



David N. Walker Chief Financial Officer and Treasurer Second Quarter - Fiscal Year 2010

May 6, 2010





Select Financial Data: Q2 FY10 Compared to Q2 FY09

(\$mm, except per share data)	Q2 FY '09 Actual	Q2 FY '10 Actual	\$ change	% change
Revenue				
Operations	\$ 155.6	\$ 191.4	\$ 35.8	23%
Consulting	21.5	12.4	(9.1)	(42%)
Total	177.1	203.8	\$ 26.7	15%
Operating Income (Loss)				
Operations	\$ 19.7	\$ 21.7	\$ 2.0	10%
Consulting	0.5	0.5	-	0%
Other	(0.3)	-	0.3	nm
Legal (expense) recovery	(0.4)	6.0	6.4	nm
Total	19.5	28.2	\$ 8.7	45%
<i>Operating Margin %, excluding legal</i>	<i>11.2%</i>	<i>10.9%</i>		
Interest and Other Income, net	-	0.2	0.2	nm
Income Before Taxes - Continuing Ops	19.5	28.4	8.9	46%
Provision for Income Taxes	7.7	10.1	2.4	31%
Net Income - Continuing Operations	11.8	18.3	\$ 6.5	55%
Income - Discontinued Operations	(0.8)	0.4	\$ 1.2	nm
Net Income	\$ 11.0	\$ 18.7	\$ 7.7	70%
Fully Diluted EPS - Continuing Ops	\$ 0.66	\$ 1.02	\$ 0.36	55%
Fully Diluted EPS - Discontinuing Ops	\$ (0.04)	\$ 0.02	\$ 0.06	nm
Fully Diluted EPS - Total	\$ 0.62	\$ 1.04	\$ 0.42	68%
Adjusted EPS - continuing ops, (excl legal)	\$ 0.68	\$ 0.81	\$ 0.13	19%

Key Highlights:

Strong Q2 results driven by:

- International operations
- Sound results in our domestic business
- Favorable tax rate
- Net recovery of \$6.0 million (pre-tax), or \$0.21 per diluted share related to legal/settlement

Revenue up 15.1%; 8.5% on a constant currency basis; international work represents 27% of total Company revenue

Income from continuing ops of \$18.3 million, or \$1.02 per diluted share, (includes pre-tax \$6.0 million or \$0.21 per diluted share legal recovery)

Adjusted EPS from continuing operations of \$0.81 -- \$0.11 ahead of prior guidance, which includes \$0.06 for over delivery in Australia and UK and a \$0.05 benefit from decreasing tax rate as a result of more international work

Total company operating margin of 10.9%, excluding legal recovery



Operations Segment

Second Quarter Revenue

- Operations Segment revenue grew 23% to \$191.4 million compared to last year
- On a constant currency basis, revenue grew 15.6%

Second Quarter Operating Income

- Operations Segment operating income of \$21.7 million
- Segment operating margin was 11.4%, slightly better than expected, as a result of cost and resource management

International team doing an outstanding job of resource management relative to caseload mix and volumes in Australia and the United Kingdom



Consulting Segment

- Second quarter revenue totaled \$12.5 million
 - Decreased compared to Q2 09 which was unusually high from delivery of a large pass-through item related to an education contract; we also exited the RevMax business after Q2 09
- Operating income of \$460,000
- Operating margin of 3.7%
- Consulting revenue currently constitutes 6% of total Company revenue





Balance Sheet & Cash Flow

- Healthy cash and cash equivalents totaling \$121.4 million at March 31, 2010
- Fourth quarter DSOs of 68 days, well within our expectations of 65-80 days
- Cash provided by operating activities from continuing operations totaled \$21.4 million; free cash flow* from continuing operations of \$17.6 million
- Use of cash in the quarter:
 - Received net cash of \$6.0 million primarily from a legal recovery related to the Accenture settlement
 - Used cash of \$10.7 million for the acquisition of DeltaWare and other earn-out payments on previous acquisitions
 - Used cash of \$5.9 million for the purchase of 120,040 shares of MAXIMUS common stock.
- At March 31, 2010, \$45 million remains available under the Board-authorized program

With a sharper focus on health and human services BPO, MAXIMUS continues to generate consistently strong levels of cash from a recurring stream of predictable and profitable operations

*The Company defines free cash flow as cash provided by operating activities, less property, plant and equipment and capitalized software

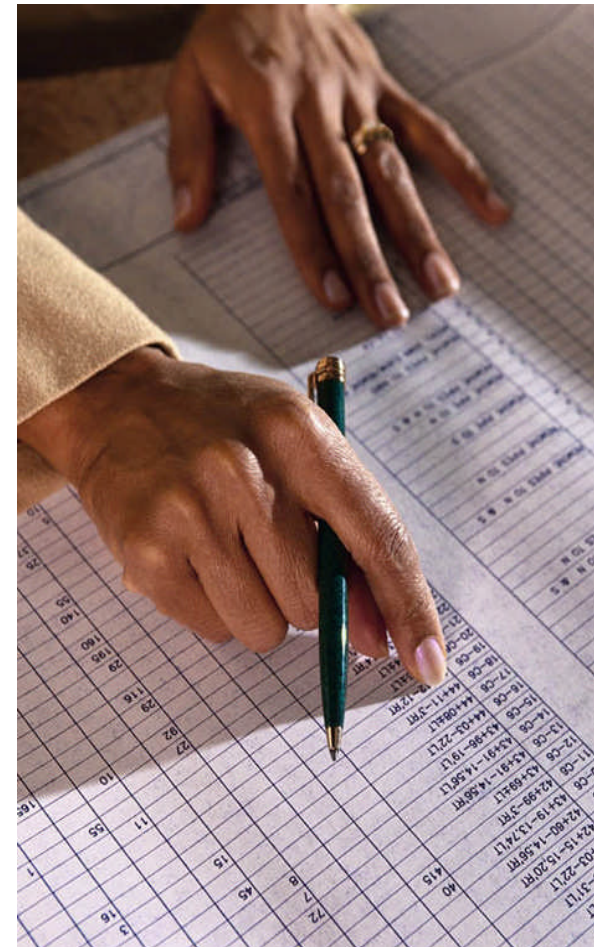


Raising FY 2010 Guidance From Continuing Operations

Updated FY 2010 guidance from continuing operations

	FY 2010E
Revenue	\$840 - \$860 million
Adjusted EPS from Continuing Ops	\$3.50 - \$3.60
Cash from Continuing Ops	\$110 - \$120 million
Free Cash Flow from Continuing Ops	\$90 - \$100 million

- Increased revenue guidance by \$10 million to include the DeltaWare acquisition
- Increased EPS guidance by \$0.15 to account for the expected lower tax rate from a greater mix of international business and strong earnings results
- Increasing FY 2010 cash flow guidance





Richard A. Montoni President and Chief Executive Officer Second Quarter - Fiscal Year 2010

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Landmark Legislation: Health Care Reform

- **Patient Protection and Affordable Care Act (PPACA)**
 - Expand access to health coverage to over 30 million Americans, protect patient rights, control health care costs and improve health care delivery system
 - Rules & regulations have yet to be finalized
 - Much of the program implementation happening at the state level
- **What MAXIMUS is Doing in Response to PPACA**
 - MAXIMUS is ideally positioned to help states implement required changes under the law, creating opportunities in existing service lines and in adjacent markets
 - The new law will create many opportunities across a wide spectrum of health insurance services
 - We have concentrated our marketing efforts in areas that represent the best fit for our capabilities

MAXIMUS is actively engaged with partners in helping them translate the requirements of the new law into practical operational plans



Health Care Reform: Where Are States Today?

- States are required to meet the mandates of PPACA
 - States must “**Do More With Less**” as resources are stretched and they must achieve concurrent health information technology requirements
 - MAXIMUS can fill the resource gap and bring efficiencies to administrative functions
- States are in varying stages of planning
 - Exchange is a marketplace where people compare health insurance plans and purchase coverage
 - Operational Exchanges must be in place by January 1, 2014
 - States considering if they can expand Medicaid and set up the Exchanges before 2014
- “Early Adopter” states already in planning phases
 - Some states have existing structures to expand Medicaid and set up the Exchanges
 - “**Early Adopters**” have created committees, task forces and study groups to create a roadmap of critical tasks for Medicaid expansion and Exchange models
 - MAXIMUS has a seat at the table; participating in planning and helping states devise strategies for implementing Medicaid expansion and the Exchanges



Early Adopters: A Bridge to Future Requirements

- A bridge between current programs and where they need to be in 2014
 - “**Early Adopter**” states already moving to simplify and modernize current eligibility and enrollment models for public health insurance programs
- New Contract Awards for “Early Adopters”
 1. Intent to Award for Colorado Eligibility and Modernization
 - Contract covers medical assistance programs (both Medicaid and CHIP); seeks to improve efficiency and effectiveness by simplifying eligibility and enrollment across all subsidized populations
 - Represents a strong reference design model to meet the core needs of future health insurance Exchanges
 2. Notified of Award for Medicaid and CHIP contract for a large state
 - Consolidation, simplification and centralization of enrollment services
 - Phases in different beneficiary groups over time, much like the Exchange function created under PPACA
 3. Notified of Award for enrollment services for the long-term care population
 - Flagship win in the adjacent long-term care market
 - Touches on core competencies of contact centers, outreach, eligibility screening, application intake

Fertile ground as states seek to streamline processes and create efficiencies and move to centralized task-based functions



MAXIMUS Core Competencies Intersect with New Laws

Provision/Function	Opportunity	MMS Qualifications
Health Exchanges	Education, outreach, and enrollment services administrative support; health appeals; administration of Navigators	Aligned with current core capabilities
Medicaid Expansion	Key building block for expanding coverage under HCR; administration simplification and eligibility modernization	Largest installed base in US
CHIP	HCR assures funding through 2015; participant expansion; increased federal matching rate; CHIP program now authorized through 2019	Largest installed base in US
Long-term Care	HCR provides greater flexibility and financial support for LTC programs; growth in the senior population	Aligned with current core capabilities

As regulatory reforms take hold, we believe the demand for our health appeals and related consumer protections services will also increase



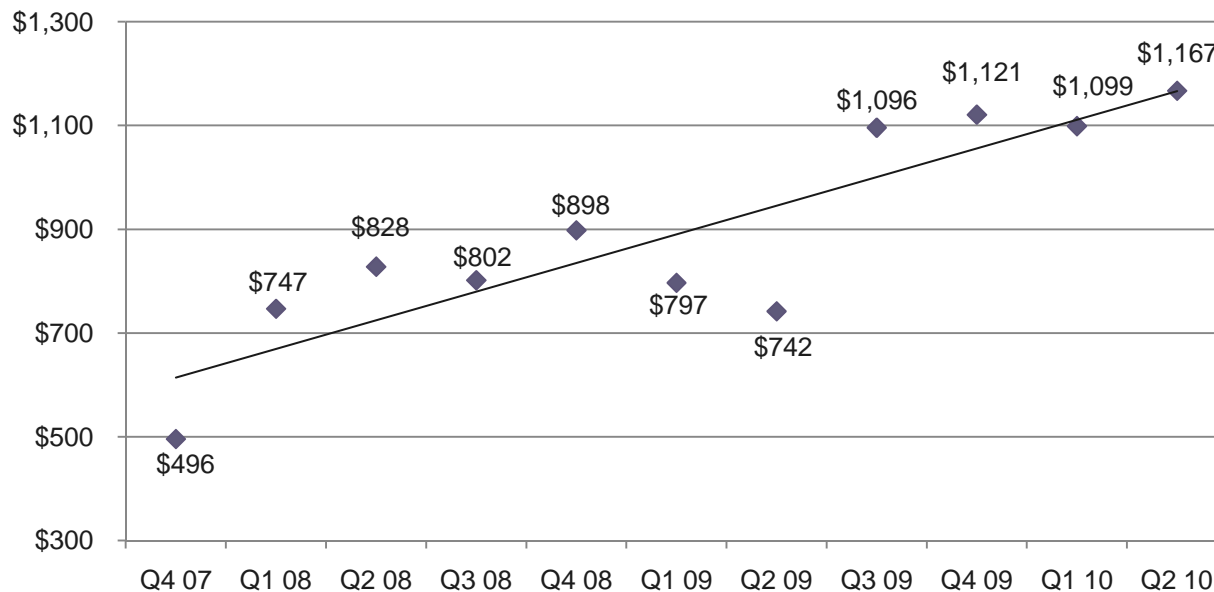
International Business Update

- Remain on track for international revenue to reach approximately 30% of total mix of business by fiscal year end
- Meeting all the key performance requirements in both Australia and the U.K.
- Actively pursuing new opportunities in international markets, including the U.K. where we are awaiting a decision on Phase 2 of the Flexible New Deal which represents a geographic expansion of the work we're already doing
- Expanding presence in Canada; Acquired DeltaWare
 - Complements core offerings
 - Brings new capabilities to MAXIMUS and broadens portfolio in the adjacent e-health, medical claims and drug information systems markets



Sales and Pipeline

Twelve-Month Trailing Sales (Signed)
(\$ in millions)



Pipeline	Q2 2009*	Q2 2010
Proposals Pending	\$651M	\$290M
Proposals in Preparation	\$110M	\$97M
RFPs Tracking	\$646M	\$1,453M
Total Pipeline	\$1,406	\$1,840M

*Restated to reflect divested businesses and ERP



Conclusion

- Solid second quarter results highlighted by our solid operational and financial delivery in our international markets
- Excited about the many long-term opportunities as Health Care Reform unfolds
- Gained early traction with 'bridge' programs that are laying the groundwork in helping states devise a roadmap to achieve the fundamental requirements under the new Health Care Reform laws
- Health Care Reform will be a decades-long growth driver
- MAXIMUS combines thought leadership and proven strategies to meet the challenges and opportunities in the global health and human services market