

CNSI Settles Wrongful Termination Lawsuit with Louisiana

Baton Rouge, LA – July 25, 2016 – CNSI, a leading business solutions provider with vast experience developing and delivering innovative health care management technology, announced today that it has agreed to settle its lawsuit against the state of Louisiana related to the wrongful termination of a Medicaid Management Information System (MMIS) contract awarded to CNSI in 2011.

In 2011, CNSI was chosen to replace Louisiana's decades-old MMIS after a six-month competitive bidding process. CNSI was selected, in part, because of its state-of-the-art technology and strong experience implementing and operating state Medicaid systems, a task it had undertaken four times prior to being awarded the Louisiana contract. Two years later, former Governor Bobby Jindal's administration abruptly cancelled the contract for cause after alleging that the procurement process was improperly influenced. Soon after, CNSI filed suit against the state for wrongful termination of the contract. Ensuing investigations and discovery failed to substantiate the Jindal administration's false claims.

As agreed upon in today's settlement, the state will change the terms of the cancellation from "for cause" to "for convenience" and authorize CNSI to submit its termination claim for work performed up to the date of termination and the costs of winding down the contract. The lawsuit has been mutually dismissed with prejudice and the parties have agreed to release all their claims, excluding CNSI's termination for convenience claim.

"I would like to express my deep appreciation, on behalf of all of us at CNSI, to Governor Edwards and Attorney General Landry," said CNSI President and Co-founder Adnan Ahmed. "They and their respective staffs have acted with prudence, understanding and transparency. CNSI is committed to ethical business practices and defending that commitment forced us into litigation in Louisiana, but today we are pleased to put the issue to rest and work together toward a lasting positive relationship."

The case in question was Client Network Services, Inc. v. State of Louisiana, et al, Docket No. 621,271, Section 22 Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

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