



Our Organizations:

Alliance of Nonprofits for Insurance, RRG (ANI)
Nonprofits Insurance Alliance of California (NIAC)
National Alliance of Nonprofits for Insurance (NANI)
Alliance Member Services (AMS)

Foster Parent Liability Insurance

Nonprofits Insurance Alliance of California (NIAC), part of Nonprofits Insurance Alliance (NIA), has determined that it will not require, at this time, foster parent agencies to purchase Foster Parent Liability (FPL) insurance for their foster families to be insured by NIAC through the California Alliance of Child and Family Services (CACFS) Program, although it is highly recommended.

Without it, foster families are exposed to uncovered claims because most homeowners insurance policies do not cover for the risks of being a foster parent.

NIAC's decision not to require this was not based on a conclusion that the state of California program is an effective solution for foster parents. Instead, we are concerned that the scarcity and cost of the FPL insurance for foster families does not justify the benefits of this requirement. However, if the FPL coverage is not purchased for foster families, NIAC may impose a higher deductible on the foster family exposures of an California Alliance member, than it does on the other risk exposures of that California Alliance member.