



THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

March 3, 2026

Testimony in Support of HB 1167

**Maryland Department of Health - Medicaid Management Information System -
Mainframe System Replacement**

Good afternoon, Vice Chair Cullison and honorable members of the Health committee. My name is Delegate Heather Bagnall. Thank you for this opportunity to present HB 1167 Maryland Department of Health - Medicaid Management Information System - Mainframe System Replacement. This legislation would direct the Maryland Department of Health to replace our state's Medicaid Management Information System mainframe with a modern system.

This bill is not about technology for technology's sake. It is about:

- protecting Maryland families.
- safeguarding taxpayer dollars.
- lowering the overall administrative expenses associated with Medicaid for the sake of supporting Medicaid benefits.
- ensuring provider sustainability and accurate reimbursement.
- And modernizing a system that processes billions in healthcare payments each year.

Why This Matters - Maryland Medicaid serves over 1.6 million residents — children, seniors, individuals with disabilities, working families, and rural communities.

Behind every provider payment, every pharmacy claim, every eligibility verification — there is an information system making that happen. Our current core Medicaid system was built on legacy mainframe architecture, is expensive to maintain and increasingly difficult to modify, carries security and operational risk as it ages, and limits our ability to innovate.

This bill ensures we replace that aging infrastructure with a modern, enterprise-aligned system consistent with federal Medicaid Enterprise standards under 42 C.F.R. Part 433, Subpart C. This is about accuracy, system security, performance and responsiveness, and ultimately, this is about trust. I respectfully ask for a favorable report.