Livestock Risk Protection (LRP)

Protect Your Livestock Against Market Price Declines

Livestock Risk Protection (LRP) is a federally subsidized insurance program administered through the USDA's Risk Management Agency (RMA). LRP helps producers protect the value of their livestock against unexpected declines in market prices while maintaining the flexibility to market their animals when and where they choose.

Unlike futures and options, LRP provides a simpler way to establish a price floor without the need for a brokerage account or margin calls.

Available Coverage

LRP coverage is available for:

Fed Cattle

Feeder Cattle

Swine

Coverage is offered year-round and can be tailored to your marketing plans and ownership interests.

How LRP Works

Select the number of head you wish to insure.

Choose an endorsement length that matches your expected marketing date.

Select a coverage level and coverage price.

If the national ending value falls below your insured coverage price at the end of the endorsement period, an indemnity may be paid.

If market prices remain above your coverage price, no indemnity is due, and only the premium is paid.

Key Benefits

Protection against declining livestock prices

No margin calls

Federally subsidized premiums

Flexible coverage periods

Coverage can be purchased throughout the year

Ability to market livestock according to your operation's needs

Works alongside many existing marketing strategies and risk management plans

Who Should Consider LRP?

LRP may be a valuable tool for:

Cow-calf producers

Stocker operators

Backgrounders

Feedyards

Swine producers

Any producer concerned about future market volatility can use LRP to establish a level of price protection while maintaining upside potential if markets move higher.

Important Notes

LRP protects against market price declines only. It does not insure against death loss, disease, injury, or production losses. Livestock must meet USDA eligibility requirements, and coverage is purchased through an approved livestock insurance agent.

Request an LRP Quote

Our team can help you evaluate whether Livestock Risk Protection fits your operation and marketing strategy. Contact us today for current coverage options, premium estimates, and personalized risk management solutions.

For your livestock mortality agency, I'd actually recommend adding a section titled "LRP vs. Livestock Mortality Insurance" because many cattle producers confuse the two. That comparison often generates leads and helps explain why they may need both products.

LRP vs. Livestock Mortality Insurance

Many livestock owners assume that Livestock Risk Protection (LRP) and Livestock Mortality Insurance provide the same protection. In reality, they address two very different risks and are often used together as part of a comprehensive risk management strategy.

Example

A cattle producer purchases LRP coverage on a group of feeder cattle expected to be marketed in six months.

If cattle prices decline before the cattle are sold, LRP may provide an indemnity payment.

If one or more cattle die due to a covered cause of loss, LRP provides no coverage for that loss.

On the other hand, a Livestock Mortality policy would respond to the financial loss associated with the death of the insured animal(s), but would not provide protection if market prices decline.

Why Many Producers Use Both

Livestock operations face two major financial risks:

Market Risk – The value of livestock can decline due to changing market conditions.

Mortality Risk – The loss of valuable livestock due to death from covered causes.

LRP helps protect against market downturns, while Livestock Mortality Insurance helps protect the investment in the animals themselves. Together, these coverages can provide a more complete risk management strategy for livestock producers.

Not Sure Which Coverage You Need?

Every operation is different. Whether you're a cow-calf producer, stocker operator, feedyard, dairy, sale barn, or breeding livestock owner, our team can help evaluate your risks and determine the right combination of coverage for your operation.

Contact us today to discuss Livestock Risk Protection, Livestock Mortality Insurance, or a customized risk management plan tailored to your business.