
Procedures for Flock Plans, Compliance Agreements, and Indemnity Claims in Cases of H5/H7 Low Pathogenicity Avian Influenza Infection in Poultry

1. Purpose and Background

Title 9 of the *Code of Federal Regulations* (9 CFR) part 56 provides direction to States participating in the National Poultry Improvement Plan (NPIP) H5/H7 low pathogenicity avian influenza (LPAI) voluntary control program. The regulations outline the procedures to receive indemnity for the destruction and disposal of poultry and eggs and the costs of cleaning and disinfection after confirmation of infection with or exposure to an H5/H7 LPAI virus. This document provides specific guidance on the procedures and documentation required to receive indemnity and ensures a common and consistent approach in the payment of indemnity for LPAI claims throughout the United States.

On September 26, 2006, the Animal and Plant Health Inspection Service (APHIS) published an interim rule, "Low Pathogenicity Avian Influenza; Voluntary Control Program and Payment of Indemnity." The rule added parts 56 and 146 to title 9 of the CFR. It also established the NPIP H5/H7 LPAI program in commercial poultry and set conditions for indemnity for poultry infected or exposed to H5/H7 LPAI.

For poultry owners within a State to be eligible for indemnity under part 56, the NPIP Official State Agency (OSA) must have an APHIS-approved Initial State Response and Containment Plan (ISRCP) in place. The ISRCP provides detailed procedures for responding to an H5/H7 LPAI event in the State. More information on the development and approval of ISRCPs can be found in the Veterinary Services (VS) Guidance 8601.1, "Development and Approval of Initial State Response and Containment Plans for H5/H7 Low Pathogenicity Avian Influenza."

The regulations at 9 CFR 56.4 describe the procedures for determining indemnity amounts for destruction and disposal of poultry and eggs and the cleaning and disinfection of premises, conveyances, and materials that came into contact with poultry infected with or exposed to H5/H7 LPAI.

Part 56 and the following procedures apply to all domesticated poultry infected with H5/H7 LPAI, including commercial flocks, live bird marketing system participants, upland game bird and waterfowl farms, and backyard flocks. States are responsible for requesting Federal assistance under part 56 if needed in the event of an outbreak of H5/H7. Indemnity is not guaranteed, even if States meet indemnification requirements, but depends on the availability of funds.

This guidance document represents the Agency's position on this topic. It does not create or confer any rights for or on any person and does not bind the U.S. Department of Agriculture (USDA) or the public. The information it contains may be made available to the public. While this document provides guidance for users outside VS, VS employees may not deviate from the directions provided herein without appropriate justification and supervisory concurrence.

2. Document Status

- A. Valid until July 26, 2016.
- B. This is a new document.

3. Reason for Reissuance

Not applicable.

4. Authority and References

A. Authorities (*Code of Federal Regulations*):

- [7 CFR 371.4](#)
- [9 CFR part 56](#)
- [9 CFR 71.10](#)
- [9 CFR part 146](#)

B. References:

- VS Guidance 8601.1, "Development and Approval of Initial State Response and Containment Plans for H5/H7 Low Pathogenicity Avian Influenza" (released concurrently with this document)
- VS Guidance 8602.1, "Response, Communications, and Investigation of Notifiable Avian Influenza (NAI) in Domestic Poultry," (7/11/12)
- VS Form 1-23, "Appraisal and Indemnity Claim for Animals Destroyed/Materials Destroyed" (5/84)

5. Audience

VS employees, other affected Federal and State agencies, and affected members of the public.

6. Guidance

A. Confirmation and Response to H5/H7 LPAI

LPAI infection must be confirmed by the National Veterinary Services Laboratories (NVSL). VS Guidance 8602.1, "Response, Communications, and Investigation of Notifiable Avian Influenza (NAI) in Domestic Poultry" provides guidance on response activities that should be followed during a LPAI event.

- 1) After an H5/H7 presumptive positive result is disclosed and while NVSL confirms, the Area Office or Area Veterinarian in Charge (AVIC) will contact the appropriate Regional epidemiology officer to discuss the potential need and eligibility of the affected flock for indemnity. The Region will also discuss the potential need for indemnity with VS poultry program staff.

- 2) The State will consult with industry, stakeholders, and VS regarding whether to depopulate. VS must concur with the State approach to controlling H5/H7 LPAI before it authorizes indemnity funds. Destruction of poultry is not the only possible response to H5/H7 LPAI; quarantine with controlled marketing or quarantine with vaccination also may be appropriate. VS encourages the use of controlled marketing in the absence of virus, or when the specific situation allows time to achieve a virus-negative status.
 - 3) A flock plan will be developed for **all** premises with confirmed LPAI infection or exposure. (see Flock Plan template – Appendix A)
 - a. The flock plan sets out the steps to eradicate H5/H7 LPAI from a flock and to prevent its spread to other flocks. It also specifies the procedures required to get the facility back into production, including requirements for quarantine release.
 - b. The flock plan will include cleaning and disinfection requirements, but does not require cost estimates. The flock plan must be developed according to the requirements in 9 CFR 56.5 and the State ISRCP.
 - c. The flock plan must be signed by the owners, the OSA, and the AVIC before depopulation of the infected or exposed poultry, with copies promptly provided to the Regional Office and VS poultry program staff.
 - 4) A compliance agreement must be developed if depopulation, disposal, or cleaning and disinfection will be performed by personnel other than Federal or State officials or the OSA, and indemnity will be requested for those activities.
 - a. A compliance agreement is separate from the flock plan. The flock plan specifies the necessary procedures for the premises to resume normal production; a compliance agreement indicates what tasks will be completed, who will be responsible for each task, and how much the work is expected to cost. A compliance agreement is comparable to a statement of work produced for a contract.
 - b. A signed compliance agreement is required before beginning any work for which indemnity funds will be requested.
- B. Appraisal and Initial Request for Indemnity**

Indemnity for the destruction of poultry and eggs infected with or exposed to H5/H7 LPAI will be based on the fair market value of the poultry as determined by appraisal. The appraisal will be conducted by a designated VS official appraiser and a designated State official appraiser jointly, or, if VS and the State authorities agree, by either a VS official appraiser or a State official appraiser alone. Poultry appraisals must be reported on VS forms as set forth in this document.

- 1) The appraiser will consult with the Area and Regional offices to determine the fair market value of the poultry and eggs that will be destroyed.

- a. For commercial poultry, these values will be determined using the current APHIS appraisal calculator values which are available through the Regional epidemiology officer.
 - b. For birds to be indemnified within the live bird marketing system (LBMS):
 1. Appraisal of birds in a retail market will be based on the wholesale purchase price of the birds, not the price at which the birds are being sold in the market.
 2. Appraisal of birds located at a wholesaler or distributor premises will be based on the purchase price of the birds at the production level.
 3. Appraisal of birds located at an LBMS producer premises will be based on the fair market value of the birds as determined by current wholesale value considering age, class of bird, and production time.
 4. While receipts are the best method of valuing birds within the LBMS, if receipts are not available, a survey of relevant wholesalers should be conducted to determine comparable value.
 - c. For specialty flocks, backyard flocks, or other flocks that need individualized appraisal support, the Regional epidemiology officer will contact the compensation specialist at the Centers for Epidemiology and Animal Health to establish an appropriate range of values for the birds. This information will be sent to the Area Office to help the appraiser.
- 2) The appraiser will complete VS Form 1-23 with the animal and egg inventory and value per head/egg as well as an appraisal report that explains how the values were determined. The appraiser, owner, and all mortgagees must sign this form to indicate agreement with the appraisal amount.
- 3) Initial Indemnity Request Package:

To be eligible for indemnity under 9 CFR 56, appraisals of poultry must be signed by the Regional Office before destruction of the poultry, unless the owners, the OSA, and the Regional Office agree in writing that the poultry be destroyed immediately.

- a. A copy of the completed and signed VS Form 1-23 (Appraisal and Indemnity Claim Form), the Appraisal Report, the signed flock plan, the LPAI Indemnity Request Form (Appendix B) and all supporting documentation (the indemnity request package) should be submitted to the Area Office to send to the Regional Office for approval. The appraiser should keep all copies of original VS Forms 1-23 until depopulation is complete.
- b. The LPAI Indemnity Request Form also requires estimated costs for depopulation, disposal, and cleaning and disinfection. These costs are

expected to be estimates; however, documentation indicating how the estimates were calculated should be attached to the indemnity request package before submission to the Regional Office.

- c. The producer, OSA, and VS should decide who will perform the tasks outlined in the forms and their approximate costs. This information will be used to develop a compliance agreement.

C. Development of a Compliance Agreement

The signatories should start developing the compliance agreement as soon as an H5/H7 LPAI exposure or infection is considered highly likely. The agreement can be developed and signed in parts. For example, if the producer is planning to dispose of depopulated poultry by in-house composting, this part of the compliance agreement can be developed and signed very quickly, while the portion of the agreement for cleaning and disinfection is developed.

The compliance agreement should be specific enough for costs to be accurately estimated. Costs should be listed by activity. Suggested activities that should be included in a compliance agreement for cleaning and disinfecting include:

- 1) Insecticide and rodenticide application (chemicals must be approved by VS) – cost of the materials, labor cost per hour, and number of hours to complete.
- 2) Closing or heating of building – utility cost for the number of days in the billing cycle activities were performed.
- 3) Composting – labor cost per hour and number of hours to complete, cost of any additional carbon sources needed, fuel for equipment, and any equipment rental required.
- 4) Litter (bedding material)/compost removal or disposal – labor cost per hour and number of hours to complete, fuel for equipment, and any equipment rental required.
- 5) Equipment disassembly/reassembly – labor cost per hour and number of hours to complete.
- 6) Dusting/dry cleaning – labor cost per hour and number of hours to complete, fuel for equipment, and any equipment rental required.
- 7) Wet cleaning – labor cost per hour and number of hours to complete, fuel for equipment, and any equipment rental required. Compliance agreements should specify what items and areas are to be wet cleaned. Only areas with gross organic contamination that cannot be cleaned using dry processes should be wet cleaned. Power washers should be used with caution as they can damage surfaces and equipment. Indemnity will not cover costs associated with damage caused by irresponsible cleaning techniques.

- 8) Drying – utility cost for the number of days in the billing cycle activities were performed.
- 9) Disinfection – cost of the materials, labor cost per hour, and number of hours to complete. Disinfectants used must comply with 9 CFR 71.10 and demonstrate efficacy for AI viruses. The Regional Office must approve the proposed disinfectants and application methods to ensure that they are economical and efficacious in controlling AI in the specific structure and materials to be disinfected. Disinfectants should be applied as specified by the manufacturer. If a power washer is used to apply disinfectant, care should be taken not to damage the building and other materials.
- 10) Litter replacement – cost of litter, labor cost per hour and number of hours to complete, fuel for equipment, and any equipment rental required.

This list is an example of the types of activities performed based on the cleaning and disinfection requirements in 9 CFR 56.5. Actual processes will depend on the requirements in the State ISRCP and the type of facility being cleaned.

The compliance agreement should be written with guidance from the OSA and VS. Templates for compliance agreements and documents to track costs for indemnity submissions are available as appendices to this document. (See Appendix C for a sample compliance agreement, and Appendices D and E (in a separate Excel spreadsheet) for accompanying cost estimate and cost reporting templates.)

D. Indemnity Claims for Depopulation of Poultry and/or Eggs

1) Approval of Indemnity Request Package

Once the Regional Office approves the indemnity request, the number of animals indicated on the VS Form 1-23 may only be changed by the appraiser if the head count at the time of depopulation differs from the previous inventory. Both the appraiser and the owner must initial and date any changes to the inventory. The price per head cannot be changed without resubmission of the entire package.

2) Destruction of Poultry and Eggs

- a. Poultry and eggs must be destroyed in accordance with the State's ISRCP and in consultation with VS.
- b. Depopulation of poultry should be conducted by State or Federal personnel, or under their direct supervision.
- c. All parties must sign the compliance agreement before depopulation so the producer can be reimbursed for the indemnifiable poultry.

- d. Once the poultry have been destroyed and the final inventory count appears on VS Form 1-23, the original form should be submitted to the Regional Office for immediate payment.
- 3) Indemnification of the OSA
 - a. VS may indemnify the OSA for costs associated with a confirmed H5/H7 LPAI infection under a cooperative agreement.
 - b. Reimbursable costs include those incurred by the OSA for depopulation, disposal, cleaning and disinfection, and area-enhanced surveillance in accordance with the State's ISRCP.
 - c. The OSA should contact the Area Office as soon as it determines that a cooperative agreement will be requested for information on developing a work plan, the allowable costs, and the records that will be required for reimbursement.

E. Indemnity Claims for Disposal, Cleaning, and Disinfection

- 1) As stated in part 56, indemnity for disposing of poultry and eggs and cleaning and disinfecting premises, conveyances, and materials that came into contact with poultry infected with or exposed to H5/H7 LPAI will be based on receipts or other documentation maintained by the claimant verifying expenditures for activities authorized by the part.
- 2) In the case of materials, if the cost of cleaning and disinfection would exceed the value of the materials, or cleaning and disinfection would be impractical, indemnity for the destruction and disposal of the materials would be based on the appraised fair market value of those materials. Materials will be appraised by a designated VS official appraiser and a designated State official appraiser jointly, or, if VS and State authorities agree, by either a VS official appraiser or a State official appraiser alone.
- 3) Any disposal of poultry and eggs and cleaning and disinfection of premises, conveyances, and materials for which indemnity is requested must be performed under a compliance agreement signed by the claimant, the OSA, and VS. All parties must sign the agreement before starting any activities for which indemnity is claimed. Any work performed before the agreement is signed will not be eligible for reimbursement.
- 4) Cleaning and Disinfection
 - a. Before starting cleaning and disinfection, the premises to be cleaned should be closely inspected by the producer, OSA officials, and VS to determine if there are materials present for which cleaning and disinfection would be impractical such as curtains or light traps (devices that prevent light from entering poultry barns around fans or other fixtures).

- b. Any items identified as impractical to clean and disinfect must be appraised and the fair market values and disposal costs indicated in the compliance agreement.
 - c. If, during cleaning and disinfection, items not identified during the inspection are found impractical to clean or are becoming damaged during normal cleaning, cleaning should be halted. The producer should contact the OSA or VS to arrange for an immediate inspection and appraisal.
 - d. If all parties agree, the compliance agreement can be amended to cover the fair market value and disposal costs for these items. Items should not be disposed of until all parties sign the compliance agreement amendment.
 - e. Damage caused by cleaning may not be covered by indemnity, but will be reviewed on a case-by-case basis to determine if repairs would be eligible for indemnity.
- 5) If at any time during cleaning and disinfection or disposal it becomes clear that the amounts in the initial compliance agreement for a specific activity were underestimated by more than 10 percent, the claimant should immediately contact the OSA or VS and submit an amendment to the compliance agreement. The amendment should include justification for any additional amounts requested. VS will not pay more than 10 percent above the estimates for activities in the compliance agreement if an amendment is not submitted and signed at the time of the activity.
- 6) VS will review indemnity claims for cleaning, disinfection, and disposal to ensure that all expenditures relate directly to activities described in 9 CFR 56.5 and in the ISRCP described in 9 CFR 56.10.

F. Routing of Documents

Completed compliance agreements must be signed by the producer, the OSA (State veterinarian), the AVIC, and the Regional Director before starting any work for which indemnity is to be claimed under the agreement.

Once work has been completed, receipts and documentation detailing cleaning, disinfection, and disposal activities specified in the compliance agreement should be forwarded to the Area Office with the final compliance agreement for the AVIC's review and approval. All documentation should be submitted to the Area Office no later than 30 days after the formal quarantine release of the infected or exposed premises. Once approved by the AVIC, the entire package should be submitted to the Regional Office for final approval and payment. (Please see Appendix E for a suggested template for the documentation of costs submitted for reimbursement.)

G. Unreimbursable Indemnity Claims

Indemnity claims submitted for the following costs will not be approved:

- 1) Costs for indemnity for birds depopulated before receiving written approval from the Regional Office.
- 2) Costs for disposal, cleaning, or disinfection incurred before receipt of a signed compliance agreement.
- 3) Costs not approved by the signed compliance agreement or its amendments.
- 4) Damage to property by personnel performing the work in the compliance agreement, unless they are Federal employees or contractors paid directly through Federal contracts.
- 5) Work not specified in the State ISRCP. Any deviation from the accepted ISRCP must be authorized in writing by APHIS and the OSA.
- 6) Work not associated with LPAI exposure or infection.
- 7) Infection or exposure caused by actions not in accordance with part 56, the ISRCP, or the signed flock plan.

7. Inquiries

Please contact VS poultry staff at (301) 851-3524 with any questions.

Dr. John R. Clifford
Deputy Administrator

Attachments: Appendices A-C

**Appendix A
Sample Flock Plan Template**

Flock Plan
H5/H7 LPAI Depopulation, Controlled Marketing, Disposal, Cleaning and Disinfection
Procedures for Commercial Premises in {insert State}

This is a written flock management agreement developed between USDA, APHIS, Veterinary Services (VS) and the {insert Cooperating State Agency}, with input from (Owner) _____ and (Producer/Grower) _____. {If applicable}

{Remove sections that do not apply}

Depopulation will be the primary responsibility of _____ who may be reimbursed for certain expenses before depopulation based on the fair market value of the poultry, as determined by an appraisal. Appraisals of poultry must be signed by the owners of the poultry before the destruction of the poultry, unless the owners, VS, and {insert Cooperating State Agency} agree that the poultry may be destroyed immediately.

Controlled marketing will be the primary responsibility of _____. Poultry moved for controlled marketing will not be eligible for indemnity.

Disposal will be the primary responsibility of _____, who may be reimbursed for certain expenses before disposal.

Cleaning and disinfection of premises, conveyances, and materials will be the primary responsibility of _____, who may be reimbursed for certain expenses based on receipts or other documentation maintained by the claimant verifying expenditures for cleaning and disinfection activities.

Quarantine and Enhanced Biosecurity:

{Insert details of the quarantine placed on the premises as well as biosecurity measures that must be followed for the duration of the quarantine period, such as policies for visitors, personnel, deliveries, carcass disposal, etc.}

Requests for Indemnity for Disposal, Cleaning, and Disinfection Activities

Any disposal of poultry and eggs and cleaning and disinfection of premises, conveyances, and materials for which indemnity is requested must be performed under a separate compliance agreement between the claimant, the Cooperating State Agency, and VS. The compliance agreement must be signed by all parties before the start of any of the activities for which

indemnity is claimed. Any work performed before the compliance agreement is signed will not be eligible for reimbursement.

The quarantine will be lifted and restocking allowed after the following procedures have been completed:

{Remove sections that do not apply}

Depopulation

The affected premises will be depopulated in a timely manner. Workers will be fit tested and medically approved before entering the farm and will don appropriate personal protective equipment. Biosecurity will be maintained using a clean area and dirty area, to be established before depopulation and disposal start. An aerial photo of the affected premises may help determine the location of certain equipment used in the process.

Poultry will be depopulated using _____. Personnel from _____ will conduct the process. Personnel from _____ will supervise the process. Depopulation must be conducted under the direct supervision of State or Federal personnel.

Controlled Marketing

Poultry infected with or exposed to H5/H7 LPAI must not be transported to a slaughter plant or market for controlled marketing until 21 days after the acute phase of the infection. Within 7 days before slaughter, each flock moved for controlled marketing must be tested for H5/H7 LPAI and found to be free of the virus. {Insert testing procedures to be used here; note that antigen capture is not an appropriate test to determine virus freedom} Poultry moved for controlled marketing will not be eligible for indemnity; however, costs related to cleaning and disinfection of premises, conveyances, and materials that came into contact with poultry that are moved for controlled marketing will be eligible for indemnity.

{Insert biosecurity measures for load-out and transport (i.e. end-of-day slaughter, truck routes to avoid other poultry premises, etc.) and cleaning and disinfection procedures for conveyances here}

Disposal of Destroyed Poultry and Eggs

The destroyed birds and eggs within the poultry houses will be disposed of by {insert disposal method} with the concurrence of VS, {insert Cooperating State Agency}, and {insert local environmental regulatory agency} following the procedures below.

{Insert carcass disposal procedures as specified in the Initial State Response and Containment Plan (ISRCP) and appropriate to the facility. Include cleaning and disinfection requirements for conveyances.}

Preparation for Cleaning and Disinfection

{Insert pre-cleaning and disinfection procedures as specified in the ISRCP and appropriate to the facility including heating, closing of the buildings, rodenticide and insecticide application, cleaning of feathers and debris from the outside of the facility, and, if applicable, carcass composting procedures}

Do not clean out the house or move or spread litter until any H5/H7 LPAI virus that may have contaminated the manure and litter is inactivated, as determined by {insert Cooperating State Agency} and in accordance with {insert appropriate section of ISRCP}.

{Insert disposal procedures as specified in the ISRCP and appropriate to the facility including procedures for removing and disposing of litter, compost, feed, and any other organic materials as well as cleaning and disinfection of conveyances}

Destruction and Disposal of Materials

In the case of materials for which the cost of cleaning and disinfection would exceed the value of the materials or for which cleaning and disinfection would be impractical for any reason, the destruction and disposal of the materials must be conducted in accordance with the ISRCP and in accordance with VS Guidance 8601.1. Prior VS approval is required for destruction of materials for which indemnity will be claimed.

Cleaning and Disinfection

Before commencing cleaning and disinfection procedures, the premises to be cleaned should be closely inspected with the producer, officials from the Cooperating State Agency, and VS to determine if there are materials present for which cleaning and disinfection would be impractical (such as curtains or light traps). Any items identified as impractical to clean and disinfect must be appraised and the fair market values and disposal costs determined. If during the cleaning and disinfection process items not identified during the inspection are found to be impractical to clean or are becoming damaged during normal cleaning processes, cleaning should halt. The Cooperating State Agency or VS should be contacted to arrange for an immediate inspection and appraisal of these items.

Cleaning and washing should ensure that all materials and substances contaminated with H5/H7 LPAI virus, such as manure, dried blood, and other organic materials, are removed from all surfaces.

{Insert cleaning procedures as specified in the ISRCP and appropriate to the facility. Note that wet cleaning or pressure washing is not required in all cases and cleaning procedures should be developed for each facility based on the facility construction, weather, and amount of organic contamination. The procedures listed here should specify what items and areas are to be wet cleaned. Only areas with gross organic contamination that cannot be cleaned using dry

processes should be wet cleaned. Power washers should be used sparingly and with caution as damage to surfaces and equipment can result.}

Disinfection of premises and materials: When cleaning has been completed and all surfaces are dry, all interior surfaces of the structure should be saturated with a disinfectant authorized in 9 CFR 71.10(a) and approved by the VS Regional Director. Disinfectants should be applied as specified by the manufacturer. If the manufacturer specifies the use of a power washer to apply disinfectant, care should be taken not to cause damage to the building and other materials. Apply disinfectant to all surfaces, making sure that the disinfectant gets into cracks and crevices. Pay special attention to automatic feeders and other closed areas to ensure adequate disinfection. {Insert specific disinfection procedures as specified in the ISRCP and appropriate to the facility here}

Cleaning and disinfection of conveyances: Clean and disinfect all trucks and vehicles used in transporting affected poultry or materials before soil dries in place. Both exterior surfaces, including the undercarriage, and interior surfaces, including truck cabs, must be cleaned. The interior of truck cabs should be washed with clean water and sponged with a disinfectant authorized in 9 CFR 71.10(a) and approved by the VS Regional Director. Manure and litter removed from these vehicles should be handled in a manner similar to that described in 9 CFR 56.5 (d)(2)(i). {Insert specific disinfection procedures as specified in the ISRCP and appropriate to the conveyances here.}

Surveillance of Control/Monitoring Zones, Contact Surveys, and Movement Restrictions:

{Insert surveillance plan as specified in the ISRCP and appropriate to the location and type of facility}

Activities after Cleaning and Disinfection

Premises should be checked for virus before repopulation in accordance with the ISRCP. This will include negative environmental sampling after cleaning and disinfection and completion of the surveillance procedures described above. {Insert specific environmental sampling, down-time, and inspection requirements as specified in the ISRCP and appropriate to the premises here.}

The premises may not be restocked with poultry until the quarantine is lifted and written approval for restocking is received from {insert Cooperating State Agency}.

Producer/Grower:

Address of Affected Facility:

Owner Name:

Signature Producer/Grower Representative: _____ Date: _____

Signature Emergency Management: _____ Date: _____

Signature State Veterinarian: _____ Date: _____

Signature USDA APHIS VS {insert Area} AVIC: _____ Date: _____

Signature USDA APHIS VS Regional Director: _____ Date: _____

**Appendix B
 Low Pathogenicity Avian Influenza Indemnity Request Form**

Report of Estimated Indemnity:

State:	Market/Distributor/Flock Owner:
City:	County:
Date of Report:	Report Prepared by:

1. Referral Control #:	2. Reason for Test*:
3. Date of Presumptive Positive:	4. # Birds in Flock/Market:
5. Date of Confirmed Positive:	6. Number of H5 Positives:
7. Number Tested:	8. Number of H7 Positives:
9. Participant in LPAI Program? Yes No	10. State Response Plan in Place? Yes No
11. Date of Appraisal:	12. Name of Appraiser:
13. Estimated Indemnity: \$	14. Estimated Depopulation Costs: \$
15. Estimated C&D Costs: \$	16. Estimated Disposal Costs: \$
17. Estimated Supplemental Cooperative Agreement: \$	

*Reason for Test: Routine Surveillance Trace Out Sick Bird Call Other (Describe Reason)

(Please include information on how estimates were derived as an attachment)

AVIC Signature _____ Date _____

Regional Office Use Only:

Priority: ___ High ___ Medium ___ Low	Reason:	LBMS/Backyard/Commercial _____
--	---------	-----------------------------------

Regional Epidemiologist Signature _____ Date _____

Budget Approval _____ Date _____ Amount _____ Acct. Code _____

Regional Officer Approval _____ Date _____

Poultry Staff Officer Approval _____ Date _____

Report of Actual Indemnity, Cost of Destruction, Transportation, and Disposal:

Date of Report:	Report Prepared by:
17. Epi Report Received: Yes No	18. Date Last + Flock Depopulated:
19. Date of C&D:	20. Actual Indemnity: \$
21. USDA Cost of C&D: \$	22. USDA Cost of Destruction: \$
23. USDA Cost of Disposal: \$	24. Cooperative Agreement: \$

AVIC Signature _____ Date _____

Appendix C
Sample Compliance Agreement Template

Compliance Agreement
Between USDA, APHIS, Veterinary Services (VS), {Insert Cooperating State Agency}, and
{Insert producer/owner name}
For LPAI Indemnity Payment

A. USDA, APHIS, VS agrees to:

Review, approve, and submit for payment indemnity claims arising from low pathogenicity avian influenza (LPAI) eradication and control activities, including reasonable costs associated with cleaning and disinfection of premises after removal of birds. Approval will be granted on the agreed-on associated costs and expenses indicated in this document as documented by the following: 1. Itemized invoices; 2. indemnity forms (VS Form 1-23); and 3. other requested and justifiable documentation of expenses as described in VS Guidance 8601.1.

B. Producer Responsibilities:

1. To have fully complied with the {insert State} Initial State Response and Containment Plan (ISRCP) for H5/H7 LPAI for depopulation, removal, and disposal of affected poultry and materials as well as cleaning and disinfection of affected premises as provided and approved by USDA, APHIS, VS {insert Area}, {insert Cooperating State Agency}, and the {insert State} Emergency Disease Management Committee.
2. To have a signed flock plan and compliance agreement in place before starting any activities for which indemnity will be claimed.
3. To have completed the procedures as described in the flock plan and this document and provided the requested documentation itemizing the associated costs.
4. To ensure that the premises is not repopulated until the quarantine is lifted and repopulation is authorized in writing by {insert State Agency}. This will include negative environmental sampling post cleaning and disinfection and approval of depopulation and disposal, cleaning and disinfection, and surveillance procedures described in the required flock plan.
5. If the above responsibilities are not met, indemnity payments may be withheld and the replacement flock on this premises may be ineligible for future indemnification.

C. Inspection of the Premises:

1. Before commencing cleaning and disinfection, the premises to be cleaned should be closely inspected with the producer, officials from the Cooperating State Agency, and VS to determine if there are materials present for which cleaning and disinfection would be impractical (such as curtains and light traps). Indicate date of inspection: {insert date}

2. Any items identified as impractical to clean and disinfect must be appraised and the fair market values and disposal costs indicated in the compliance agreement.
3. If during cleaning and disinfection items not identified during the inspection are found to be impractical to clean or are becoming damaged during normal cleaning processes, cleaning should be halted. The producer should contact the Cooperating State Agency or VS to arrange for an immediate inspection and appraisal.
4. If all parties agree, an amendment can be made to the compliance agreement to cover the fair market value and disposal costs for these items. Items should not be disposed of until the amendment to the compliance agreement is signed by all parties.
5. Damage caused by cleaning activities may not be covered by indemnity, but will be reviewed on a case-by-case basis to determine if repairs would be eligible for indemnity.

D. Cost Estimates:

{The compliance agreement should be specific enough for costs to be accurately estimated. It is suggested that costs be listed by activity. This list is an example of the types of activities performed based on the cleaning and disinfection requirements in 9 CFR 56.5, but actual processes will depend on the requirements in the State ISRC and the type of facility being cleaned. Detailed cost estimates should be listed under each activity. A cost estimate template can be found in Appendix D (in a separate document) to assist with determining reasonable estimates; see examples below}

Activities that are required for this compliance agreement for cleaning and disinfection include:

{Remove any items that do not apply; add any items necessary for the specific facility}

1. Insecticide and rodenticide application (chemicals must be approved by VS) – cost of the materials, labor cost per hour, and number of hours to complete.

{For Example:

Application of insecticide and rodenticide: estimated 1.5 hours of labor at \$16.50 per hour, plus \$150 for two bottles of Durashield insecticide and \$72 for one pail of Formula-10 rodenticide (applied as per label directions).

Cost: \$246.75}

2. Closing or heating of building – cost of electricity, propane, or other heating fuel for the number of days in the billing cycle activities were performed.

{For example:

See Appendix E (separate document) - Cost Reporting Template

Cost: \$243.66}

3. Composting – labor cost per hour and number of hours to complete, cost of any additional carbon source if needed, fuel for equipment, and any equipment rental required

4. Litter and compost removal and disposal – labor cost per hour and number of hours to complete, fuel for equipment, and any equipment rental required
5. Equipment disassembly/reassembly – labor cost per hour and number of hours to complete
6. Dusting/dry cleaning – labor cost per hour and number of hours to complete, fuel for equipment, and any equipment rental required
7. Wet cleaning – labor cost per hour and number of hours to complete, fuel for equipment, and any equipment rental required. Compliance agreements should specify what items and areas are to be wet cleaned. Only areas with gross organic contamination that cannot be cleaned using dry processes should be wet cleaned. Power washers should be used sparingly and with caution as damage to surfaces and equipment can result.
8. Drying – cost of electricity, propane, or other fuel for the number of days in the billing cycle activities were performed.
9. Disinfection – cost of the materials, labor cost per hour, and number of hours to complete. Disinfectants used must comply with 9 CFR 71.10 and demonstrate efficacy for AI viruses. Regional approval of the proposed disinfectants and application methods will be required to ensure that the product and application method are economical and efficacious in controlling AI in the specific structure and materials that are to be disinfected. Disinfectants should be applied as specified by the manufacturer. If the manufacturer specifies the use of a power washer to apply disinfectant, proper care should be taken not to cause damage to the building and other materials.
10. Litter replacement – cost of litter, labor cost per hour and number of hours to complete, fuel for equipment, and any equipment rental required.

If at any time during the disposal or cleaning and disinfection processes it becomes clear that the amounts provided in the initial compliance agreement were underestimated by more than 10 percent for a specific activity, the claimant should immediately contact the Cooperating State Agency or VS and submit an amendment to the compliance agreement. The amendment should include justifications for any additional amounts requested. No payment will be made for amounts more than 10 percent above the estimates for activities in the original compliance agreement if an amendment is not submitted and signed at the time the activity took place. VS will review claims for indemnity for disposal and cleaning and disinfection to ensure that all expenditures relate directly to activities described in 9 CFR 56.5, the {insert State} ISRCP and this compliance agreement. {See Cost Reporting Template for an example of how actual costs might be reported and the documentation required. Note that in the example the actual costs were actually more than 10 percent over the estimate and observe how this was authorized.}

Producer/Grower:

Address of Affected Facility:

Owner Name:

Signature Producer/Grower Representative: _____

Date: _____

VS Guidance

8603.1

Date 07/26/13

Signature Emergency Management: _____ Date: _____

Signature State Veterinarian: _____ Date: _____

Signature VS {insert Area} AVIC: _____ Date: _____

Signature VS Regional Director: _____ Date: _____

Attachment(s): {Indicate any attachments to the signed document including cost estimate information}
{Compliance Agreement Cost Template (separate document)}