

# HOUSE BILL 1167

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CF SB 963

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By: **Chair, Health Committee ~~and Delegate Cullison~~ and Delegates Cullison, Guzzone, Hill, Hutchinson, S. Johnson, Kaufman, Kipke, Lopez, Martinez, Rosenberg, Taveras, and White Holland**

Introduced and read first time: February 11, 2026

Assigned to: Health

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Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 21, 2026

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 ~~Maryland Department of Health~~ **Department of Information Technology –**  
3 **Workgroup on the Medicaid Management Information System – System**  
4 **Mainframe System Replacement**

5 FOR the purpose of ~~requiring the Maryland Department of Health to replace the State~~  
6 ~~Medicaid Management Information System mainframe with a modular system~~  
7 requiring the Department of Information Technology to convene a workgroup on the  
8 Medicaid Management Information System mainframe system replacement; and  
9 generally relating to the replacement of the Medicaid Management Information  
10 System mainframe system.

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
12 That:

13 (a) The Department of Information Technology shall convene a workgroup on the  
14 Medicaid Management Information System mainframe system replacement.

15 (b) The workgroup shall consist of:

16 (1) at least one representative from the Maryland Department of Health;

17 (2) at least one representative from the Department of Human Services;

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1           (3) at least one representative from the Maryland Health Benefit  
2 Exchange;

3           (4) at least one representative from the Office of the Comptroller; and

4           (5) two individuals with experience in health insurance policy, of whom:

5               (i) one shall be designated by the President of the Senate; and

6               (ii) one shall be designated by the Speaker of the House.

7           (c) Subject to paragraphs (2) and (3) of this subsection, the workgroup shall assist  
8 the Maryland Department of Health in procuring and transitioning to a replacement  
9 mainframe system for the Medicaid Management Information System on or before July 1,  
10 2029, that:

11               (1) promotes payment accuracy, system security and performance,  
12 responsiveness, and modernizes the existing system's outdated technological  
13 infrastructure; and

14               (2) supports, at minimum, the functionalities of the existing system,  
15 including provider enrollment, medical, dental, and pharmacy claims processing,  
16 beneficiary inquiries, data reporting, and audit functions in accordance with the Centers  
17 for Medicare and Medicaid Services and other applicable federal requirements, including  
18 42 C.F.R. Part 322, Subpart C.

19           (d) The workgroup may consult with experts as necessary in conducting its duties.

20           (e) (1) On or before September 1, 2026, and every 3 months thereafter through  
21 September 1, 2029, the workgroup shall provide to the Senate Budget and Taxation  
22 Committee, the Senate Finance Committee, the House Appropriations Committee, the  
23 House Health Committee, and the Joint Audit and Evaluation Committee, in accordance  
24 with § 2-1257 of the State Government Article, a report on the progress made toward  
25 procuring a Medicaid Management Information System mainframe system replacement.

26               (2) In addition to the reports required under paragraph (1) of this  
27 subsection, on or before January 1, 2027, 2028, and 2029, the workgroup shall submit a  
28 report to the Senate Budget and Taxation Committee, the Senate Finance Committee, the  
29 House Appropriations Committee, the House Health Committee, and the Joint Audit and  
30 Evaluation Committee, in accordance with § 2-1257 of the State Government Article, on  
31 the activities of the workgroup, including a timeline for meeting the implementation  
32 deadline for the replacement.

33           (a) ~~In this section, "Department" means the Maryland Department of Health.~~

34           (b) ~~(1) The Department shall procure a replacement system for the State's~~  
35 ~~Medicaid Management Information System to promote payment accuracy, system security~~

1 ~~and performance, responsiveness, and to modernize the current system's outdated~~  
2 ~~technological infrastructure, subject to approval by the Centers for Medicare and Medicaid~~  
3 ~~Services as required.~~

4 ~~(2) The replacement system shall support, at a minimum, the~~  
5 ~~functionalities of the existing system, including provider enrollment, medical, dental and~~  
6 ~~pharmacy claims processing, beneficiary inquiries, data reporting, and audit functions in~~  
7 ~~accordance with the Centers for Medicare and Medicaid Services and other applicable~~  
8 ~~federal requirements, including 42 C.F.R. Part 433, Subpart C.~~

9 ~~(e) (1) On or before January 1, 2027, the Department shall integrate the~~  
10 ~~replacement system with the Medicaid Enterprise System.~~

11 ~~(2) On or before January 1, 2028, the Department shall:~~

12 ~~(i) transition all Department applications from the Annapolis Data~~  
13 ~~Center to the replacement system; and~~

14 ~~(ii) decommission the legacy Medicaid Management Information~~  
15 ~~System on completion of the transition.~~

16 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect ~~July~~  
17 June 1, 2026. It shall remain effective for 4 years and 1 month and, at the end of June 30,  
18 2030, this Act, with no further action required by the General Assembly, shall be abrogated  
19 and of no further force and effect.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.