

**Department of Legislative Services**  
Maryland General Assembly  
2025 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

Senate Bill 840  
Finance

(Senator Mautz)

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**Medicaid Management Information System - Surveillance and Utilization Review  
Subsystem - Publication of Procurement Schedule**

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This bill requires the Maryland Department of Health (MDH), by October 1, 2025, to publish on its website a schedule for the issuance of a solicitation for the procurement of a Surveillance and Utilization Review Subsystem (SURS) of the Medicaid Management Information System (MMIS). At least 60 days before the issuance of the solicitation, MDH must publish on its website written notice of the contracting procedures, requirements, and timetables. **The bill takes effect July 1, 2025.**

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**Fiscal Summary**

**State Effect:** MDH can publish the required information on its website using existing budgeted resources. Revenues are not affected.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** SURS is a component of MMIS and functions in accordance with federal regulations. Currently, these functions are operated through the Office of Medicaid Program Integrity Unit in MDH's Office of the Inspector General. MDH operates SURS to detect and prevent fraud, waste, and abuse in Medicaid claims processing. MDH's current SURS, which has been in place since the 1990s, helps identify potentially fraudulent billing by analyzing claims data. It generates comprehensive provider and recipient profiles when claims deviate from predefined service utilization criteria. These

reports support the detection of Medicaid fraud and abuse, as well as the development and adjustment of Medicaid policies and regulations to address emerging trends in health care service utilization. To enhance functionality, automation, and compliance monitoring, MDH is planning to modernize SURS as part of its broader MMIS replacement initiative.

**Additional Comments:** MDH advises that a solicitation for the new SURS system is expected to be released within the next 60 to 90 days, before the bill takes effect. Nevertheless, MDH will post the information regarding the solicitation in the public notice section of its website and on the eMaryland Marketplace Advantage procurement system.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Department of Information Technology; Department of General Services; Maryland Department of Health; Department of Legislative Services

**Fiscal Note History:** First Reader - February 28, 2025  
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