

Article - Insurers to pay \$8.5m in abuse case

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By Denise Lavoie

The Roman Catholic Diocese of Springfield has reached an \$8.5 million settlement with insurance companies to pay claims filed by people who were sexually abused by priests, the diocese announced yesterday.

Mark Dupont, a spokesman for the diocese, said that \$3.5 million will be used to pay back the diocese for a portion of the \$7.7 million it paid in 2004 to settle sexual abuse claims filed by 47 people.

The remaining \$5 million will be used to establish a settlement fund for 61 other victims, Dupont said. The victims are expected to receive amounts ranging from \$5,000 to \$200,000 after completing an arbitration hearing, said Dupont. Neither the diocese nor the insurance carriers will participate in the arbitration process.

"We're trying to create an environment that is not adversarial, where they are comfortable and where they can tell their story," Dupont said.

In 2005, the diocese sued five insurance carriers after they argued they had no obligation to cover so-called "negligent supervision" claims if diocesan officials were aware of sexual abuse by its priests. The diocese denied that supervisors knew about the abuse.

The lawsuit led to the release of diocesan and law enforcement files on clergy abuse investigations, including the unsolved early 1970s murder of 13-year-old altar boy Daniel Croteau.

"This is simply another small step in doing what we can, to try to . . . address the unspeakable harm that was done," Bishop Timothy A. McDonnell of Springfield said in a statement.

Most of the abuse happened in the 1960s and 1970s, though some claims date back to the 1940s, Dupont said.

Dupont said the diocese has paid \$12 million in settlement payments to clergy abuse victims since 2004, and an additional \$1 million on counseling and other programs to assist victims.

People with pending claims about abuse that happened before October 1986 will be eligible to participate in the arbitration process. All of the insurance carriers stopped providing insurance after 1986.

The arbitration will be conducted by Commonwealth Mediation in Brockton, the same firm that handled arbitration for more than 500 clergy abuse victims in Boston.

As part of the settlement, the diocese agreed not to release the names of the five insurance companies, Dupont said.

In a press release issued in May 2007, the diocese said the insurance carriers it sued included Travelers Insurance Co., Lloyds of London, and Interstate Fire and Casualty. None of the companies returned calls seeking comment yesterday.