

Article - Insurers to pay Springfield diocese \$8.5 million for abuse claims

Springfield Republican (MA)

Wednesday July 02, 2008

By KEN ROSS

SPRINGFIELD - Five insurance companies have agreed to pay the city's Catholic diocese \$8.497 million to settle clergy sexual abuse claims.

"Many of the victims have patiently waited years for this to come," the diocese's Counseling and Victim Services Director Patricia F. McManamy said today.

The Diocese of Springfield announced today that it had settled a dispute with its insurance carriers over coverage of certain sexual abuse cases. The two sides petitioned Hampden County Superior Court for dismissal of a lawsuit filed by the diocese in 2005 against five insurance carriers.

The diocese held a news conference at its offices about the settlement. Bishop Timothy A. McDonnell could not attend due to "a long-standing three o'clock commitment in Watertown," according to a statement issued by McDonnell.

"Once again, I apologize to the victims for what they have suffered," McDonnell stated.

The settlement will enable the diocese to appropriate \$5 million to compensate abuse victims through a voluntary, independent arbitration process. Victims will be eligible to receive \$5,000 to \$200,000 each, according to a diocesan statement issued today.

"We would encourage victims to opt into this process," diocese spokesman Mark E. Dupont said.

The remaining \$3.497 million in insurance funds will be used to partially replenish \$7.7 million the diocese spent in 2004 to settle 46 sexual abuse claims, according to John J. Egan, the diocese's lawyer.

A national victims' rights group criticized today's announcement. "Often, in our experiences, these programs are more about protecting secrets and bishops than about helping victims and families," Barbara Blaine, president of the Chicago-based Survivors Network of those Abused by Priests, stated in an announcement issued yesterday. "While these efforts may result in some compensation for deeply wounded victims, church officials often require victims to sign away many legal rights to get that compensation."

Blaine and clergy abuse victims demonstrated outside the Springfield Diocese's Elliot Street chancery in April in support of alleged victims of the Rev. Aaron J. Cote, a suspended Catholic priest.

None of the 46 victims who settled with the diocese in 2004 will be eligible for additional payments through the recent \$5 million appropriation. Instead, the \$5 million will enable the diocese to settle 61 new claims filed with the diocese before June 2, diocesan documents state.

An independent, voluntary arbitration board will rule on the 61 claims, Egan said. Commonwealth Mediation of Brockton will serve as the independent mediator.

Commonwealth Mediation will charge \$1,000 per side for each hearing. Claimants will pay \$1,000 each. The diocese will pay the other \$1,000 per hearing, Egan said.

The 61 alleged victims do not have to participate in the arbitration process. If they do, they forfeit their right to sue to the diocese, Egan said.

The 61 claimants have until July 31 to decide if they want to participate in the arbitration process. Hearings will be held starting Aug. 11 and concluded by Oct. 10. Arbitrators will decide on monetary awards by Oct. 20 and make payments by Nov. 20, diocesan documents state.

Some of the 61 claims date back as far as 1943, Egan said. In order to be covered by the \$5 million arbitration fund, the abuse had to have occurred before Oct. 17, 1986. After 1986, the five insurance carriers stopped providing coverage for the diocese, diocesan documents state.

The diocese has received four complaints of abuse that occurred after 1986, Egan said. One complaint has gone to a review board, but no determination has been made on the complaint.