§ 374-e. Authority to place out or board out children with therapeutic foster parents. A social services official or agency who is authorized to place out or board out children pursuant to section three hundred ninety-eight or three hundred seventy-four of this article, is authorized by the department to place out or board out children having special needs with therapeutic foster parents pursuant to subdivision fifteen of section three hundred ninety-eight of this article and in compliance with regulations of the department. Such placement shall only be made, however, when the official or agency demonstrates to the satisfaction of the department that state expenditures incurred in placing a child with a therapeutic foster parent are less than those that would be incurred if the children were placed in an institution.