



RESOLVE FOR A FOSTER CARE LIABILITY INSURANCE SPECIAL COMMISSION

[S.1280](#) Sen. Velis / [H.197](#) Rep. Arena-DeRosa

OVERVIEW

Establishes a special commission to study the problem of foster care liability insurance faced by Comprehensive Foster Care providers contracted by the Massachusetts Department of Children and Families (DCF). Without the ability to obtain insurance, hundreds of children in foster care with the most complex therapeutic needs will lose access to community-based foster homes. This would destabilize our child welfare system as a whole, including DCF, contracted providers, their workforce, and children who depend on this intensive level of care.

IMPACTS

Youth

- Over 1,000 of the 9,000 children in foster care in MA are placed in CFC foster homes with community-based providers.
- Foster care is an evidence-based practice to best serve a child who must be removed from their home of origin.
- If the foster care system does not resolve this insurance issue, youth will be shifted into more restrictive, traumatic settings.

Providers

- Foster care agencies provide therapeutic, comprehensive foster care to kids with the most intensive needs.
- Foster care agencies are required to have liability insurance to perform this function for DCF.
- With insurance carriers ending coverage of foster care nationally, providers have had to consider reducing services or closing due to an inability to pay higher insurance rates on the secondary market.

Child Welfare System

- DCF relies on contracted providers to find quality foster homes for youth with intensive therapeutic needs.
- Without therapeutic foster care homes operated by providers, DCF will need to take back recruitment, management, and oversight of CFC homes, at higher cost and burden to the Department.

POTENTIAL SOLUTIONS

- Include contracted providers under the state's indemnity
- State-funded high-deductible program
- Safe Provider discounts
- State-funded shared risk pool or victim's compensation fund
- State laws limiting liability
- Federal Fund conditioned on compliance with standards