

employee of an agency and the state is supposed to be bound thereby. Senator Wehrbein and the Appropriations Committee have treated \$50 million, which is the number of dollars bandied about by Maximus and those who support this agreement, as the amount that is going to come to the state. Having absolute and total faith in that projection, the Appropriations Committee has in effect spent that money as though it were real dollars currently available. To date Maximus has brought to the state, from the information I have, practically \$7 million. They have brought in six million, nine hundred and some thousand dollars so for ease of reference I will say \$7 million. At 9 percent of that amount, nine times 7 million, 9 percent of that would be \$630,000. This contract was entered into August 12 of last year. This is May of the following year. There is no way anybody can convince me that Maximus which has done this kind of work for other states has expended \$630,000 worth of effort, \$630,000 worth of person hours. That has not been the case. Those who want to justify this contract say that Maximus was assuming all of the risk. There was no risk involved in this at all on Maximus. Maximus knows what the attitude of various states are because they do work all over the country. There is a mind-set in Nebraska that caused various administrations to be opposed to seeking federal money for certain programs, called social programs, with which they didn't agree. Maximus is aware of that. They know right where to go and which programs to look at to find the areas where Nebraska could have gotten a match and chose not to. So when they come in, they know that the first thing out of the chute will be enough to pay them for all the work they're going to do and they are not going to do an amount of work equal to what they'll be paid. If you have any questions along the way, I am prepared to answer them. I have given you an additional handout and the headline is "Medicaid Plan in Nebraska Faces Delay".

SPEAKER WITHEM PRESIDING

SPEAKER WITHEM: One minute.

SENATOR CHAMBERS: And this article was published on page 9 of the Omaha World-Herald, May 15. And Maximus has the contract for this managed-care program and it has to be delayed because fortunately the federal government is not as slipshod as state officials or Maximus people and there are questions that are going to have to be answered. When you are in the business of being paid a contingent fee, which by the way means a percentage