acreage or insurable head (**each** with at least 10% of total commodity liability) must be included under CLIP



The CLIP policy will be cancelled if the requirement is not met to have at least two underlying RP spring SCD policies, each with at least 10% of total commodity liability



55% to 85% coverage levels; must be at least as high as the highest individual RP coverage level & cannot exceed 25% above the lowest RP coverage level including the HRLEO; not available for CAT



Commodity diversification results in reduced overall risk & more affordable coverage; FCIC subsidies apply



Design (Spring Only)



Record requirements are met in accordance with the individual RP policies elected under CLIP, resulting in minimal administrative burden to insureds & insurers



Guarantee based on the sum of differences in liability between the RP coverage level & the CLIP coverage level for each applicable RP commodity



Uses applicable RP commodity prices, insurance program dates, & insured causes of loss



An indemnity is payable when the total value of production to count, including any RP indemnity, falls below the operation's liability covered by CLIP & the underlying RP policies due to insured causes of loss



Premium Subsidy

- Whole Farm Unit subsidy factors apply to CLIP
- Standard RP subsidies apply to the underlying RP policies

Coverage Level	50%	55%	60%	65%	70%	75%	80%	85%
Basic/Optional Unit	0.67	0.69	0.69	0.64	0.64	0.60	0.51	0.41
Enterprise Unit	0.80	0.80	0.80	0.80	0.80	0.80	0.71	0.56
CLIP	-	0.80	0.80	0.80	0.80	0.80	0.71	0.56

One Big Beautiful Bill Act (OBBBA) Updates



Timeline Example 1

Ex. Producer Commodity Mix	Sales Closing Date (SCD)
Corn ✓	3/15
Soybeans ✓	3/15
Weaned Calves (WCRP) ✓	1/31



Applicable CLIP SCD: 1/31

Elect CLIP, elect CLIP coverage level, & designate commodities.



CLIP Sign Up - Designate commodities to be covered by CLIP by the earliest applicable SCD (spring SCD commodities only).

Timeline Example 2

Ex. Producer Commodity Mix

- Corn ✓
- Soybeans ✓
- Weaned Calves (WCRP)

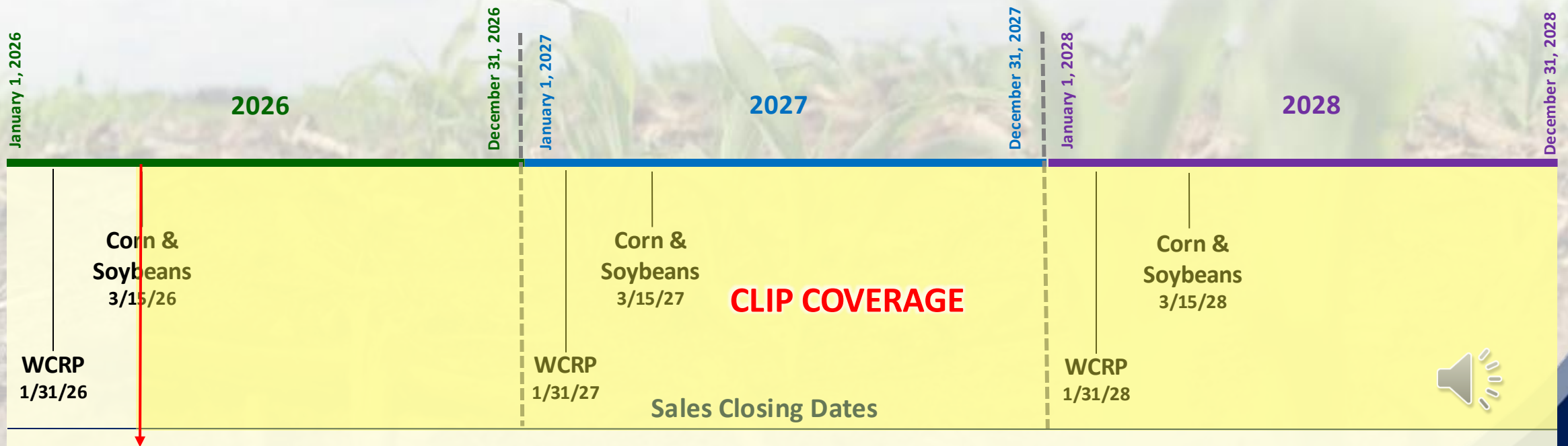
Sales Closing Date (SCD)

- 3/15
- 3/15
- 1/31



Applicable CLIP SCD: 3/15

Elect CLIP, elect CLIP coverage level, & designate commodities.



CLIP Sign Up - Designate commodities to be covered by CLIP by the earliest applicable SCD (spring SCD commodities only).

Other CLIP Timeline Notables

- CLIP uses underlying RP policy dates with the following exceptions:

Sales Closing	earliest applicable for the commodities covered by CLIP
Cancellation	earliest applicable for the commodities covered by CLIP
Termination	earliest applicable for the commodities covered by CLIP

- Underlying RP claims can be settled independently as production to count & harvest prices are determined.
- CLIP claims cannot be settled until all underlying RP policies' production to count & harvest prices are known.



Exclusions

- Exclusions are due to (1) potential for overlap of coverage, (2) rate calculation complications/limitations, & (3) inconsistent form of coverage (i.e., individual vs. area).
- Excluded under CLIP:
 - Yield Protection
 - Revenue Protection w/ Harvest Price Exclusion
 - Prevented Planting
 - Cottonseed Endorsement
 - Downed Rice Endorsement
 - Malting Barley Endorsement
 - Margin Protection (MP)
 - Post Application Coverage Endorsement (PACE)
 - Stacked Income protection (STAX)
 - Supplemental Coverage Option (SCO)
 - Area Plans
- CLIP may not be elected for RP policies with:
 - Malting Barley Endorsement
 - MP
 - PACE
 - STAX
 - SCO



Options & Endorsements

CLIP may be elected for use with underlying RP policies with the following:

- Enhanced Coverage Option (ECO)
- Hurricane Insurance Protection - Wind Index (HIP-WI)
- Margin Coverage Option (MCO)
- High Risk Land Exclusion Option (HRLEO)



Actuarial Information Browser (AIB)

1 Reinsurance Year: 2026
2 Commodity: Cotton (0021)
3 Commodity Year: 2026
4 Insurance Plan: Revenue Protection (02)
5 State: Texas (48)
County: Brazos (041)



Types / Practices Unit Structure Prices T-Yield Yield Exclusion Dates Rates Subsidy Factors Prevented Planting and Replanting Payment Special Provisions SCO Prices and Yields SCO Rates SCO Subsidy Factors
ECO Prices and Yields ECO Rates ECO Subsidy Factors HIP-WI Rates and Payments HIP-WI Subsidy Factors HIP-WI Dates **CLIP Subsidy Factors** Links

Navigation icons: back, forward, refresh, zoom (100%), save, print, search (Find | Next)

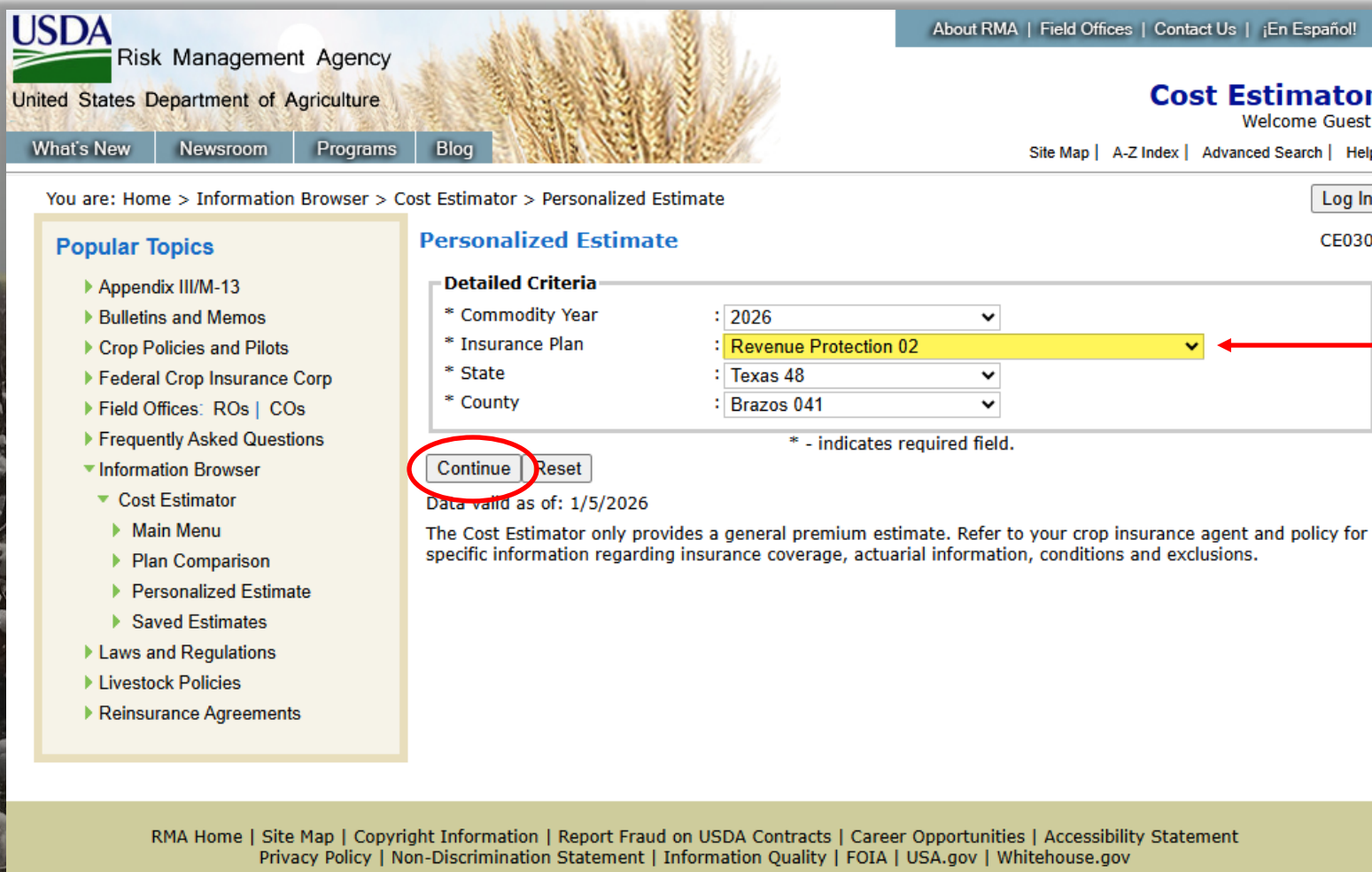
CLIP Subsidy Factors Selection Criteria

Year: 2026 Commodity: Cotton (0021) State: Texas (48)
Data: Released Plan: Plan 77 County: Brazos (041)

Subsidy Factors							
Coverage Level	0.55	0.60	0.65	0.70	0.75	0.80	0.85
Subsidy Factor	0.800	0.800	0.800	0.800	0.800	0.710	0.560



Cost Estimator



USDA Risk Management Agency
United States Department of Agriculture

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Cost Estimator

Welcome Guest!

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You are: Home > Information Browser > Cost Estimator > Personalized Estimate Log In

Popular Topics

- Appendix III/M-13
- Bulletins and Memos
- Crop Policies and Pilots
- Federal Crop Insurance Corp
- Field Offices: ROs | COs
- Frequently Asked Questions
- Information Browser
 - Cost Estimator
 - Main Menu
 - Plan Comparison
 - Personalized Estimate
 - Saved Estimates
- Laws and Regulations
- Livestock Policies
- Reinsurance Agreements

Personalized Estimate

CE0301

Detailed Criteria


* Commodity Year	:	2026	▼
* Insurance Plan	:	Revenue Protection 02	▼
* State	:	Texas 48	▼
* County	:	Brazos 041	▼

* - indicates required field.

Continue Reset

Data valid as of: 1/5/2026

The Cost Estimator only provides a general premium estimate. Refer to your crop insurance agent and policy for specific information regarding insurance coverage, actuarial information, conditions and exclusions.



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Cost Estimator

Personalized Estimate 965015

Back Save

Selected Initial Criteria

* Commodity Year : 2026 * Insurance Plan : Revenue Protection 02 * State : Texas 48 * County : Brazos 041

Corn 0041 Add Item Refresh

Whole Farm <input type="checkbox"/>			
Enterprise <input type="checkbox"/>			
Item 1	Delete	Item 2	Delete
* Commodity	Corn 0041	Cotton 0021	
* Type	Grain 016	No Type Specified 997	
* Practice	Irrigated 002	Irrigated 002	
* Unit of Measure	BU	LBS	
* Reported Acreage	1000	800	
Was acreage prevented from planting?	<input checked="" type="radio"/> No <input type="radio"/> Yes	<input checked="" type="radio"/> No <input type="radio"/> Yes	
Are acres under multiple cropping? :	<input checked="" type="radio"/> No <input type="radio"/> Yes	<input checked="" type="radio"/> No <input type="radio"/> Yes	
Qualify for Beginning or Veteran Farmer Rancher?	<input checked="" type="radio"/> No <input type="radio"/> BFR <input type="radio"/> VFR	<input checked="" type="radio"/> No <input type="radio"/> BFR <input type="radio"/> VFR	
* Does Conservation Compliance (CC) apply?	<input checked="" type="radio"/> No <input type="radio"/> Yes	<input checked="" type="radio"/> No <input type="radio"/> Yes	
* Insured Share Percent	1	1	
* Projected Price	4.55 Previous year's value: \$4.55	0.69 Previous year's value: \$0.69	
* Price Volatility Factor	.18 Previous year's value: 0.18	.14 Previous year's value: 0.14	
* Approved Yield	160	1020	
* Rate Yield	160	1020	
Sub County Code	--Select A Map Area--	--Select A Map Area--	
* Unit Structure	<input type="radio"/> Basic <input checked="" type="radio"/> Optional	<input type="radio"/> Basic <input checked="" type="radio"/> Optional	
* Basic Unit Number	Not Applicable	Not Applicable	
* Optional Unit Number	2	1	
Options By Unit	QL Quality Loss 1.000 TA Trend Adjustment 1.000 UG Unit Division by Grid Opt 1.0 YA Yield Adjustment 60% 1.000	QL Quality Loss 1.000 TA Trend Adjustment 1.000 UG Unit Division by Grid Opt 1.0 YA Yield Adjustment 60% 1.000	
Options By Commodity	HF Hail & Fire Exclusion 0.1 LP Coverage Level by Irr Prac 1.	HF Hail & Fire Exclusion 0.1 LP Coverage Level by Irr Prac 1. SE Seed Endorsement 1.000	
Include for CLIP?	<input type="radio"/> No <input checked="" type="radio"/> Yes	<input type="radio"/> No <input checked="" type="radio"/> Yes	
Underlying Coverage Level (for CLIP)	Buy-Up 75%	Buy-Up 70%	

Add your commodities

Enter your information

Select "Yes" for CLIP & choose the underlying RP coverage level

Get Estimates

The Cost Estimator only provides a general premium estimate. Refer to your crop insurance agent and policy for specific information regarding insurance coverage, actuarial information, conditions and exclusions.

Cost Estimator



Personalized Estimate 965015

Back Save Print/Export

Selected Initial Criteria

* Commodity Year : 2026 * Insurance Plan : Revenue Protection 02 * State : Texas 48
* County : Brazos 041

Show Inputs In Grid

<< Show Available Inputs >>

Show Results In Grid

Liability Amount
 Total Premium Amount
 Producer Premium Amount
 Subsidy Amount
 Loss Trigger Point

Producer Premium Amount

Corn 0041	CLIP	PE %	85 %	80 %	75 %	70 %	View	Endorsements
Item 1	Base Policy	100 %	-	-	\$32,585.00	-	Worksheets	CEPP SPOI AIB
	CLIP Policy	100 %	\$6,471.00	\$1,780.00	\$0.00	-		
Cotton 0021	CLIP	PE %	85 %	80 %	75 %	70 %	View	Endorsements
	Base Policy	100 %	-	-	-	\$20,809.00		
Item 2	CLIP Policy	100 %	\$7,507.00	\$2,754.00	\$744.00	-	CEPP SPOI AIB	Select Plan

The Cost Estimator only provides a general premium estimate. Refer to your crop insurance agent and policy for specific information regarding insurance coverage, actuarial information, conditions and exclusions.



Example



Example Calculation

CLIP coverage level elected = 85%

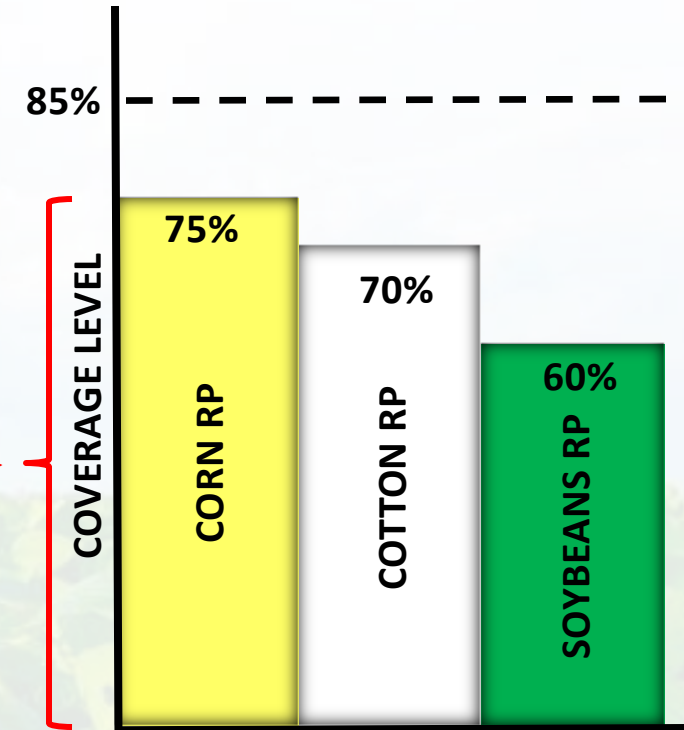
Commodity	Acres	Share	RP Coverage Level	Approved Yield	Projected Price	Harvest Price	Production to Count	CLIP Premium Rate
Corn	1,000	50%	75%	184 bu./acre	\$4.75/bu.	\$4.01/bu.	113,400 bu.	20%
Cotton	500	100%	70%	1,189 lbs./acre	\$0.82/lb.	\$0.72/lb.	505,000 lbs.	
Soybeans	800	100%	60%	59 bu./acre	\$11.84/bu.	\$10.03/bu.	52,800 bu.	



Example Calculation

RP Liability

- 184-bushel corn approved yield × 1,000 acres × \$4.75 projected price × 75% coverage level × 0.500 share =
\$327,750 corn RP liability +
- 1,189-pound cotton approved yield × 500 acres × \$0.82 projected price × 70% coverage level × 1.000 share =
\$341,243 cotton RP liability +
- 59-bushel soybean approved yield × 800 acres × \$11.84 projected price × 60% coverage level × 1.000 share =
\$335,309 soybean RP liability
- **Total value of RP guarantee = \$1,004,302**

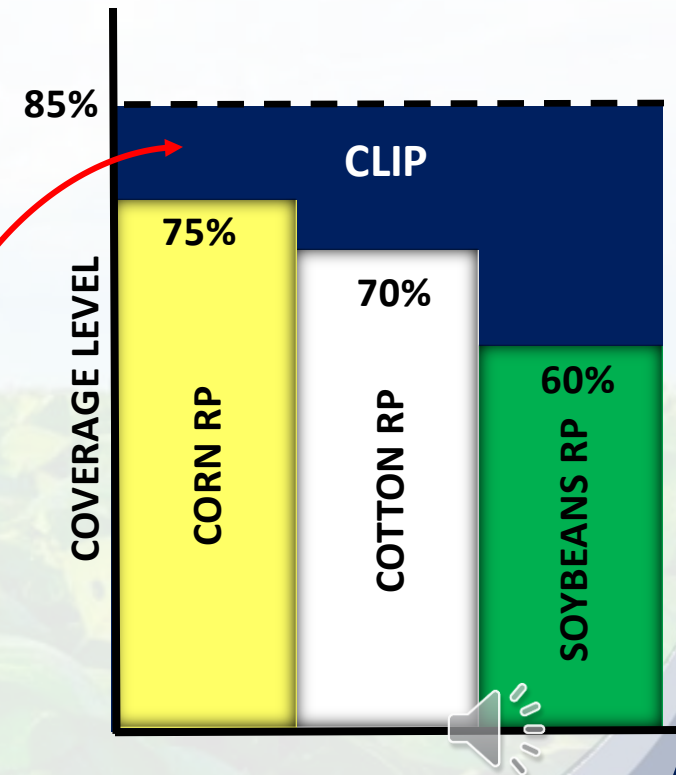


Example Calculation

CLIP Liability

Using RP approved yield & projected price

- 184-bushel corn approved yield × [85% CLIP coverage level – 75% RP coverage level] × 1,000 acres × \$4.75 projected price × 0.500 share = **\$43,700 corn CLIP liability** +
- 1,189-pound cotton approved yield × [85% CLIP coverage level – 70% RP coverage level] × 500 acres × \$0.82 projected price × 1.000 share = **\$73,124 cotton CLIP liability** +
- 59-bushel soybean approved yield × [85% CLIP coverage level – 60% RP coverage level] × 800 acres × \$11.84 projected price × 1.000 share = **\$139,712 soybean CLIP liability**
- **Total value of CLIP guarantee = \$256,536**



Example Calculation

CLIP Premium

Calculated CLIP premium rate: 0.200

- \$256,536 CLIP liability × 0.200 premium rate = **\$51,307** Total CLIP Premium
(**\$22,575** Producer-Paid CLIP Premium)



Example Calculation

Indemnity

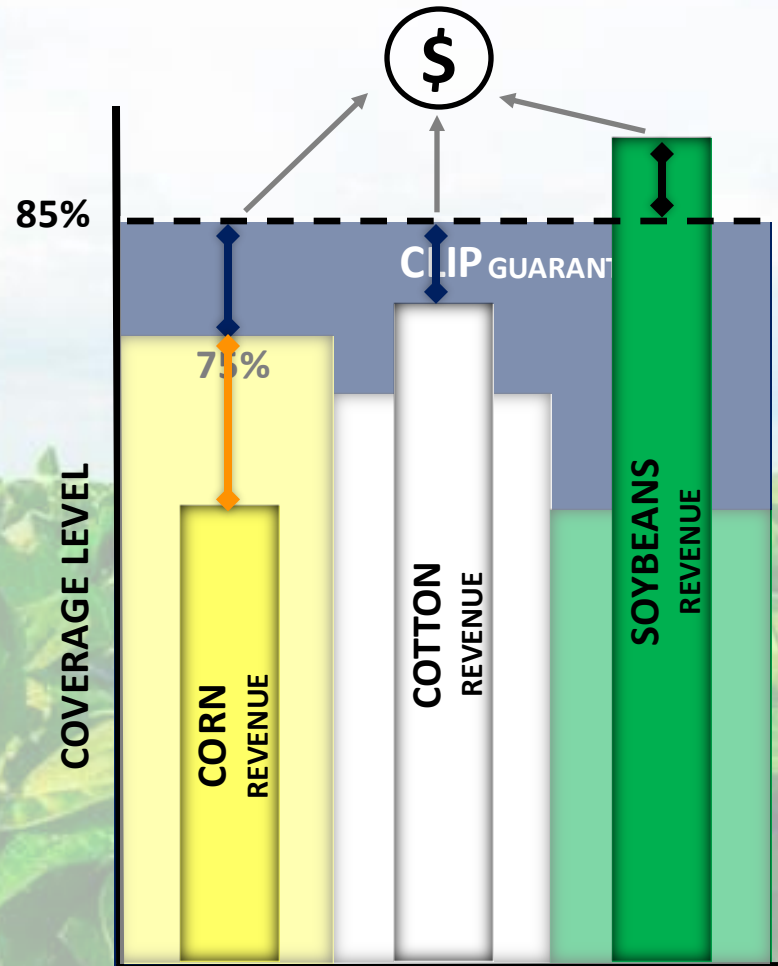
Reduced yield for corn & cotton; reduced RP price for corn, cotton, & soybeans

- Step 1:** The **total value of the RP guarantee = \$1,004,302** (\$327,750 corn RP guarantee + \$341,243 cotton RP guarantee + \$335,309 soybean RP guarantee);
- Step 2:** The **total value of the CLIP guarantee = \$256,536** (\$43,700 corn CLIP guarantee + \$73,124 cotton CLIP guarantee + \$139,712 soybean CLIP guarantee);
- Step 3:** Total Steps 1 & 2 to determine the **total value of the RP/CLIP guarantee = \$1,260,838**;
- Step 4:** The **total value of RP production to count = \$1,120,551** (\$227,367 corn value of production to count [113,400-bushel corn production × \$4.01 harvest price × 0.500 share] + \$363,600 cotton value of production to count [505,000-pound cotton production × \$0.72 harvest price × 1.000 share] + \$529,584 soybean value of production to count [52,800-bushel soybean production × \$10.03 harvest price × 1.000 share]);
- Step 5:** The **RP corn indemnity = \$100,383** (\$327,750 corn RP guarantee – \$227,367 corn value of production to count) **(No other RP crop losses)**;
- Step 6:** \$1,260,838 total value of the RP/CLIP guarantee – (\$1,120,551 total value of RP production to count + \$100,383 RP indemnity) = **\$39,904 CLIP indemnity.**



Example Calculation

Corn & cotton CLIP losses are partially offset by soybean revenue resulting in **\$39,904 CLIP indemnity**.



- Corn RP Indemnity
- CLIP Indemnity

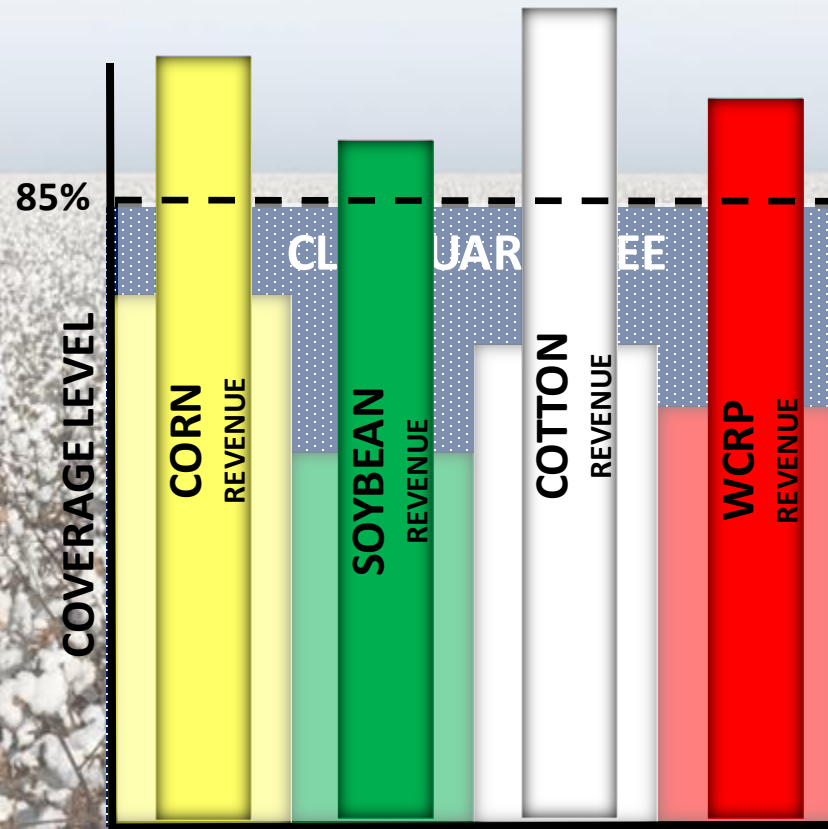
Claims



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Loss Scenario Example 1

Example 1: No losses were incurred.

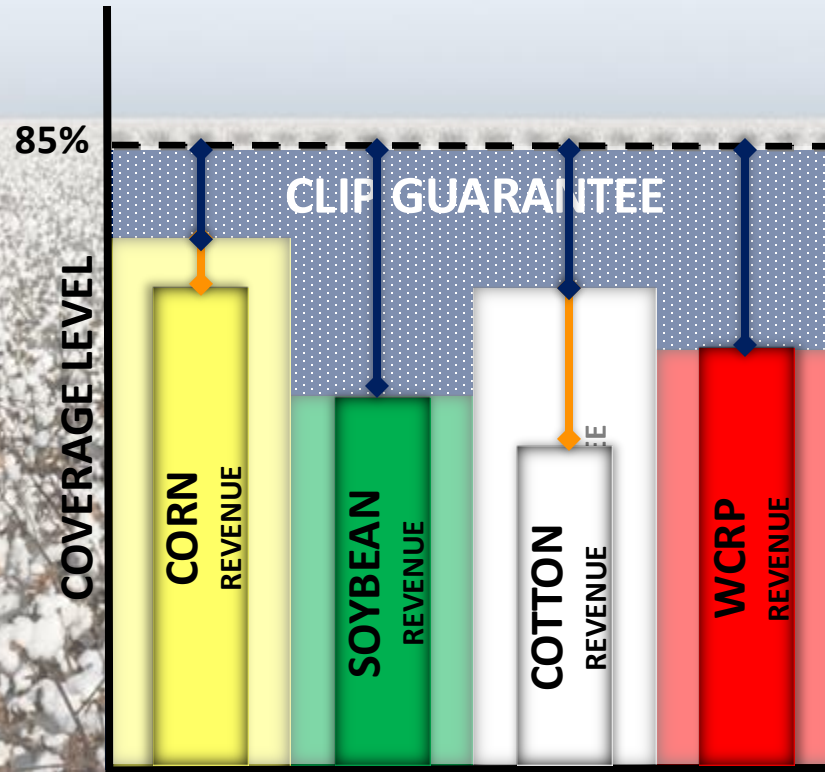


- No RP Indemnity
- No CLIP Indemnity



Loss Scenario Example 2

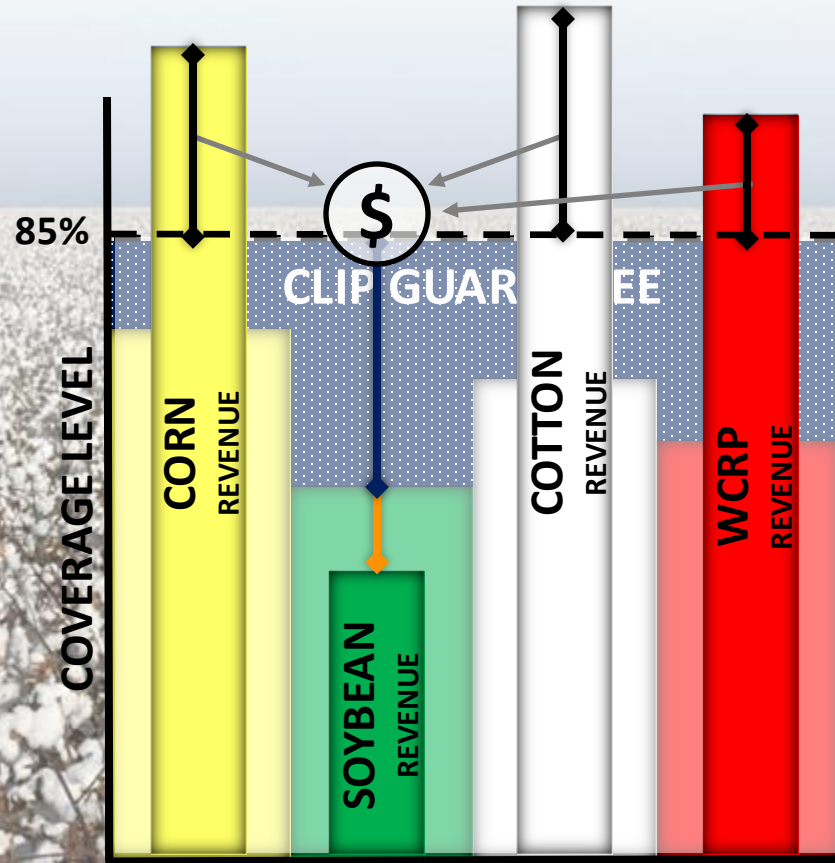
Example 2: Reduced revenue results in both RP & CLIP losses.



- Corn RP Indemnity
- Cotton RP Indemnity
- CLIP Indemnity

Loss Scenario Example 3

Example 3: Soybean losses are offset by corn, cotton, & WCRP revenue.

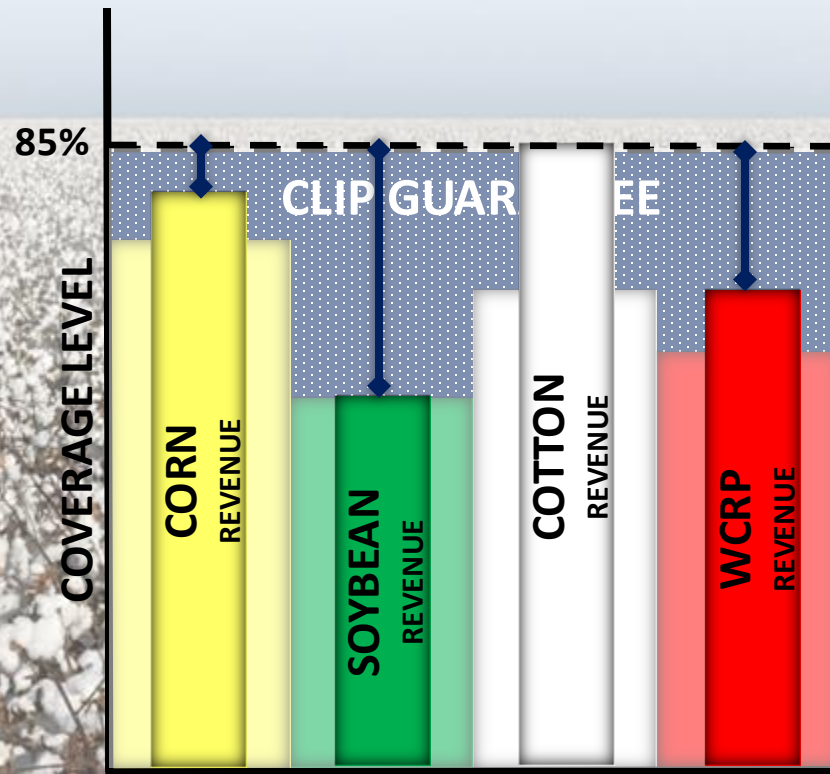


- Soybean RP Indemnity
- No CLIP Indemnity



Loss Scenario Example 4

Example 4: Revenue meets or exceeds RP guarantees but results in CLIP loss.



- No RP Indemnity
- CLIP Indemnity

Loss Adjustment/Claims

- Underlying RP policy causes of loss & loss adjustment procedures apply.
- Underlying RP claims can be settled as they normally would.
- CLIP claims cannot be settled until all applicable production to count is known & underlying RP claim determinations are made.
- CLIP indemnities are to be paid within 30 days of all underlying RP production to count being reported.



Questions & Answers



Questions & Answers

- **Question:** Can CLIP be elected for use in conjunction with RP policies having fall sales closing dates (e.g., winter wheat)?
- **Answer:** CLIP is only available for use in conjunction with RP policies having a spring SCD (i.e., January 31st – March 15th).



Questions & Answers

- **Question:** What happens to CLIP indemnities if the underlying RP claim cannot be settled due to delayed harvest?
- **Answer:** Any indemnity that may be due under CLIP will not be determined until all claim determinations for the insured's underlying RP policies have been completed. CLIP does not affect timely claims settlement for underlying RP policies.



Questions & Answers

- **Question:** What happens if a producer applies for CLIP coverage for two underlying RP policies but is unable to plant one of the crops or one of the crops fails to meet the CLIP qualifications (e.g., 10% of liability)?
- **Answer:** The CLIP policy would be cancelled.



Questions & Answers

- **Question:** Can CLIP be used with Revenue Protection with Harvest Price Exclusion (RPHPE) policies? Will CLIP be available for Area Yield Protection (AYP), Area Revenue Protection (ARP), or Area Revenue Protection with the Harvest Price Exclusion (ARPHPE)?
- **Answer:** No, CLIP can only be written with Plan 02 RP policies.



Questions & Answers

- **Question:** Are separate types and/or practices (e.g., high amylose & grain corn, irrigated & non-irrigated) of an insurable crop treated as separate crops under CLIP?
- **Answer:** No, separate types and/or practices of an insurable crop are not considered separate crops under CLIP. Additionally, CLIP requires all insurable planted acreage of an underlying RP crop in the county to be insured under CLIP. For example, if a producer designates corn for CLIP coverage, both their irrigated & non-irrigated corn acreage in the county will be covered. However, they can elect different RP coverage levels for the irrigated & non-irrigated acreage subject to the CLIP coverage level cap.



Questions & Answers

- **Question:** What is the unit structure for CLIP?
- **Answer:** A CLIP unit is a single unit containing all insurable acreage or number of head of the underlying RP crops insured under CLIP in the county for the insurance period. CLIP does not impact underlying RP policy unit structure. Underlying RP policy share arrangements apply to the CLIP calculations.



Questions & Answers

- **Question:** What livestock are eligible for CLIP?
- **Answer:** Weaned Calf Risk Protection (WCRP) is the only livestock program eligible for CLIP. Programs such as Livestock Risk Protection (LRP) & Dairy Revenue Protection (DRP) are not eligible for CLIP.

If an AIP does not offer WCRP, they may still offer CLIP for other crops.



Questions & Answers

- **Question:** How does CLIP work with written agreements, added land, high-risk land, & situations where the insured has both standard & HRLEO policies?
- **Answer:** Written agreements are not allowed to modify the terms of the CLIP policy or to establish CLIP coverage where it is not available. However, written agreements are allowed on the underlying RP policies that may impact the coverage for an RP crop under CLIP.

Added land impacts on the underlying RP policy approved yield will carry over to CLIP.

High-risk land may only be insured under CLIP if it is covered by an underlying RP policy with HRLEO subject to the CLIP coverage level cap. When an insured has both standard RP & HRLEO RP acres of an insured crop, if CLIP is elected, all acres must be included under CLIP subject to the CLIP coverage level cap & such acreage is insured as the same commodity named in the applicable policies.

Questions & Answers

- **Question:** Because CLIP is titled as a separate *policy*, please explain how CLIP does or does not require the endorsements, options, elections, & coverage levels on CLIP to match the base elections, etc.
- **Answer:** Endorsements & options are not applicable for CLIP. Endorsements, options, elections only affect the underlying RP crop policy coverage that carries over into CLIP. For example, underlying RP policy elections that affect the approved yield (e.g., Yield Adjustment) will carry over to CLIP.

The CLIP coverage level must be at least as high as the coverage level for the highest applicable underlying RP policy & cannot exceed the coverage level cap (i.e., The lesser of 85 percent or the sum of the lowest coverage level percent for any underlying RP policy for the applicable RP crop or crop practice (i.e., irrigated & non-irrigated practice) or the High-Risk Land Exclusion Option (HR-LEO) plus 25 percent.).



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