

# LAWS

### OF THE

# **STATE OF MAINE**

### AS PASSED BY THE

ONE HUNDRED AND EIGHTEENTH LEGISLATURE

SECOND REGULAR SESSION January 7, 1998 to March 31, 1998

SECOND SPECIAL SESSION April 1, 1998 to April 9, 1998

THE GENERAL EFFECTIVE DATE FOR SECOND REGULAR SESSION NON-EMERGENCY LAWS IS JUNE 30, 1998

> SECOND SPECIAL SESSION NON-EMERGENCY LAWS IS JULY 9, 1998

PUBLISHED BY THE REVISOR OF STATUTES IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED, TITLE 3, SECTION 163-A, SUBSECTION 4.

> J.S. McCarthy Company Augusta, Maine 1997

request for replacement coverage is made while coverage is in effect or within 30 days from the termination of coverage; or

**Emergency clause.** In view of the emergency cited in the preamble, this Act takes effect July 1, 1998.

Effective July 1, 1998.

#### **CHAPTER 778**

#### H.P. 1543 - L.D. 2170

An Act to Implement the Recommendations of the Commission to Determine the Adequacy of Services to Persons with Mental Retardation

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 20-A MRSA §7258, sub-§§1-A and 1-B are enacted to read:

1-A. Care manager. Within 2 years before the date that a student with mental retardation, serious emotional disturbance or other developmental disabilities will graduate or finish school, the Department of Mental Health, Mental Retardation and Substance Abuse Services, in consultation with the pupil evaluation team of the school administrative unit, shall designate a case manager to participate in transition planning for that student. The case manager shall convene an adult services transition team, ensure interagency coordination and access to adult services, serve as a single contact person for the student transitioning into the adult services and attend pupil evaluation team meetings or provide relevant information to the pupil evaluation team for transition planning purposes.

**1-B. Annual report.** Beginning January 1, 1999 and annually thereafter, the department, in conjunction with the Department of Mental Health, Mental Retardation and Substance Abuse Services, shall report to the joint standing committee of the Legislature having jurisdiction over health and human services matters and to the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs regarding transition planning for the adult services system and the number of persons 16 years of age or older on waiting lists for services for persons with autism or mental retardation provided by or under the authority of the department and the Department of Mental Health, Mental Retardation and Substance Abuse Services.

Sec. 2. Management information system. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall continue to develop and improve its management information system that collects data on persons receiving services, persons on waiting lists for services, persons making the transition from school-based services to adult services and the ages of persons receiving those services and on the waiting lists. The information collected must be distributed so that it is accessible and understandable to consumers, their families, service providers and policymakers. The management information system must provide families with information regarding planning, service options and support resources. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall report its progress to the joint standing committee of the Legislature having jurisdiction over health and human services matters by January 1, 1999.

Sec. 3. Report on planning and budgeting. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall report on the implementation of adopting person-centered planning, in which services and supports are based on individual needs, choices and circumstances, as applied to all adult clients of the department requiring mental retardation services, and budgeting in accordance with those determinations. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall submit its report to the joint standing committee of the Legislature having jurisdiction over health and human services matters by January 1, 1999.

Sec. 4. Improve public information and education. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall develop a plan to improve public information and provide a community education program concerning persons with mental retardation that includes information on grievance procedures. The department shall report its progress to the joint standing committee of the Legislature having jurisdiction over health and human services matters by January 1, 1999.

Sec. 5. Encouraging fair compensation. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall take all necessary steps to encourage fair compensation for direct care workers employed by community mental retardation services providers, other than intermediate care facilities. The department shall study reimbursement methods for community mental retardation services providers, other than intermediate care facilities, including methods that provide cost-based reimbursement or cost-of-living increases. The department shall report its actions to encourage fair compensation for direct care workers and the results of its findings and any recommendations for action on cost-based reimbursement or cost-of-living increases to the joint standing committee of the Legislature having jurisdiction over health and human services matters by January 1, 1999.

**Sec. 6. Supplemental budget request.** The Department of Mental Health, Mental Retardation and Substance Abuse Services shall request funding in its 2000-2001 supplemental budget request to fund the cost-based reimbursement or cost-of-living salary increase for direct care workers employed by community mental retardation services providers, other than intermediate care facilities, at the amount recommended in the department's January 1, 1999 report to the joint standing committee of the Legislature having jurisdiction over health and human services matters.

See title page for effective date.

#### **CHAPTER 779**

#### H.P. 1553 - L.D. 2182

#### An Act to Create the Crime of Insurance Fraud and Require Reporting of Convictions to Licensing Authorities

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 17-A MRSA §354-A is enacted to read:

#### §354-A. Insurance deception

**1.** A person is guilty of theft if that person obtains or exercises control over property of another as a result of insurance deception and with an intention to deprive the owner thereof.

2. For purposes of this section, insurance deception occurs when a person intentionally makes a misrepresentation or written false statement that the person does not believe to be true relating to a material fact to any person engaged in the business of insurance concerning any of the following:

A. An application for the issuance or renewal of an insurance policy;

B. The rating of an insurance policy;

<u>C.</u> Payment made in accordance with an insurance policy;

D. A claim for payment or benefit pursuant to an insurance policy; or

E. Premiums paid on an insurance policy.

3. It is no defense to a prosecution under this section that the deception related to a matter that was of no pecuniary significance or that the person deceived acted unreasonably in relying on the deception.

Sec. 2. 17-A MRSA §901-A is enacted to read:

#### §901-A. Deceptive insurance practices

**1.** A person is guilty of deceptive insurance practices if in the course of engaging in the business of insurance that person intentionally makes a false statement with respect to a material fact concerning, or intentionally materially alters, any of the following:

A. A document filed with the Superintendent of Insurance or the insurance regulatory official or agency of another jurisdiction with respect to:

(1) The financial condition of an insurer;

(2) The formation, acquisition, merger, consolidation, dissolution or withdrawal from one or more lines of insurance in all or part of this State by an insurer;

(3) The issuance of written evidence of insurance; or

(4) The reinstatement of an insurance policy:

B. A document submitted by an insured, claimant or applicant to an insurer, insurance producer or other person; or

C. A document or report filed with a law enforcement agency.

2. A person is guilty of deceptive insurance practices if in the course of engaging in the business of insurance that person intentionally does any of the following:

A. Transacts the business of insurance in this State without proper licensure, certification or authorization;

B. Destroys, conceals, removes or otherwise impairs the verity or availability of any records of an insurer with the intent to deceive; or

C. Solicits or accepts new or renewal insurance risks on behalf of an insurer or the person engaged in the business of insurance by a person who knows or should know that the insurer or other person responsible for the risk is insolvent at the time of the transaction.