

FFA Insurance Crisis

Updates from the Field



Background

- Nonprofit Insurance Alliance of California (NIAC) announces plans to non-renew FFA liability insurance coverage unless significant legislative changes are made (May)
- AB 2496 is gut-and-amended with NIAC's proposal (June)
- Legislation is significantly modified due to Legislature and stakeholder concerns (July)
- AB 2496 amended to provide tools for short-term solution to FFA crisis (August)
- AB 2496 signed into law (September)
- NIAC begins non-renewing FFA coverage (September)

Presenters

- Claire Ramsey, Chief Deputy Director, CDSS
- Kym Renner, Deputy Director, LA DCFS
- Amber Rivas, President & CEO, Aviva & Children's Family Services
- Christine Stoner-Mertz, CEO, CA Alliance of Child and Family Services/Catalyst Center

California Department of Social Services (CDSS)

Resources and Response

- All County Letter No. 24-77/Provider Information Notice 24-15 CRP:
 - Published 10/25/24
 - Provides the steps for an expedited portability process that may be utilized by FFAs facing closure to transfer all approved Resource Families to another FFA or county child welfare services agency.

- InfoBlast was sent to all FFAs:
 - Includes efforts we are working on and resources.
 - Includes a Questions and Answers section to provide clarification to questions FFAs may have.
 - Provides a list of insurers and brokers.
 - Provides a template notice (developed by CACFS and CWDA) that an FFA may provide to RFs with guidance on how they will be impacted and what steps to take.

CDSS Outreach and Support

- FFA Communications - CDSS' Community Care Licensing Division (CCLD) continues to contact FFAs to assess overall impact.
 - Tracking number of FFA closures or potential closures.
 - Tracking number of FFA Resource Family (RF) Homes with and without active placements.
 - For FFAs that are closing, tracking the number of FFA RF homes that port to another FFA or county.
- CCLD is offering ongoing technical assistance and support to all FFAs.

CDSS Longer Term Planning Efforts

- Bringing together stakeholders - AB 2496 Discussions
 - CDSS has been in communication with California Department of Insurance (CDI) and is helping to coordinate a discussion between CDI and CWDA, CACFS, counties, FFAs, IV-E Agreement Tribes, and other stakeholders to further examine available options to make insurance available to FFAs.

Los Angeles County – DCFS

- Impact to California counties and considerations
- How has legislation and CDSS guidance provided flexibilities
- What are we seeing so far in Los Angeles County
- Where do we go from here – county perspective

Navigating Insurance Renewal

Lessons from Aviva Family & Children's Services



Aligning stakeholders
on urgency is
challenging



Balancing
comprehensive
coverage with
cost constraints



Rising premiums
& coverage costs

Strategies for Supporting FFAs

Recommendations from Aviva Family & Children's Services

Connect early & communicate often

Assess, address, and tailor solutions to meet the unique needs of each FFA

Explore innovative solutions to prevent disruption in care

Navigate this process with persistence and patience



CA Alliance Advocacy

- Advocating for State/Counties to provide funds for increased premiums for nonprofit child-serving organizations
- Feasibility study of an independent Captive Insurance pool
- Need national and state leaders to amplify this crisis and offer possible solutions that protect children and nonprofits
- Other entities - childcare programs, schools districts, homeless services - are impacted