Enhanced Coverage Option (ECO)

GET ADDITIONAL AREA COVERAGE FOR YOUR INSURED CROPS.

RCIS.com

Federal law limits the authority for Federal Crop Insurance to insure individual farm yields at 85% coverage levels. If you need higher coverage levels for your farm, then ECO can offer coverage up to 95%, at a county level to enhance your total coverage.

The Enhanced Coverage Option (ECO) is a crop insurance option that provides additional area-based coverage for a portion of your underlying crop insurance policy deductible. It must be purchased as an endorsement to the Yield Protection, Revenue Protection, Revenue Protection with the Harvest Price Exclusion, Actual Production History or Yield Based Dollar Amount of Insurance policy. ECO offers you a choice of 95% or 90% trigger levels. Trigger means the percentage of expected yield or revenue at which a loss becomes payable.

HOW ECO WORKS

ECO follows the coverage of your underlying policy. If you choose Yield Protection or a yield-based policy, then ECO covers yield loss. If you choose a Revenue Protection policy, then ECO covers revenue losses. The amount of ECO coverage depends on the liability of your underlying policy. However, ECO differs from the underlying policy in how a loss payment is triggered. The underlying policy pays a loss on an individual basis and an indemnity is triggered when you have an individual loss in yield or revenue. ECO pays a loss on an area basis, and an indemnity is triggered when there is a decrease in the county level yield or revenue.

ECO has two trigger levels: 90 and 95 percent. ECO provides a band of coverage between the elected trigger level and 86%. If the county yield or revenue is reduced beyond the trigger level you will receive an ECO indemnity. If the reduction in yield or revenue exceeds the 86% threshold, you will receive an indemnity equal to the full insured liability.

ECO AND OTHER PLANS

- ECO *cannot* be elected if you have a Margin Protection or an Area Risk Protection Insurance policy.
- The underlying policy for ECO *cannot* have the Hurricane Insurance Protection – Wind Index Endorsement.
- ECO coverage *cannot* attach to any acres that are insured by a Stacked Income Protection Plan (STAX). Acres not insured under STAX may be insured under ECO.
- You can select Supplemental Coverage Option (SCO) on all acres covered by ECO, but you are not required to elect SCO to purchase ECO.
- RCIS policyholders *cannot* have both an ECO endorsement and an RCIS private product Revenue Protection Policy (RPP).

LOSSES

The ECO Endorsement begins to pay when county average yield or revenue falls below 95 percent (or 90 percent, if that is the trigger level you elect) of its expected level. The full amount of the ECO coverage is paid out when the county average revenue falls to 86 percent, as shown on step B in the example to the right. ECO payments are determined only by county average revenue or yield, and are not affected if you receive a payment from your underlying policy. So it is possible for you to experience an individual loss but to not receive an ECO payment, or vice-versa. You may also receive a loss on both the underlying policy and ECO.

New for 2026!

Premium support increased to 80%.

ECO WITH FARM PROGRAMS

ECO coverage is unaffected by participating in Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) for the same crop, on the same acres. You may elect ECO regardless of your farm program.

EXAMPLE

Step	ECO Coverage Calculation for 95% Area Trigger Level	
A	ECO Endorsement begins to pay when county revenue falls below this percent of its expected level	95%
B	ECO Endorsement pays out its full amount when county revenue falls to 86 percent of its expected level	86%
C	Percent of expected crop value covered by ECO (A – B, or 95%- 86%)	9%
D	Amount of ECO Protection (C x Expected Crop Value, or 9% x $765)	$68.85

Supplemental Coverage Option (SCO)

GET ADDITIONAL COVERAGE FOR A PORTION OF YOUR POLICY'S DEDUCTIBLE.

RCIS.com

Get additional coverage for a portion of your policy's deductible with SCO coverage. Talk to an RCIS crop insurance agent today about additional Federal Crop Insurance coverages that can help protect your bottom line this year.

The Supplemental Coverage Option (SCO) is a crop insurance option that provides additional coverage for a portion of your underlying crop insurance policy deductible. You must buy it as an endorsement to the Yield Protection, Revenue Protection, Revenue Protection with the Harvest Price Exclusion, Actual Production History or Yield Based Dollar Amount of Insurance policy for crops that don't have revenue protection available. The Federal Government pays 80 percent of the SCO premium cost.

HOW SCO WORKS

Choose SCO as an endorsement to an underlying policy. You must make this choice by the sales closing date for your underlying policy, and with the same insurance company. SCO coverage is unaffected by participating in Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) for the same crop, on the same acres. You may elect SCO regardless of your farm program.

SCO follows the coverage of your underlying policy. If you choose Yield Protection, then SCO covers yield loss. If you choose Revenue Protection, then SCO covers revenue loss. The amount of SCO coverage depends on the liability, coverage level, and approved yield for your underlying policy. However, SCO differs from the underlying policy in how a loss payment is triggered. The underlying policy pays a loss on an individual basis and an indemnity is triggered when you have an individual loss in yield or revenue. SCO pays a loss on an area basis, and an indemnity is triggered when there is a county level loss in yield or revenue.

EXAMPLE - INDEMNITY CALCULATION

For this example, the SCO Endorsement with the RP plan of underlying coverage is selected. Indemnity information at the end of the insurance period:

- Expected area yield: 145 bu per acre
- Final area yield: 110 bu per acre
- Final area revenue: $473
- Supplemental coverage range: 16%
- Supplemental protection: $10,664
- Harvest price: $4.30

New for 2026!

Premium support increased to 80%.

Step 1: Calculate the result

145	Expected area yield, bushels per acre
x $4.30	Higher of projected price or harvest price
$623.50	Result

Step 2: Calculate the percentage

$473.00	Final area revenue
÷ $623.50	Result of Step 1
0.76	Percent

Step 3: Calculate the result

0.86	Area loss trigger
− 0.76	Percent from Step 2
0.10	Result

Step 4: Calculate the indemnity payment factor

0.10	Result of Step 3
÷ 0.16	Supplemental coverage range
0.625	Indemnity payment factor

Step 5: Calculate the indemnity

$10,664	Supplemental protection
× 0.625	Indemnity payment factor
$6,665	**Indemnity**

The example provided is for informational purposes only. Please refer to your policy for coverage terms. Contact an RCIS crop insurance agent for additional information.