

WES MOORE
Governor

ARUNA MILLER
Lt. Governor

MARIE GRANT
Commissioner

JOY Y. HATCHETTE
Deputy Commissioner



200 St. Paul Place, Suite 2700, Baltimore, Maryland 21202
Direct Dial: 410-468-2471 Fax: 410-468-2020
1-800-492-6116 TTY: 1-800-735-2258
www.insurance.maryland.gov

July 30, 2025

Via Email: jcr.docs@mga.maryland.gov

The Honorable Guy Guzzone
Chair, Senate Budget and Taxation Committee
Miller Senate Office Building, 3 West
11 Bladen Street
Annapolis, MD 21401

The Honorable Ben Barnes
Chair, House Appropriations Committee
House Office Building, Room 121
6 Bladen Street
Annapolis, MD 21401

RE: 2025 p60 MIA Insurance Tracking System (ITS) Project Status

Dear Chair Guzzone and Chair Barnes:

Enclosed please find the Report of the Maryland Insurance Administration summarizing the Insurance Tracking System (ITS) Project Status as mandated by the Joint Chairmen's Report on the Fiscal 2026 State Operating Budget (HB 350) and the State Capital Budget (HB 351) and Related Recommendations ("Joint Chairmen's Report"). See p. 60.

Five printed copies and an electronic copy of this report have been submitted to the DLS library for its records.

Should you have any questions regarding this Report, please do not hesitate to contact me or the MIA's Associate Commissioner of External Affairs and Policy Initiatives, Jamie Sexton at jamie.sexton@maryland.gov.

Respectfully yours,

A handwritten signature in blue ink, appearing to read "Marie Grant".

Marie Grant
Commissioner

cc: The Honorable Bill Ferguson, President of the Senate
The Honorable Adrienne A. Jones, Speaker of the House of Delegates
Sarah T. Albert, Department of Legislative Services (5 copies)



Insurance Tracking System (ITS) Project Status

Marie Grant
Insurance Commissioner

July 30, 2025

For further information concerning this document contact:

Ivey S. Warren
Chief of Staff
Maryland Insurance Administration
200 St. Paul Place, Suite 2700
Baltimore, Maryland 21202
410.468.2255

This document is available in alternative format upon request
from a qualified individual with a disability.
TTY 1.800.735.2258

The Administration's website address: www.insurance.maryland.gov

TABLE OF CONTENTS

I. Introduction	1
II. Project Progress in Previous Two Quarters	1
III. Projected Tasks to Be Completed in the Following Two Quarters and Beyond	3
IV. Actual Project Spending Over the Previous Two Quarters	3
V. Updates to Estimated Total Project Cost or Anticipated Project Timeline	3

I. Introduction

Page 60 of the Joint Chairmen’s Report of 2025 for the Fiscal Year 2026 budget year requires the Maryland Insurance Administration (MIA) to submit two update reports on the status of the implementation of a new Insurance Tracking System (ITS). These reports provide further updates to build upon the two status reports mandated in the 2024 Joint Chairmen’s Report. Pursuant to pages 43-44 of the Joint Chairmen’s Report of 2024 for the Fiscal Year 2025, the first report was submitted on July 10, 2024, and contains an overview and background about the project generally.¹ The second update, covering the time period from July 1, 2024 to December 31, 2024, was submitted on January 10, 2025.²

This report serves as the third update, covering the time period from January 1, 2025 to June 30, 2025, and specifically addresses the following items requested by the committees:

- a summary of progress made on the project in the previous two quarters and projected tasks to be completed in the following two quarters, including a list of all identified project development benchmarks and target dates and actual completion dates for each major benchmark;
- actual project spending over the previous two quarters; and
- any updates to the estimated total project cost or anticipated project timeline.

II. Project Progress in Previous Two Quarters

During the previous two quarters, the MIA has thoroughly defined and tailored the scope of work needed to be done, and through this review it became apparent that an expedited release date was needed for the units using the MIA’s legacy Enterprise system, particularly for the complaints units. In order to expedite the work on complaints, a third phase was added, and the project is now divided into three phases. Phase 1 was completed in Fiscal Year 2025, with Phase 1 “Releases” occurring in Fiscal Years 2024 and 2025. Within Phase 1, Release 1 was scheduled for Fiscal Year 2024, and two additional releases were scheduled for Fiscal Year 2025. As mentioned in the first report, 68 sessions with the MIA business units were conducted to complete the blueprint of the project, and over 500 user stories were documented and discussed to outline the units’ requirements in Phase 1. Each phase has a subset of releases that each business unit belongs to, comprising further discovery sessions, implementation (development), testing, and go-live.

¹ The July 10, 2024 submission can be found online at https://dlslibrary.state.md.us/publications/JCR/2024/2024_43-44_2024.pdf.

² The January 10, 2025 submission can be found online at https://dlslibrary.state.md.us/publications/JCR/2024/2024_43-44_2025.pdf.

Release 1 was completed on June 10, 2024. Salesforce has continued to work on Release 2 and Release 3 during the previous two quarters, which comprise three total business units in the MIA: Release 2 - Producer Licensing, and Fraud and Enforcement; and Release 3 - Company Licensing. During these Releases, Salesforce developed the Insurance Tracking System for the respective business units: service request management for Company Licensing, case management and document management for Fraud and Enforcement, and service request management for Producer Licensing. The implementation process included bi-weekly demonstrations to show each unit the progress of the development. From there, the MIA units were assigned to do thorough testing and provide feedback on any issues they encountered. The MIA continues to work with an integration team with Salesforce Professional Services on integrating third-party systems, such as State Based System (SBS), Regulatory Information Retrieval System (RIRS), and On-Line Fraud Reporting System (OFRS) from the National Association of Insurance Commissioners (NAIC). Salesforce also has a data migration team that works on moving data from the MIA's legacy Enterprise system, Enterprise Complaint Tracking System (ECTS), and various documents to the new system. The development took Salesforce 8 sprints (16 weeks) to complete.

The units involved in Release 2 were originally scheduled for User Acceptance Testing (UAT) and a Go Live date in late November 2024. However, the MIA worked with Salesforce to merge the Go Live date of Release 2 with Release 3 (May 2025) to mitigate impact on day to day staff work. Release 2 and 3 went live on May 19, 2025 successfully. The MIA is currently working toward two Releases in Phase 2, which are being referred to as "Release 4a" and "Release 4b". Release 4a is anticipated to go live November 2025 (Life & Health Complaints, Rapid Response, and Property & Casualty Complaints), and Release 4b in April 2026 (Hearings).

The MIA's internal steering committee, formed this year in January 2025, meets at least monthly to discuss and decide on pertinent issues that arise throughout the project. Additionally, the MIA welcomed a new Chief of Staff and Chief Information Officer in Fiscal Year 2025 who have taken on leadership roles in managing the project and the specific needs of the business units. A working group was also formed in February to make operational decisions arising on a consistent basis. Finally, the MIA has hired a contractual project manager with specific expertise in both project management and Salesforce experience. The goal of these organizational changes is to ensure broad employee engagement and buy-in to the project, and to ensure that the project is well managed from a budgetary, IT, and change management perspective moving forward.

III. Projected Tasks to Be Completed in the Following Two Quarters and Beyond

Phase 2 of the Project, expected to be completed during FY 2026, began in May 2025 and consists of four units: the Life and Health Division, Property and Casualty, Rapid Response (a program in the Consumer Education and Advocacy Unit to assist consumers with property and casualty inquiries), and the Office of Hearings. Release 4a is now expected to go live in November 2025, and 4b in April 2026. Further data migration and integration from existing and incoming systems will continue to be focal points during the next two quarters.

The Fiscal Year 2025 phase of the project remains in budget at \$9.2 million. In the previous report, we stated the expected cost of the entire project was projected to be approximately \$21.4 million, which includes the \$7.6 million budget approved for Fiscal Year 2026.

IV. Actual Project Spending Over the Previous Two Quarters

In Fiscal Year 2025, a budget amendment was approved by the Department of Information Technology (DoIT), the Department of Budget and Management (DBM), the Department of Legislative Services (DLS), and the Governor's Office, increasing the ITS project budget in Fiscal Year 2025 from \$4 million to \$9.2 million.

V. Updates to Estimated Total Project Cost or Anticipated Project Timeline

We anticipate Phase 2 of the project to be completed in Fiscal Year 2026. This phase will include Release 4a (Life & Health and Property & Casualty units) and Release 4b (Office of Hearings). In-depth scope and discovery sessions have started for Life & Health, and Property & Casualty units. The estimated timeline for completion of Phase 2, Release 4a, is November 2025, and for Release 4b, April 2026. The total estimated budget for the project through Fiscal Year 2026 is \$21.4 million. The scope of work for FY 26 includes previously overlooked components such as Amazon Web Services (AWS) integration for all relevant business units and ongoing production support services. AWS is needed to create an architecture solution for our Contact Center implementation. Additionally, the scope of work includes an acceleration of the transition of certain units to Salesforce to mitigate software upgrade issues with the legacy Enterprise system. The Enterprise system is currently hosted on a 2008 server, which has reached End of Life. Migrating the legacy code to updated 2025 servers would break functionality, requiring a full redesign and rewrite. This has created an urgent need to implement a new system.

As of the date of this report, the MIA anticipates that Phase 3 will begin in April 2026 and conclude in Fiscal Year 2027, subject to DoIT and DBM approval. This phase will incorporate additional applications that were not included in the original scope, such as premium receipt tax reporting and third-party administrator fraud reports. An updated projection for Phase 3 has been submitted to DoIT's MITDP managers; however, this submission reflects preliminary estimates and is currently being refined.