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Comments on Summary Enrollment Data for MPP-Dairy

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Andrew M. Novakovic

Marin Bozic

Mark Stephenson

Christopher Wolf

Charles Nicholson

John Newton*

*Andrew M. Novakovic is the E.V. Baker Professor of Agricultural Economics in the Charles H. Dyson School of Applied Economics and Management at Cornell University. Marin Bozic is Assistant Professor in the Department of Applied Economics at the University of Minnesota and Associate Director of Midwest Dairy Foods Research Center. Mark W. Stephenson is Director of Dairy Policy Analysis at the University of Wisconsin. Christopher Wolf is a Professor in the Department of Agricultural Economics at Michigan State University. Charles Nicholson is a Clinical Associate Professor in the Smeal College of Business at The Pennsylvania State University. John Newton is a Clinical Assistant Professor at the University of Illinois. The Briefing Paper series is intended to provide logical and/or empirical analysis of dairy market economics or policy. The authors reserve all copyrights on this paper, but permission is granted to quote from the paper or use figures and tables, provided appropriate attribution is made.

Comments on Summary Enrollment Data for MPP-Dairy

Executive Summary

On January 16, 2015, USDA released preliminary state-level enrollment numbers for the Margin Protection Program for Dairy Producers for the 2015 coverage year. For the U.S. as a whole, enrollments represented 51% of the number of licensed herds in 2013 or 23,807 dairy farms. This number is about one third lower than 35,411 dairy farms participating in the Milk Income Loss Contract (MILC) in fiscal year 2013.

There is a modest but negative correlation (-0.18) between the number of farms in a state and the enrollment percentage. States with higher average farm size had a higher percentage of farms enrolled (correlation coefficient: 0.35). States with below average enrollment rates occur more frequently in the eastern half of the US and include such prominent dairy states as Pennsylvania, Ohio, and Indiana, as well as other states ranging from northwestern Appalachia through the Corn Belt to the Great Lakes. This is an area of the country that has a lower average farm size and relies more heavily on homegrown feeds. Several of these states also have significant Amish and Mennonite populations, cultural groups that have traditionally eschewed participation in dairy farm safety net programs.

USDA released numbers on percent of MPP-Dairy participants that chose coverage levels higher than the Catastrophic coverage, i.e. \$4.00 per cwt. Nationally, 55% of MPP-Dairy participants chose buy-up coverage. MPP-Dairy participants in the eastern states were more likely to choose higher coverage levels, while buy up coverage was less likely in a majority of western states.

Comparing actual MPP-Dairy enrollment results to predicted enrollment results based on the DMAP survey conducted in August 2014, we find that the actual participation rate matches closely the expected sign-up rate, both at the national level and across regions. The percentage of enrolled farms that have actually purchased buy-up coverage was moderately lower than what survey respondents indicated they would do in 'most years'.

Based on the latest market data (20 January 2015), the probability of margins falling below \$6.50 per cwt in Mar/Apr and May/Jun periods is higher than 40%, while the probability of margins at or below \$4.00 per cwt in those same periods is only 1%. Multiplying MPP-Dairy state-level enrollment rates by percentages of enrolled farms with buy-up coverage, we calculate the percent of licensed dairy herds that choose to use MPP-Dairy for more than just Catastrophic coverage. Nationally, the number of such dairy farms is 13,091 or 28% of total number of licensed dairy herds. That leaves at least 72% of U.S. dairy farms lacking MPP-Dairy protection against likely moderate margin declines expected in 2015.

Introduction

This paper summarizes and discusses information USDA has released about enrollment in the Margin Protection Program for Dairy Producers (MPP-Dairy).

MPP-Dairy was created by the Agricultural Act of 2014.¹ The general design of this new program is to give dairy farmers the opportunity to protect against low incomes from the sale of milk relative to the cost of feeds used for the dairy herd; hence, *margin* protection. The specific margin that actuates the program and determines benefit triggers is a national benchmark called the Actual Dairy Producer Margin (ADPM). An individual farm's actual income over feed cost is irrelevant to the operation of MPP-Dairy.

Farmers must establish their eligibility and a historic level of milk sales that will define how much milk sales they can cover over the five-year life of the program. Every year, they are able to decide how much margin coverage they want for the coming year in terms of the percentage of their historic milk sales and the magnitude of the margin, both within ranges allowed by law. Catastrophic coverage at \$4 per cwt can be obtained without any premium above the \$100 annual administrative fee paid by all participating operations. Farmers can buy higher levels of coverage in 50¢ increments up to \$8 per cwt, which is just below, the average since 2000. At each incremental increase, farmers will have to pay a higher premium. There are two tiers of premiums, with a fairly significant increase in costs for milk enrolled in excess of 4 million pounds per operation per year. For 2014 and 2015, Tier 1 premiums for enrollments up to 4 million pounds were further discounted 25%. Additional details about MPP-Dairy are provided in an earlier Information Letter.²

U.S. dairy farmers were allowed to establish their eligibility and select coverage levels for the 2014 and 2015 program years during the period 2 September to 19 December 2014.³ The Farm Service Agency of the US Department of Agriculture recently released summary statistics describing the enrollment results by state. This briefing paper describes and discusses these results. The current information is very limited and probably stimulates more questions than it provides answers. At the risk of squeezing out more insight than these simple data contain at this point, we speculate on some possible explanations for enrollment patterns. Our purpose is more to frame questions and hypotheses that we hope can be explored more rigorously when more detailed enrollment information is available.

¹ A summary of the dairy provisions of the 2014 Farm Bill is provided in *The Dairy Subtitle of the Agricultural Act of 2014*, DMaP Information Letter 14-01, 5 September 2014 (revised).

² *Highlights of the FSA Final Rule on the Margin Protection Program for Dairy Producers (MPP-Dairy)*, DMaP IL 14-02, 9 September 2014 (updated)

³ *The original closing date for enrollments was 28 November, the day after Thanksgiving. The Secretary extended the enrollment period twice. The first was a 1-week extension. The second was for two weeks. In addition, farmers who showed up at the last minute and were unable to complete the enrollment process by the end of business on the 19th were allowed to finish their paperwork the following week. All of this was done to facilitate and encourage enrollment.*

FSA Enrollment Statistics

The complete set of enrollment information that was recently released is contained in Table 1. These data are further summarized and illustrated in subsequent charts and maps.

Table 1. Enrollment Results for MPP-Dairy, 2015 Program Year.

State	Licensed Dairy Operation, 2013	Operations Enrolled in MPP-Dairy		Enrolled Operations that Elected Buy-Up Coverage	
		Percentage of 2013 Farms	Implied Number	Percentage of Enrolled Operations	Implied Number
Alabama	45	29%	13	8%	1
Alaska	3	67%	2	0%	0
Arizona	110	72%	79	23%	18
Arkansas	85	61%	52	65%	34
California	1,515	69%	1045	35%	366
Colorado	130	71%	92	37%	34
Connecticut	130	70%	91	81%	74
Delaware	40	50%	20	20%	4
Florida	130	66%	86	34%	29
Georgia	240	74%	178	51%	91
Hawaii	2	50%	1	0%	0
Idaho	550	66%	363	29%	105
Illinois	745	72%	536	53%	284
Indiana	1,315	33%	434	40%	174
Iowa	1,425	45%	641	58%	372
Kansas	325	60%	195	51%	99
Kentucky	780	47%	367	60%	220
Louisiana	130	61%	79	47%	37
Maine	300	62%	186	47%	87
Maryland	470	43%	202	42%	85
Massachusetts	155	76%	118	79%	93
Michigan	2,030	53%	1076	48%	516
Minnesota	3,865	69%	2667	73%	1947
Mississippi	100	65%	65	38%	25
Missouri	1,290	48%	619	79%	489
Montana	70	49%	34	59%	20
Nebraska	200	78%	156	54%	84
Nevada	20	90%	18	17%	3
New Hampshire	120	58%	70	81%	56

State	Licensed Dairy Operation, 2013	Operations Enrolled in MPP-Dairy		Enrolled Operations that Elected Buy-Up Coverage	
		Percentage of 2013 Farms	Implied Number	Percentage of 2013 Farms	Implied Number
New Jersey	70	64%	45	62%	28
New Mexico	140	64%	90	17%	15
New York	5,030	48%	2414	57%	1376
North Carolina	250	72%	180	50%	90
North Dakota	110	58%	64	69%	44
Ohio	2,930	34%	996	37%	369
Oklahoma	180	52%	94	37%	35
Oregon	260	63%	164	28%	46
Pennsylvania	7,200	30%	2160	58%	1253
Rhode Island	15	67%	10	80%	8
South Carolina	75	33%	25	24%	6
South Dakota	300	69%	207	56%	116
Tennessee	390	55%	215	40%	86
Texas	460	71%	327	54%	176
Utah	220	80%	176	34%	60
Vermont	930	63%	586	63%	369
Virginia	640	58%	371	66%	245
Washington	480	64%	307	58%	178
West Virginia	80	34%	27	63%	17
Wisconsin	10,860	54%	5864	55%	3225
Wyoming	20	5%	1	0%	0
United States	46,960	51%	23,807	55%	13,090

Total Farm Participation by State

USDA knows how many farmers elected coverage for the 2015 program year; however, the released data did not report that specific number. Instead, USDA presented enrollments as a percentage of the number of licensed herds reported by the National Agricultural Statistics Service (NASS) for 2013. This is one of several variables NASS reports that indicates the number of dairy farms. This particular variable is well chosen by FSA insofar as it is a count of the number of distinct operations in the US that are licensed to sell milk commercially. Inasmuch as a dairy operation must be actively engaged in the sale of milk or products derived from their own farm milk to be eligible for MPP-Dairy, this standard measure of the number of dairy farms is most likely to correspond to the actual number of dairy operations that are in fact eligible to participate. Nevertheless, it is well to keep in mind that ownership patterns, commercial licensing, and the number of bulk tank locations

for a large operation can make counting operations or licensed herds a bit trickier than it sounds. Thus, there is no doubt some discrepancy between the NASS variable and the number of operations FSA would consider being eligible. Even more simply than this, the data currently available from NASS is for 2013. Their number for 2014 licensed herds will be published in February 2015. It seems unlikely that the 2014 data will significantly alter the interpretation, but enrollment is likely to be slightly higher as a percentage of 2014 operations (due to farm exits between the 2013 and 2014 reporting periods).

For the U.S. as a whole, enrollments equaled 51% of the number of licensed herds in 2013 or 23,807 dairy farms. This number is about one third lower than 35,411 dairy farms participating in the Milk Income Loss Contract (MILC) in fiscal year 2013.⁴

Across states, MPP enrollments as the percentage of licensed dairy herds in 2013, ranged from a low of 5% in Wyoming to a high of 90% in nearby Nevada; Utah ranked second by this measure at 80%. However, there were only 20 licensed herds in either Wyoming or Nevada. The spread in actual enrollments, 1 for Wyoming and 18 for Nevada makes those two Western states seem a bit less dramatically different.

The simple average percentage of enrollments for all states is 58%.⁵ The fact that the average of individual states is higher than the national average suggests that enrollments tend to be relatively higher in states with lower farm numbers. Indeed, there is a modest but negative correlation (-0.18) between the number of farms in a state and the enrollment percentage. An example of this pattern is the fact that Pennsylvania, New York and Ohio had relative enrollments lower than the national average. Wisconsin, the only state with more farms than Pennsylvania, had a relative enrollment very near the national average percentage. There is insufficient information to conclude that numbers of farms in a state explains anything about farmer choices, but perhaps this is correlated more with farm size or more specifically the number of small farms. A simple statistical analysis of the data supports the hypothesis that states with higher average farm size had a higher percentage of farms enroll (correlation coefficient: 0.35). The extent to which the range of farm sizes influenced participation will be clearer when there is more data about individual enrollments.

The median enrollment for all states is 62%. In other words, half of the states had enrollments of 62% or more, while the other half had lower relative enrollments. This indicates that more states had enrollments above the national average.

Figure 1 illustrates relative enrollments for each state as a bar chart, ranked from low percentage to high. This depiction shows that 7 states have unusually low enrollment rates (less than 40%) and 3 to 5 states have enrollment rates that might be described as distinctly

⁴ Newton, J. and T. Kueth. 2014. "Mapping the Size of Dairy Safety Net Programs: Comparing MILC and the Margin Protection Program." *farmdocdaily.illinois.edu*, July 17, 2014.

⁵ This is a different number from the national average simply because the arithmetic of state averages gives Wyoming 5% the same relative share as, say, Pennsylvania's 30% or Minnesota's 69%. In addition, we exclude Puerto Rico since NASS data is not available for that territory.

high (greater than 74%). The states in between ranged from about 40% to 70%, which is still quite a broad range.

Enrollments in MPP-Dairy for 2015 coverage are illustrated as a map in Figure 2 by State, expressed as a percentage of licensed dairy herds in 2013.

Figure 1. Relative Enrollments by State, Ranked from High to Low.

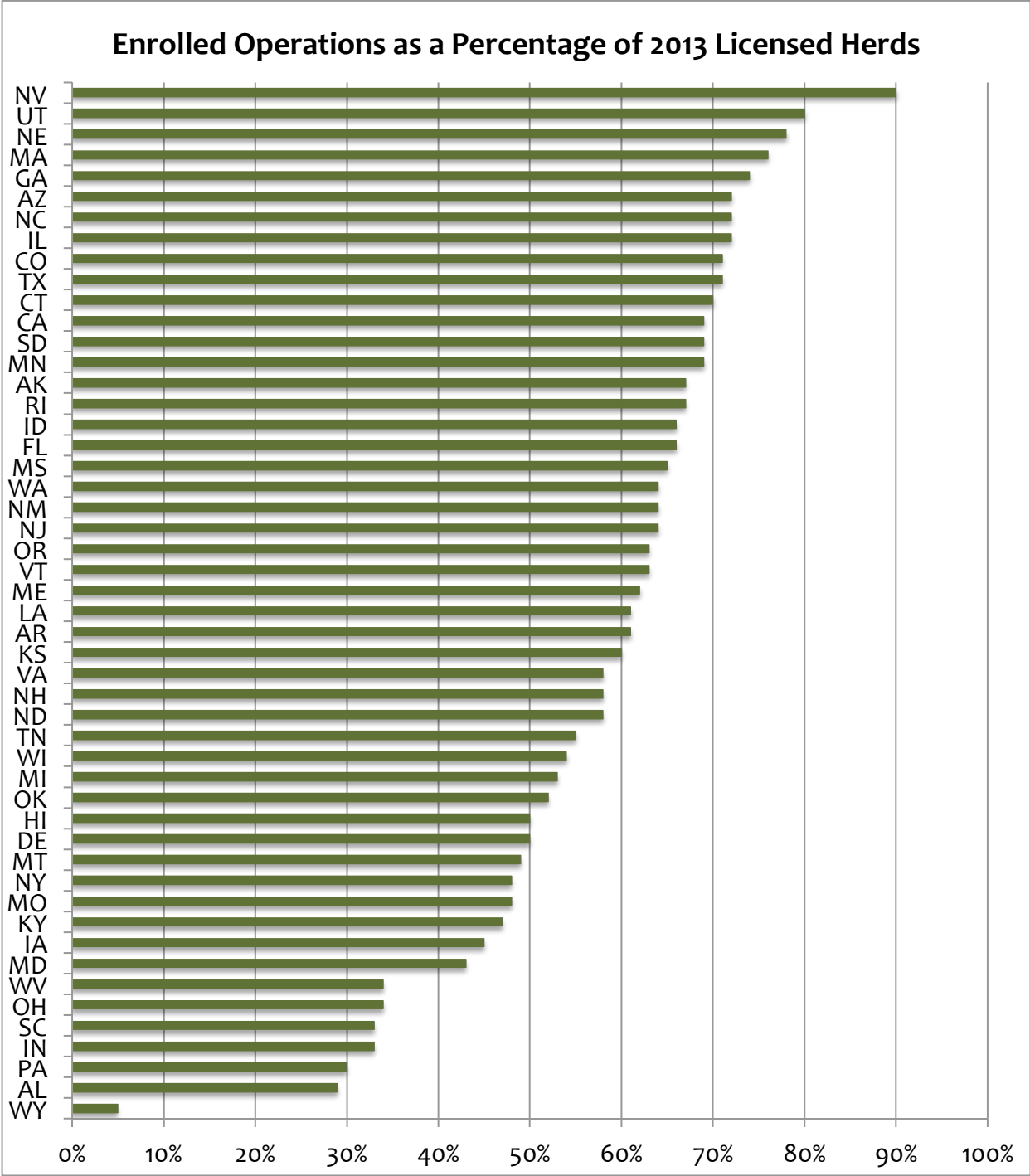
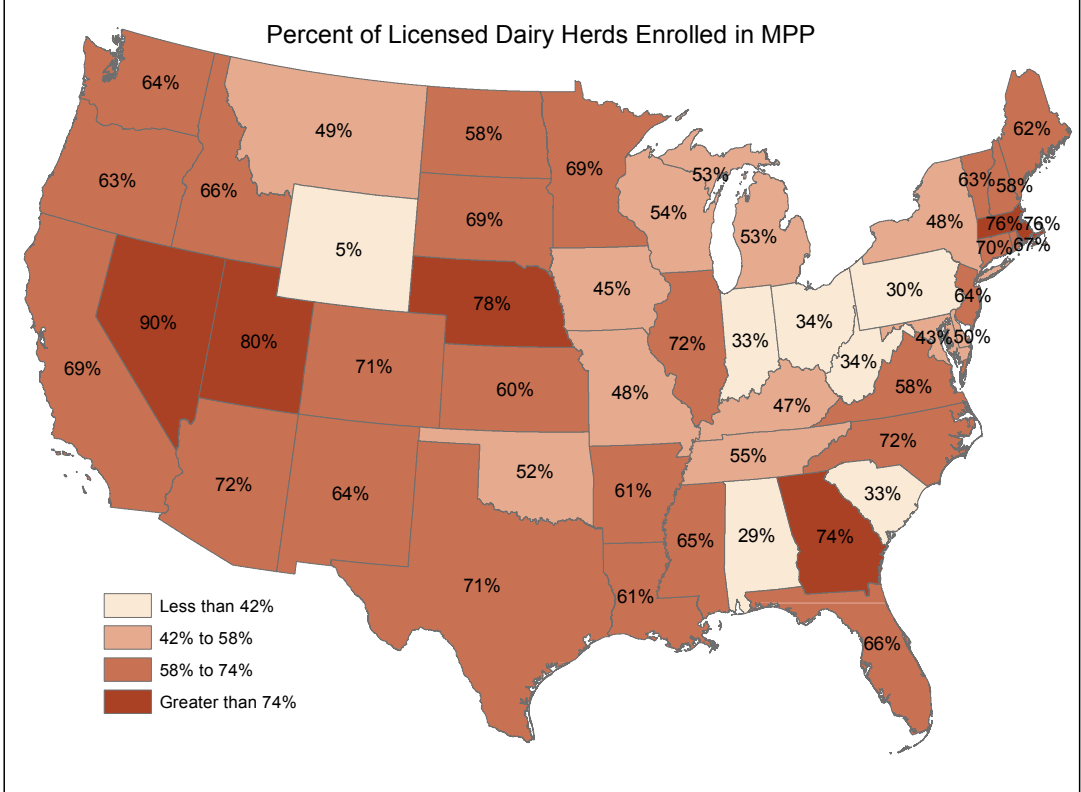


Figure 2. Relative Enrollment in MPP-Dairy by State, 2015 Enrollments as a Percentage of Licensed Herds in 2013.



It warrants noting that the breakpoints in the shading are intended to differentiate the unusually high and low, as noted earlier. The other 38 are simply divided between those above the average percentage for states and those below. As is evident from Figure 1, there are no obvious breakpoints in the great middle of the distribution of states.

The map suggests that high and low participating states exist in every region. Especially low and lower than average states occur more frequently in the eastern half of the US and include such prominent dairy states as Pennsylvania, Ohio, and Indiana, as well as other states ranging from northwestern Appalachia through the Corn Belt to the Great Lakes. Clearly this is an area of the country that tends to have lower average farm size and rely more heavily on homegrown feeds. Several of these states also have significant Amish and Mennonite populations, cultural groups that often eschew public assistance and government programs generally.

The highest participating states also span the US. As noted earlier, the number of farms in Nevada is quite low; so a few enrollments more or less can make a large difference in percentages. However, the other high sign-up states have herd numbers of 200 +/- . These states cannot be so easily dismissed as a statistical anomaly. Higher than average

participation exists in every region, but tends to be more prevalent in the western half of the US.

The largest milk producing states have enrollments within the middle span, but there is no common tendency. The major state having the lowest percentage enrollment is Pennsylvania at 30%. The highest, at 70%, is Texas.

Margin Coverage Election Choices

Farmers could choose 9 levels of margin coverage ranging from the so-called Catastrophic Coverage at \$4 per cwt. to as much as \$8 per cwt in increments of 50¢. USDA has not yet reported the enrollments at each level but they have reported relative enrollments for Catastrophic Coverage vs. any level higher, the so-called Buy-Up levels.

As above, the data are illustrated in two forms. Figure 3 charts the selection of Buy-Up coverage by program participants, ranked from low to high by state. As before, a handful of states on either end of the spectrum arguably represent groups with distinctly high or low preferences for coverage above the Catastrophic level. Of course, these data do not indicate whether an operation selected \$4.50 or \$8.00 or some level in between. Hence, it probably strains the data to say too much about how aggressively one group of farmers used MPP-Dairy vs. another. Anecdotal information suggests that mid-range choices of \$6 or \$6.50 were popular, but until there is more detailed information one should be cautious before interpreting implications about the reported levels of buy-up coverage by state.

Figure 3. Percentage of MPP-Dairy Participants Who Elected Buy-Up Coverage

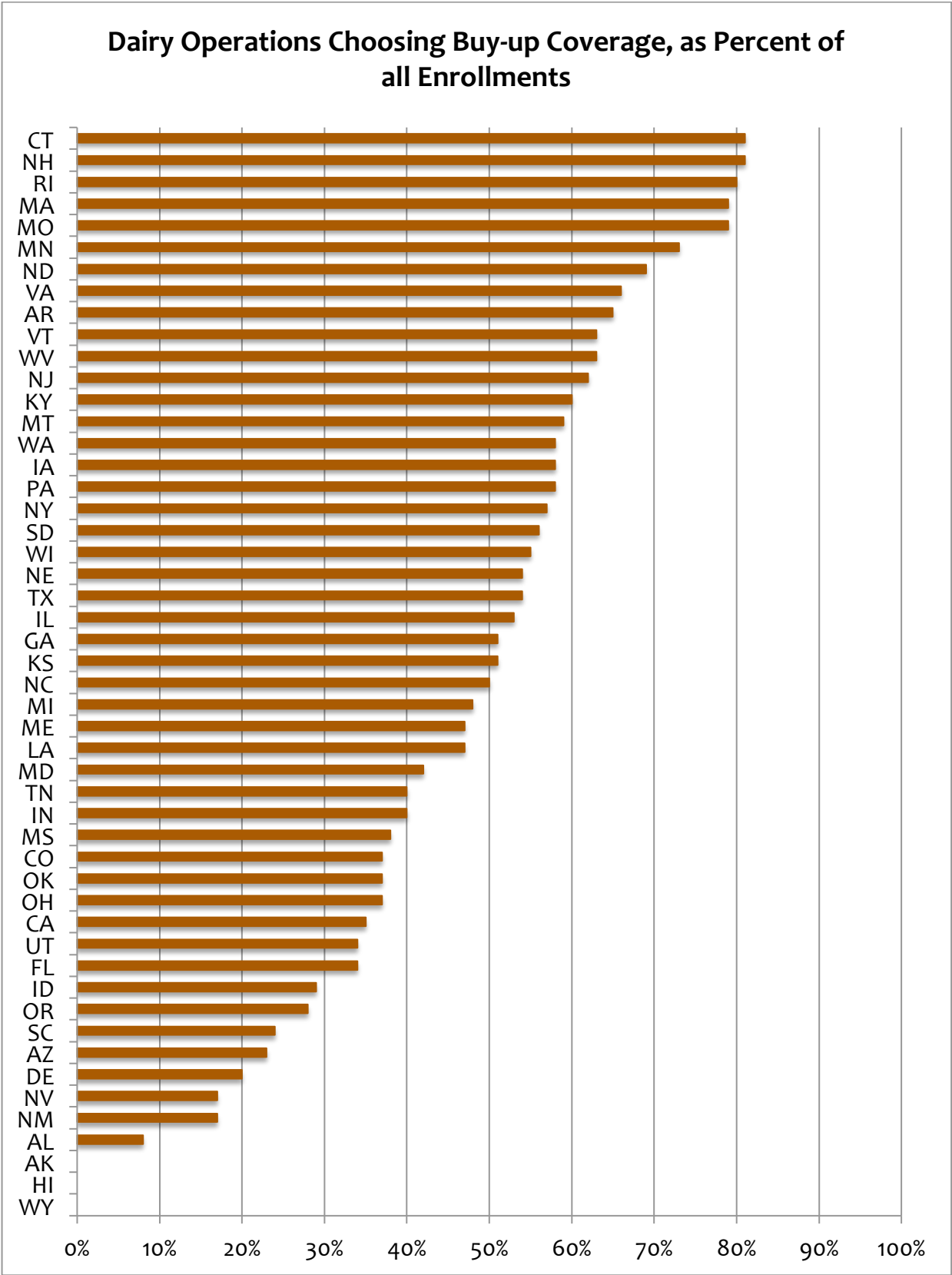
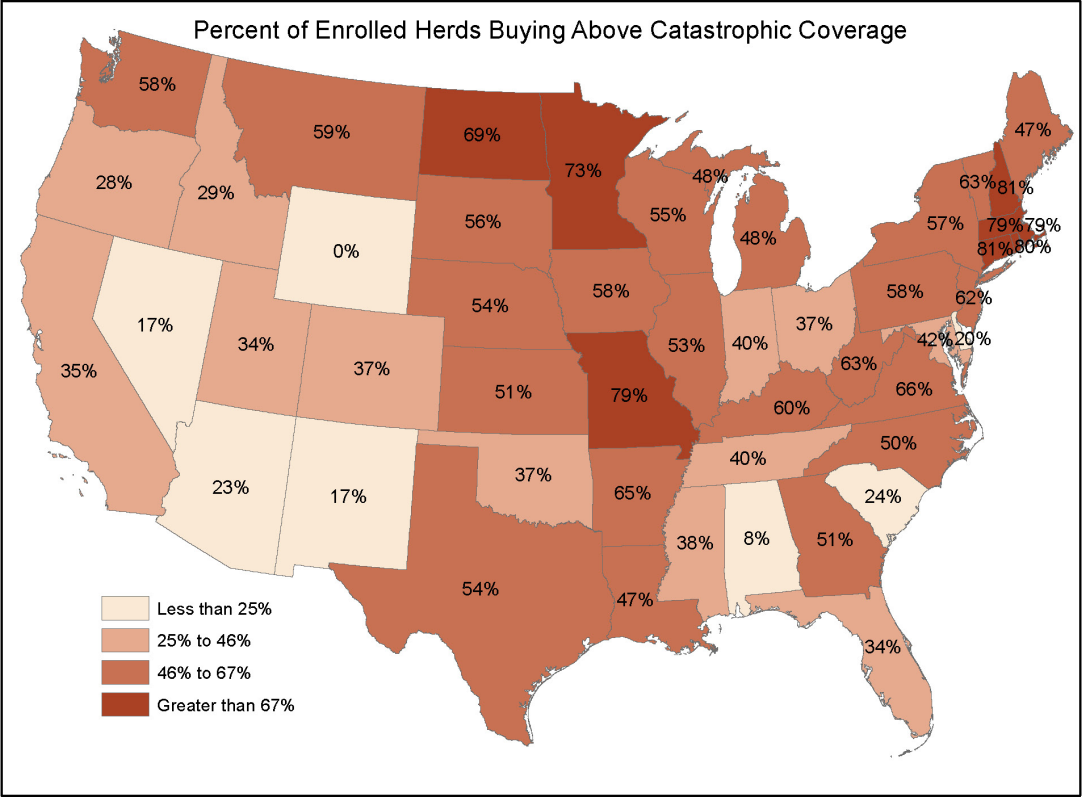


Figure 4 illustrates in map form the relative popularity of Buy-Up coverage across states among those farms participating in the program. If the implication of Figure 2 is that states in the western half tended to have higher participation rates in MPP-Dairy, Figure 4 might suggest that those who did enroll in the eastern states were more likely to choose higher coverage levels. Conversely, many of the enrollees in the western states chose Catastrophic coverage.

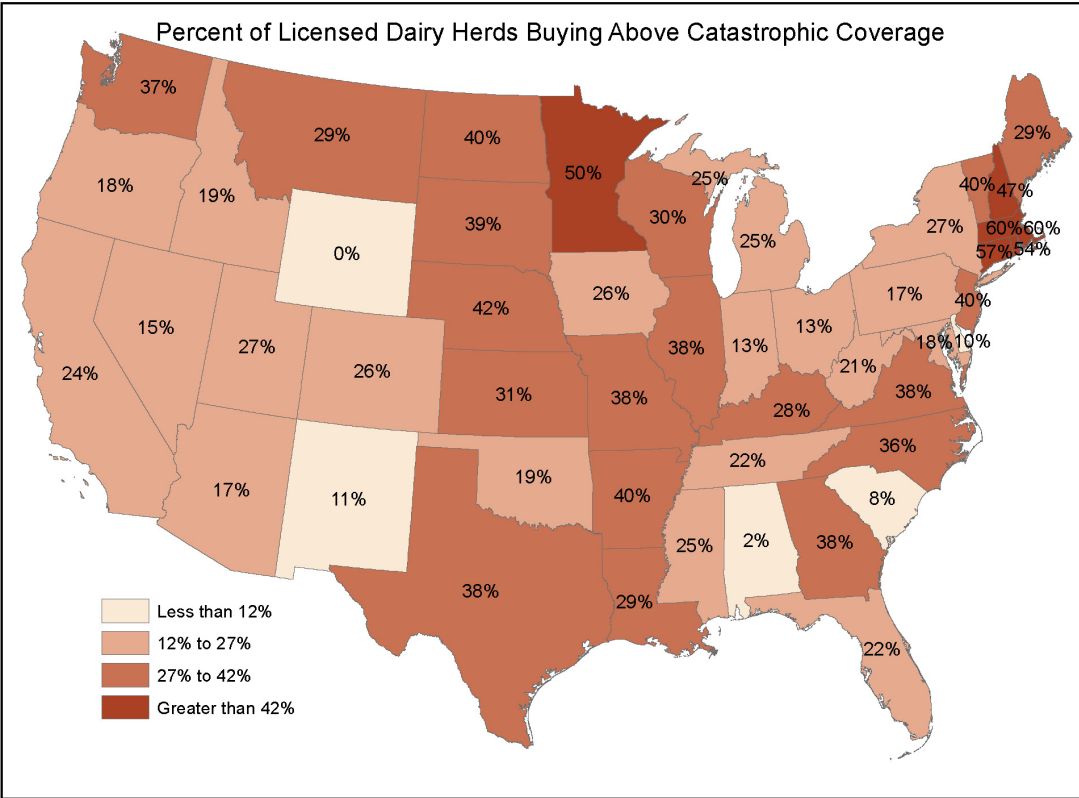
Figure 4. Percentage of Enrolled Operations Electing Coverage Levels from \$4.50 to \$8.00 per cwt.



Degree of Protection against Margins that are Low but not Catastrophic

Released USDA data contain information on MPP-Dairy state-level enrollment percentages, as well as percentages of enrolled farms with buy-up coverage, i.e. coverage levels higher than \$4.00 per cwt. Multiplying these two fractions, we can calculate the percent of licensed dairy herds that choose to use MPP-Dairy for more than just Catastrophic coverage. Nationally, the number of such dairy farms is 13,091 or 28% of total number of licensed dairy herds. Figure 5 maps the percentage of all farmers who elected Buy-Up coverage by state.

Figure 5. State Buy-Up Coverage as a Percentage of 2013 Licensed Herds.



States who fall at the top of this measure include Massachusetts, Connecticut, Rhode Island, New Hampshire and Minnesota. Thus the New England states, with the notable exception of its most prominent component – Vermont – stand out in the US as states where participation was what one might call aggressive. Vermont is in a second tier of aggressive participation, while Maine and New York are more near the national average.

At the other end of the spectrum, states whose farmers showed the most tepid interest in MPP-Dairy might be identified as Wyoming (which is in a class by itself) and Alabama. The next group of states has significantly higher participation rates than these two states but also stand out as next most passive in their interest in MPP-Dairy. These are Hawaii, South Carolina, Alaska, Delaware, Ohio and Indiana. It will be interesting to get more information to help understand the low participation rates in Ohio and Indiana, both of which have considerable milk production. As noted earlier, both states have fairly large populations of Amish or Mennonite communities, which may explain the combination of lower sign-up rates and more tepid participation. Rounding out that mid-eastern set of states, Pennsylvania and Maryland are in the next group of states with more passive coverage decisions, along with a number of others distributed around the US.

It is perhaps a curiosity and surely something that warrants a good deal more information before any strong conclusions could be drawn, but it is interesting that New England seems to include many of the states we might characterize as having aggressive participation while the neighboring mid-eastern states from Pennsylvania to Indiana are among the most passive. This may point to culture or attitudes being an especially important determinant of participation, as opposed to the more cut-and-dried matter of production styles or farm size.

As noted earlier, the Buy-Up data that has been released does not differentiate levels of coverage. Thus, it combines \$4.50 coverage with \$8 and every level in between. The probability of different margin levels is part of the information provided by the DMAP Decision Tool for MPP-Dairy.⁶ Using the May/June 2015 for illustration, recent values indicate that the probability of margins below \$8 for that period is 78%. The probability of a \$4 margin in that period is 1%, while \$6.50 registers at 40%. Figure 6 provides these probabilities for all coverage levels and the entire 2015.

Figure 6. Likelihood of MPP-Dairy Payments in 2015, Based on 20 January 2015 CME Futures and Options.

Margin Level	Nov-Dec 2014	Jan-Feb 2015	Mar-Apr 2015	May-Jun 2015	Jul-Aug 2015	Sep-Oct 2015	Nov-Dec 2015
Expected	\$12.0	\$7.77	\$6.68	\$6.91	\$8.02	\$9.11	\$9.25
< \$8.00	-	70%	89%	79%	52%	28%	29%
< \$7.50	-	25%	78%	68%	40%	19%	20%
< \$7.00	-	4%	63%	54%	28%	11%	13%
< \$6.50	-	-	44%	40%	19%	6%	8%
< \$6.00	-	-	26%	27%	12%	3%	4%
< \$5.50	-	-	13%	15%	6%	1%	2%
< \$5.00	-	-	5%	8%	3%	1%	1%
< \$4.50	-	-	2%	3%	1%	-	-
< \$4.00	-	-	-	1%	-	-	-

Inasmuch as we don't yet know where farms elected coverage within this range and that the probability of margins across this range varies a great deal, it is impossible to say how well covered the nation's dairy farmers are for likely 2015 margin events, much less how this degree of protection varies by state. With these caveats in mind, the state-level numbers in the Figure 5 may be interpreted as a crude measure of the degree to which each states farmers are likely to receive benefits in 2015.

⁶ <http://www.dairymarkets.org/MPP/Tool/> The probability table is found under the "Forecast Margin" tab

Comparing enrollment to attitudes and intentions prior to MPP-Dairy

In the weeks immediately preceding the beginning of MPP-Dairy enrollment, a survey was undertaken to assess dairy farmer knowledge, attitudes, impressions and intended enrollment decisions.⁷ The objective of the survey was to anticipate participation interest among US farmers and better understand factors that describe participation intentions. In this section we will examine how well the survey provided insights about the enrollment results and might further explain the patterns that are evident so far.

Both mail and Internet forms of the survey were distributed across the US. The survey generated 669 useable responses (342 mail and 327 internet). Responses by state were collected into regions as follows:

- Northeast: CT, ME, NH, NJ, NY, PA, VT (100 responses)
- Upper Midwest: IL, IN, IA, MI, MN, OH, WI (372 responses)
- Southeast: FL, GA, KY, LA, MD, MS, NC, TN, VA (31 responses)
- Central/Plains/Mountain: CO, ID, KS, MO, MT, NM, ND, OK, SD, TX (37 responses)
- Pacific: AZ, CA, OR, WA (129 responses)

Respondent milking herd size ranged from 8 to 7,500 cows. Summary statistics revealed that these respondents operated, on average, considerably larger herds (646 cows) than the average US herd (about 160 milk cows). The survey responses are described in detail in Bozic, Wolf and Yang (2014).

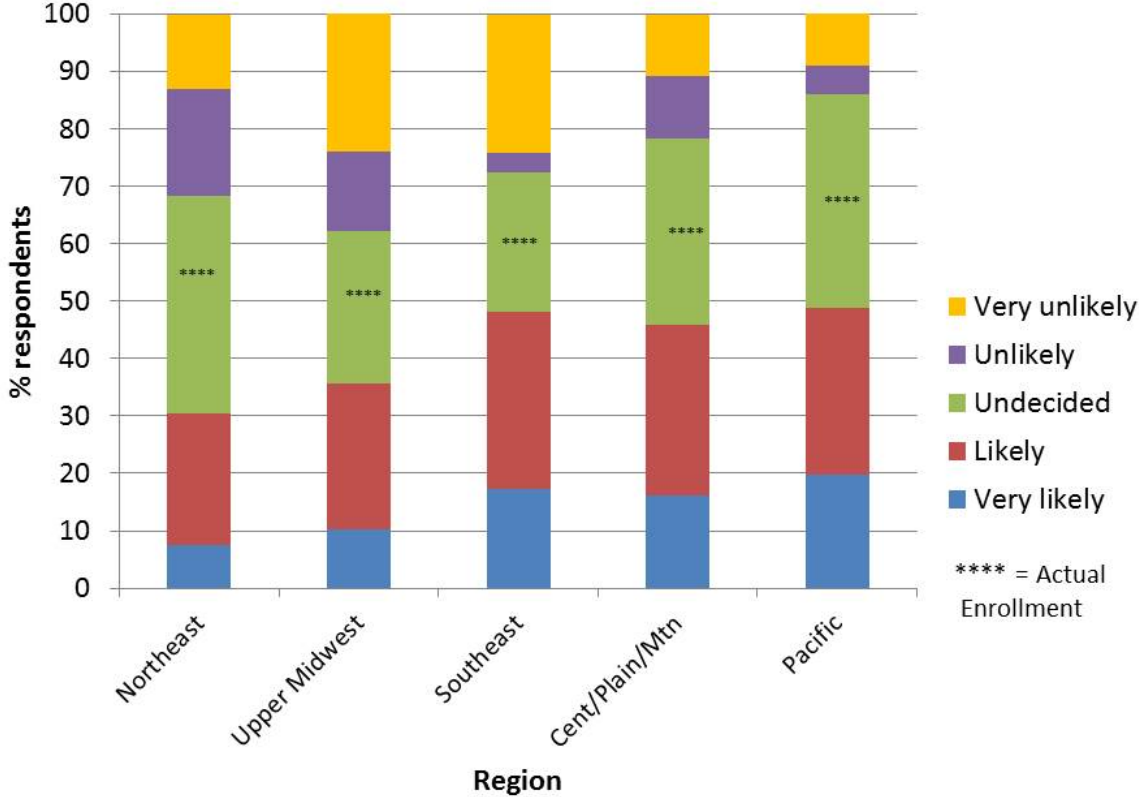
Respondents were asked to rate the likelihood that they would enroll in MPP-Dairy from “very unlikely” to “very likely.” Across all states, 30.9 percent of respondents described themselves as likely or very likely to enroll; 30.5 percent were undecided, and the remaining 38.6 were unlikely or very unlikely. Based on these responses, Bozic, Wolf and Yang estimated sign-up to be 50.4 percent of licensed dairy operations nation-wide. This estimate is essentially identical to the enrollment rate just reported by USDA.

By region, results are displayed in Figure 7. The pattern of percent of operations actually enrolled across regions followed closely the regional pattern from survey responses. Essentially, the actual enrollments correspond to the survey numbers for all of the operations that stated they were likely or very likely to enroll plus about one-half of those that were undecided in each region. Consider that since the survey was conducted prior to September, at least two factors have changed dramatically. First, the outlook for the Actual Dairy Production Margin has declined considerably with the milk price outlook. We would expect that dairy farmers would be more likely to enroll if there was more risk that a low

⁷ *What Do Dairy Producers Think about the Margin Protection Program?*, DMAP Working Paper 13-05
October 3, 2014, by Marin Bozic, Christopher Wolf and Fanda Yang
<http://www.dairymarkets.org/PubPod/Pubs/WP14-05.pdf>

margin might be realized. Such was the case with the milk price in Fall 2014. Second, extensive educational programming about MPP-Dairy from University Extension, FSA, dairy cooperatives and others was conducted in September, October, and November 2014. Survey results revealed that higher levels of knowledge about MPP-Dairy were correlated with greater likelihood of participation.

Figure 7. Stated versus Actual Enrollment by Region



Another area that the survey results can be compared to actual sign-up was with respect to the percent of operations that purchased margin protection above the \$4/cwt base level (i.e., % buy-up). The survey inquired what coverage level (\$4 to \$8/cwt in \$0.50/cwt increments) respondents thought they would purchase in “most years”. Of course, one must take this answer with a grain of salt, as coverage election would likely vary from year-to-year with expected outlook. Survey respondents in every region indicated that the most common coverage level was likely to be \$4/cwt with the next most common level at \$6 and \$6.50/cwt. The USDA summary data do not reveal responses by coverage level instead indicating the percent of those enrolled that chose any level higher than \$4/cwt base coverage; however, anecdotal reports do suggest that the \$6 range were likely the most popular buy-up choices.

Table 2 reveals that—with the exception of the Northeast region—a lower percentage of operations purchased Buy-up coverage than the survey suggested. Perhaps this was a reflection of hypothetical bias in the survey results. That is, it is easier to state one will Buy-up coverage level when not faced with the actual premium bill. Another factor is the perceived risk in 2015 versus a “typical” year. With 2014 generating record high nominal milk income over feed cost margins, perhaps enrollees took more of a “wait-and-see” approach to purchasing buy-up than they will in future years.

Table 2. Percent of MPP-Dairy survey respondents vs. actual enrolled operations with buy-up coverage levels (coverage levels higher \$4.00/cwt)

Region	Survey: buy-up coverage in “most years”	Actual: buy-up in 2015
Northeast	59%	64%
Upper Midwest	72%	52%
Southeast	75%	48%
Central/Plains/Mountain	80%	49%
Pacific	76%	36%
US	71%	55%

Comments and Conclusions

As is often the case with just a little bit of data, these summary statistics raise at least as many questions as they answer. These include a number of questions for which the answers have importance for outcomes such as the degree of overall farm-level margin protection, price impacts of MPP-D, and government expenditures:

1. How much of the nation's milk supply is covered under MPP-Dairy?
2. What is the enrollment at each margin threshold level?
3. What do these two pieces of information tell us about the number of farms and percentage of milk supply that is:
 - a. Unlikely to get any benefit payments, even though the national margin falls below \$8
 - b. Likely to pay more in premiums than they receive in benefits
 - c. Likely to have net benefits
4. What factors explain differences in participation rates and coverage levels?
 - a. Farm size
 - b. Production technologies, in particular the reliance on purchased feeds

- c. Extent or quality of local educational activities
- d. Extent or quality of local promotional activities
- e. Age of farm decision maker(s)
- f. Education of farm decision maker(s)
- g. Prior experience with risk management tools
- h. Attitudes or cultural factors with respect to government programs

Sometimes when analysts try too hard to extract information from a limited data set, they are accused of "torturing" the data. At the risk of doing just that, the patterns of the summary enrollment data suggest support these hypotheses.

1. Attitudes may have played an important role in determining whether or not a farmer enrolled in MPP-Dairy
2. Attitudes probably had less of an effect on Coverage election
3. Although it is not something that can be deduced from the USDA enrollment data, anecdotal information suggests that educational and/or promotional levels may have had a positive impact on enrollment and even more so on the selection of higher levels of coverage. Educational activities would be those that explain how the program works and how farmers might use it, as different from promotional activities designed more to simply increase awareness and encourage participation.
4. Farmers who rely heavily on purchased feed were more likely to enroll but also more likely to limit themselves to Catastrophic coverage. This is not directly observed from the summary enrollment data, but it is suggested by the pattern of higher enrollments in western states.

Again, we caution against torturing the data and coming to conclusions about what factors influenced farmer participation decisions before we know much more about the enrollment and how the year plays out. Nevertheless, these sorts of insights and hypotheses will be valuable to explore as the nation's dairy farmers come to the 2016 enrollment period, which begins in July, and as policymakers begin to evaluate how well MPP-Dairy is meeting its goals.