

12.16 Contingency Fund Policy

12.16.1 PRIOR TO FILING A CLAIM

The agency worker responsible for handling the claim or the licensed child-placing agency (CPA) case worker for the foster child will discuss with the foster child and foster parent(s) the circumstances surrounding the incident involved in the claim.

The following should be addressed with the foster parent and/or child:

- Adequacy of foster parent(s) insurance for coverage of valuables
- Adequacy of supervision of foster child's activities
- Precautions taken to prevent damages
- Consequences to child if applicable

12.16.2 WHO MAY FILE A CLAIM

- Claims on behalf of foster parent(s) are to be submitted to the Virginia Department of Social Services (VDSS) by the local department of social services (LDSS) worker for approval
- Local social services directors or designees **MUST** sign off on all claims being submitted for payment even if filed through CPA
- For children placed in CPA the CPA worker and/or the LDSS worker will view damages and discuss the proposed claim with the foster parent(s)
- All claims are to be submitted through the LDSS

12.16.3 EXCLUSIONS RELATED TO PROPERTY AND PERSONAL DAMAGE

- Claims for theft or destruction by a foster child of cash or uninsured jewelry
- Claims for normal wear and tear of property
- Claims for theft or destruction of guns or ammunition
- Claims for lost clothes
- Claims for Theft or loss where the foster parent's ownership is not clearly established
- Claims for vandalism or stolen property in excess of a police report estimate of damages
- Claims for wages lost due to injury

12.16.4 FILING A CLAIM

- **All claims of \$3000 and above MUST be submitted to the home owner's insurance of the foster parent(s) prior to filing a claim with VDSS.**
- The foster parent **MUST** notify the LDSS worker within 30 days of the **discovery** of the loss or damage.
- For claims made to LDSS related to children placed in a licensed CPA, the case manager **MUST** notify the LDSS worker within 30 days of the discovery of the loss or damage.
- Within 7 days of the report to the CPA or LDSS, the foster parent(s) must file a claim with their own insurance.

- The foster parent must provide home owner's insurance information to the CPA or LDSS worker along with the initial claim.
- For claims involving destruction, damage, or theft of property, the foster parent must produce evidence the items stolen or damaged were in their possession. All damaged or destroyed items MUST be viewed by the LDSS worker, within 30 days of discovery of the damage. In limited circumstances, if the item cannot be safely stored until viewed by the CPA or LDSS worker, the foster parent must produce proof of ownership. Acceptable proof of ownership includes sale receipts, photographs, or verification by the CPA or LDSS worker.
- In cases involving theft or intentional damage, CPA or LDSS workers and the foster parent(s) must determine whether a police report should be filed. Decisions may be based on the need for the youth's personal accountability. If a police report is filed it should be attached to the claim filed with VDSS.
- The Contingency Fund will pay insurance deductibles of \$500 or less.
- Exceptions to filing a claim with the home owner's or vehicle insurance of the foster parent(s) are as follows:
 - If a claim is less than the insurance deductible
 - If the home owner's insurance policy excludes damages or theft by residents/occupants of the home (proof of such exclusion must be submitted with claim)
 - If the foster parent(s) only have automobile liability coverage and the damage falls under collision coverage (proof of such exclusion must be submitted with claim)
 - If the foster parent(s) are filing multiple claims with VDSS and the amount of reimbursement for one claim is less than the insurance deductible, a claim for this item need not be filed. The other claims, if higher than the deductible must be submitted.
 - In the above instances, a copy of the insurance policy with information regarding the deductible and exclusions must be submitted with the claim to VDSS.
- All police report requirements of the home owner's insurance of the foster parent(s) must be met prior to filing a claim with VDSS. A copy of the approval/rejection letter from the homeowner's insurance of the foster parent(s) MUST be submitted with the claim to VDSS.
- An original signed estimate is required for claims involving repair or replacement of damaged property. A statement regarding the feasibility of repair versus replacement should be included. Additional estimates may be requested at the discretion of the LDSS or VDSS.
- All damages with an estimate of \$1000 or more require a second estimate.
- All medical liability claims must first be filed with the person's medical insurance company and accompanied by a physician's invoice and/or billing statement.

12.16.5 GUIDELINES for FILING A CLAIM

- The following completed forms must be submitted to VDSS within 45 days of the discovery of the loss or damage to the foster parent(s):
 - Foster Care Contingency Fund Claim Form (032-02-0509-00-eng)**
 - Department of Social Services W-9 Form (032-06-0016-00-eng)**
- All receipts or estimates must be submitted on official letterhead of the business providing the service.
- A statement from foster parent's insurance company regarding their action.

- If the foster parent has a valid reason for not applying to their insurance company, a letter of explanation should be included with information submitted to VDSS.

12.16.6 HOME OFFICE HANDLING OF CLAIM

- Decisions will be made on completed claim information within 30 days of the request. Any questions or concerns regarding the status of the claim needs to be made by the CPA or LDSS worker by contacting the VDSS Contingency Fund Specialist.