

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MICHIGAN

SOUTHEAST MICHIGAN HEALTH
INFORMATION EXCHANGE, a Michigan
nonprofit corporation,

Plaintiff,

v

Case No.

CLIENT NETWORK SERVICES, INC., a
Maryland corporation,

Defendant.

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Dickinson Wright PLLC
Attorneys for Defendant
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Lansing, MI 48933

NOTICE OF REMOVAL

Defendant Client Network Services, Inc. ("CNSI"), by and through Dickinson Wright PLLC, hereby removes the action entitled "*South East Michigan Health Information Exchange v Client Network Services, Inc.*," Case No. 12-1683-CZ, currently pending in the Circuit Court for the County of Eaton, State of Michigan, on the following grounds:

1. Plaintiff South East Michigan Health Information Exchange ("SEMHE") commenced this action in the Eaton Circuit Court alleging damages in excess of \$7 million.
2. The amount in controversy, exclusive of interest and costs, exceeds \$75,000.

3. SEMHIE "is a Michigan nonprofit corporation created by and under the laws of Michigan" (Complaint, ¶1), and has its principal place of business at 200 Fisher Building, 3011 West Grand Boulevard, Detroit, Michigan (Complaint Exhibit 1). SEMHIE is a citizen of the State of Michigan for purposes of 28 U.S.C. §1332.

4. Defendant CNSI has neither its headquarters nor its principal place of business in the State of Michigan, nor is it incorporated under the laws of the State of Michigan. CNSI is not a citizen of the State of Michigan for purposes of 28 U.S.C. §1332.

5. This Court has federal subject-matter jurisdiction under 28 U.S.C. §1332 because there is complete diversity of citizenship between the parties and the amount in controversy exceeds \$75,000.00. Removal is therefore proper under 28 U.S.C. §1441.

6. Plaintiff SEMHIE served its Complaint on Defendant CNSI on or after December 19, 2012. The action is therefore removed within 30 days of the date of service.

7. Exhibit 1 contains all of the pleadings and other documents served upon Defendant CNSI.

DICKINSON WRIGHT PLLC

By: /s/ _____

Date: January 17, 2013

PROOF OF SERVICE

The undersigned certifies that the foregoing was served upon all parties to the above cause to each of the attorneys of record herein at their respective addresses as disclosed on the pleadings on January 17, 2013.

BY: <u>xxx</u>	<input type="checkbox"/> U.S. Mail	<input type="checkbox"/> FAX
<input type="checkbox"/>	<input type="checkbox"/> Hand Delivered	<input type="checkbox"/> Overnight Carrier
<input type="checkbox"/>	<input type="checkbox"/> Express Mail	<input type="checkbox"/> Other

I declare under penalty of perjury that the statement above is true to the best of my information, knowledge and belief.

/s/ _____

EXHIBIT 1

Approved, SCAO Original - Court 2nd copy - Plaintiff
1st copy - Defendant 3rd copy - Return

STATE OF MICHIGAN JUDICIAL DISTRICT JUDICIAL CIRCUIT COUNTY PROBATE	SUMMONS AND COMPLAINT	CASE NO. 12-1683 -CZ
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Court address Eaton County Circuit Court, 1045 Independence Blvd., Charlotte, MI 48813 Court telephone no. (517) 543-4335

Plaintiff's name(s), address(es) and telephone no(s).
SOUTH EAST MICHIGAN HEALTH INFORMATION EXCHANGE, a Michigan nonprofit corporation

v

Defendant's name(s), address(es), and telephone no(s).
CLIENT NETWORK SERVICES, INC
a Maryland corporation with business address of:
15800 Gaither Drive
Gaithersburg, MD 20877
and
6465 Millennium Drive
Suite 150
Lansing, MI 48917.

Plaintiff's attorney, bar no., address, and telephone no.
Samuel J. Frederick (P64580)
Foster, Swift, Collins & Smith, P.C.
313 South Washington Square
Lansing, MI 48933 (517) 371-8100

SUMMONS NOTICE TO THE DEFENDANT: In the name of the people of the State of Michigan you are notified:

- You are being sued.
- YOU HAVE 21 DAYS** after receiving this summons to **file an answer with the court** and serve a copy on the other party **or take other lawful action with the court** (28 days if you were served by mail or you were served outside this state). (MCR 2.111(C))
- If you do not answer or take other action within the time allowed, judgment may be entered against you for the relief demanded in the complaint.

Issued 12/13/12	This summons expires 3/14/13	Court clerk M. James Fuller
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*This summons is invalid unless served on or before its expiration date.
This document must be sealed by the seal of the court.

COMPLAINT Instruction: The following is information that is required to be in the caption of every complaint and is to be completed by the plaintiff. Actual allegations and the claim for relief must be stated on additional complaint pages and attached to this form.

Family Division Cases

- There is no other pending or resolved action within the jurisdiction of the family division of circuit court involving the family or family members of the parties.
- An action within the jurisdiction of the family division of the circuit court involving the family or family members of the parties has been previously filed in _____ Court.
- The action remains is no longer pending. The docket number and the judge assigned to the action are:

Docket no.	Judge	Bar no.
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General Civil Cases

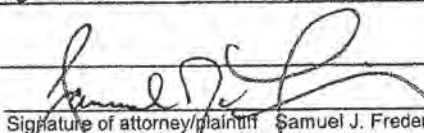
- There is no other pending or resolved civil action arising out of the same transaction or occurrence as alleged in the complaint.
- A civil action between these parties or other parties arising out of the transaction or occurrence alleged in the complaint has been previously filed in _____ Court.
- The action remains is no longer pending. The docket number and the judge assigned to the action are:

Docket no.	Judge	Bar no.
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VENUE

Plaintiff(s) residence (include city, township, or village) Doing business in Eaton County, Michigan Place where action arose or business conducted Eaton County, Michigan	Defendant(s) residence (include city, township, or village) Doing business in Eaton County, Michigan
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December 13, 2012
Date


Signature of attorney/plaintiff Samuel J. Frederick (P64580)

If you require special accommodations to use the court because of a disability or if you require a foreign language interpreter to help you to fully participate in court proceedings, please contact the court immediately to make arrangements.

STATE OF MICHIGAN
CIRCUIT COURT FOR THE COUNTY OF EATON

SOUTH EAST MICHIGAN HEALTH
INFORMATION EXCHANGE, a Michigan
nonprofit corporation,

Plaintiff,

v

CLIENT NETWORK SERVICES, INC., a
Maryland corporation

Defendant.

CASE No: 12- 1683-CZ

HON.

THOMAS S. EVELAND

COMPLAINT
AND
JURY DEMAND

FOSTER SWIFT COLLINS & SMITH, P.C.

Samuel J. Frederick (P64580)
Attorneys for Plaintiffs
313 South Washington Square
Lansing, Michigan 48933
(517) 371-8100

There is no other settled or resolved civil action arising out of the transaction or occurrence alleged in the complaint.

COMPLAINT

South East Michigan Health Information Exchange, by and through their attorneys, Foster Swift, Collins & Smith, P.C. and for their complaint against Defendant Client Network Services, Inc. state as follows:

1. South East Michigan Health Information Exchange ("SEMHE") is a Michigan nonprofit corporation created by and under the laws of Michigan, conducting business in Eaton County, Michigan.

2. Defendant Client Network Services, Inc. ("CNSI") is a Maryland company created by and under the laws of Maryland and conducts business in Eaton County, Michigan and maintains a business office at 6465 Millennium Drive, Suite 150, Delta Township, Eaton County, Michigan 48917.

3. Defendant CNSI entered into a contract with Plaintiff SEMHIE to provide and develop information technology and related services in connection with the fulfillment of Plaintiff SEMHIE's Social Security e-Disability project (hereinafter the "Software") for the total price of One Million Two Hundred Four Thousand Six Hundred Thirty Three and 08/100 Dollars (\$1,204,633.08) (hereinafter the "Agreement"). A copy of the Agreement is attached as **Exhibit A**.

4. The venue is proper in Eaton County, Michigan.

5. This case is within the jurisdiction of the circuit court because Plaintiff SEMHIE seeks damages in excess of \$25,000 and equitable relief.

6. On or about February 1, 2010, Plaintiff SEMHIE was awarded a Two Million Nine Hundred Eighty Eight Thousand and No/100 Dollars (\$2,988,000.00) contract from the United States Social Security Administration ("SSA") for the purpose of delivering a technology used to automate the process of filing social security disability insurance claims. Due to the withdrawal of Henry Ford Health System from participation in the SSA project, the SSA contract was unilaterally amended by SSA and the value reduced to One Million Eight Hundred Twenty-Two Thousand, Five Hundred and Forty Five Dollars and Eighty Cents (\$1,822,545.80), effective May 23, 2012.

7. On or about October 19, 2011, Plaintiff SEMHIE'S Software developed under the SSA contract, was validated for conformance in the interoperability testing by the Office of the

National Coordinator of Health Information Technology of the U.S. Department of Health and Human Services. As a result of this validation, Plaintiff SEMHIE is part of a 20 member group of federal agencies and non-federal organizations, and the only Michigan entity authorized to exchange information using the Nationwide Health Information Network ("NwHIN").

8. Plaintiff SEMHIE's SSA and NwHIN Software was developed using a team of outside vendor developers and architects including, in part, Defendant CNSI. Plaintiff SEMHIE and Defendant CNSI entered into the Agreement on December 31, 2010 for Defendant CNSI to participate with other vendors in the development of the SSA, NwHIN and related Software, which, pursuant to the Agreement for the Software which shall be owned by Plaintiff SEMHIE.

9. The value of the contracts between Plaintiff SEMHIE and the other vendors participating in the development of the Software is in excess of \$2,600,000.

10. The Agreement between Plaintiff SEMHIE and Defendant CNSI, which Agreement was drafted by Defendant CNSI's in-house counsel, provides in Section 7.2 that all "inventions created or conceived by CNSI in performance of services hereunder are 'works made for hire' and all interest, right, and title in and to such inventions is vested in SEMHIE." Section 7.3 states that "[p]atents, copyrights, and trade secrets in computer software, including computer software documentation, are also 'works made for hire' and shall be treated in the same manner as inventions under paragraph 7.2 above."

11. Pursuant to Section 1.2 of the Agreement, all work shall be performed pursuant to the Task Order signed by both parties.

12. Pursuant to the Amendment to the Task Order dated April 28, 2012, Defendant CNSI agreed to provide additional work under the Agreement to assist Plaintiff SEMHIE complete the SSA Contract.

13. Pursuant to the SSA Contract and as reflected in the Task Order and the Amended Task Order, the work under the Agreement was divided into three "Milestones."

14. On October 17, 2011 Defendant CNSI invoiced Plaintiff SEMHIE for work completed pursuant to Milestone 1 in the Task Order, in the amount of One Hundred Eighty Thousand Six Hundred Ninety-Four and 96/100 Dollars (\$180,694.96). Plaintiff SEMHIE paid One Hundred Twenty Thousand and No/100 Dollars (\$120,000.00) of the invoiced amount and Defendant CNSI agreed to defer payment of the remaining amount to Milestone 2.

15. On May 14, 2012 Defendant CNSI invoiced Plaintiff SEMHIE for work completed pursuant to Milestone 2 in the Task Order, in the amount of Three Hundred Sixty-One Thousand Eight Hundred Fifty-Three and 23/100 Dollars (\$361,853.23), which included the Sixty Thousand and No/100 Dollars (\$60,000.00) deferred amount from Milestone 1. Plaintiff SEMHIE paid the full amount of this invoice in June 2012.

16. Forty Thousand and No/100 Dollars (\$40,000.00) of this amount was deferred by CNSI to Milestone 3.

17. All work for Milestone 3, including the additional work under the Task Order Amendment was completed by July 2, 2012.

18. Plaintiff SEMHIE has repeatedly, both orally and in writing, demanded delivery, access and possession of the Software from Defendant CNSI.

19. Defendant CNSI has failed to provide access or possession of the Software to Plaintiff SEMHIE, despite the explicit terms of the contract and payment of money from Plaintiff SEMHIE to Defendant CNSI.

20. Section 2.2(a) of Schedule A of the Agreement between Defendant CNSI and Plaintiff SEMHIE provides that "failure of CNSI to invoice SEMHIE within sixty (60) calendar

days after Task Order period performance completion shall relieve SEMHIE of all financial obligations, liabilities and payments to CNSI for any and all unbilled costs, profit and/or fees under the Task Order."

21. Defendant CNSI did not invoice Plaintiff SEMHIE within sixty (60) days of completion of the Milestone specified in the Task Order, which was July 2, 2012.

22. Plaintiff SEMHIE did not receive an invoice from Defendant CNSI for Milestone 3 until September 28, 2012.

23. Defendant CNSI's failure to invoice Plaintiff SEMHIE within the deadline relieves Plaintiff SEMHIE from payment of the last, late-issued invoice.

24. Prior to completion of Milestone 3, Henry Ford Health System withdrew from participation in the SSA project and the SSA unilaterally reduced the value of the SSA contract to \$1,822,545.80.

25. Notwithstanding, and in full knowledge of the SSA's unilateral reduction in the amounts to be paid to Plaintiff SEMHIE under the SSA contract, Defendant CNSI continued work under the Agreement as written and amended, and did not request further amendment to such Agreement. If Defendant CNSI had intended to seek ownership of the Software, it had the opportunity to make such a proposal under the Agreement, but never did so.

26. SEMHIE notified SSA and its vendors of completion of Milestone 3 on July 2, 2012.

27. Plaintiff SEMHIE and the Michigan Health Information Network ("MIHIN") entered into discussions, commencing the first week of September 2012, for MIHIN to license or otherwise acquire the software from Plaintiff SEMHIE. The proposed MIHIN transaction would have provided Plaintiff SEMHIE with a substantial portion, if not all, of the revenue needed to

fulfill Plaintiff SEMHIE's current and anticipated expenses, including amounts allegedly due to Defendant CNSI.

28. On September 12, 2012, Plaintiff SEMHIE formally requested that Defendant CNSI provide MIHIN and Plaintiff SEMHIE access to the Software for due diligence review. That request was made directly to Defendant CNSI's representative by Plaintiff SEMHIE's Treasurer, by MIHIN which is also Defendant CNSI's client, and through counsel.

29. Defendant CNSI's refusal and failure to provide delivery, access or possession to the Software caused MIHIN to terminate the commercial licensing deal with Plaintiff SEMHIE regarding the Software.

30. Defendant CNSI's refusal to provide delivery, access or possession to the Software to Plaintiff SEMHIE is the direct cause of the suspension of Plaintiff SEMHIE from the SSA project by SSA, effective November 19, 2012.

31. Plaintiff SEMHIE has repeatedly, both orally and in writing, demanded delivery, access and possession of the Software from Defendant CNSI.

32. Defendant CNSI has refused to provide delivery, access or possession to the Software.

**COUNT I
BREACH OF CONTRACT, SPECIFIC PERFORMANCE
AND OTHER RELIEF AGAINST DEFENDANT**

33. Plaintiff SEMHIE realleges the allegations contained in paragraphs 1 through 32 above as fully restated herein.

34. On December 31, 2010, Plaintiff SEMHIE entered into the Agreement with Defendant CNSI to develop the Software, thereby the title of ownership vested in Plaintiff SEMHIE.

35. Section 7.2 of the Agreement states that "[i]nventions created or conceived by CNSI in performance of services hereunder are 'works made for hire' and all interest, right and title in and to such inventions is vested in SEMHIE." (Emphasis added).

36. Plaintiff SEMHIE made all payments for the Software as required by the Agreement.

37. Defendant CNSI has breached its obligations under the Agreement by failing to provide access to or transfer the developed Software to Plaintiff SEMHIE.

38. Defendant CNSI's breach of the Agreement leaves Plaintiff SEMHIE without an adequate remedy at law. Therefore, Plaintiff SEMHIE is entitled to specific performance of the Agreement and transfer of all right, title and interest of the Software to Plaintiff SEMHIE.

39. In addition, Defendant CNSI's breach of the Agreement, has caused delay in Plaintiff SEMHIE's financial and business plans, such as commercializing and licensing the Software, and has resulted in and will continue to result in economic damages to Plaintiff SEMHIE.

40. Plaintiff SEMHIE has attempted to communicate with Defendant CNSI multiple times and Defendant CNSI has refused to respond to or remedy the breach of the Agreement.

WHEREFORE, Plaintiff SEMHIE respectfully requests this Honorable Court to (a) enter judgment in favor of Plaintiff SEMHIE requiring Defendant CNSI to specifically perform its obligations under the Agreement by transferring or providing access to the Software created on behalf and for Plaintiff SEMHIE; (b) enter a judgment in favor of Plaintiff SEMHIE requiring

Defendant CNSI to pay all direct, indirect, incidental and consequential damages incurred by Plaintiff SEMHIE as a proximate result of Defendant CNSI's breach of contract; (c) award Plaintiff SEMHIE its reasonable attorney fees; and (d) award any further and other relief that this Honorable Court deems just and appropriate.

**COUNT II
BREACH OF CONTRACT, ALTERNATIVELY,
DAMAGES AGAINST DEFENDANT**

41. Plaintiff SEMHIE realleges the allegations contained in paragraphs 1 through 40 above as fully restated herein.

42. Defendant CNSI entered into the Agreement on December 31, 2010 with Plaintiff SEMHIE to develop the Software for the sole and exclusive ownership of Plaintiff SEMHIE.

43. Defendant CNSI has failed to perform its obligations as fully restated herein.

44. Defendant has failed or refused to make any reasonable efforts to remedy or compensate Plaintiff SEMHIE for its damages.

45. Defendant CNSI's conduct as described in this complaint makes a substantial and material breach of the Agreement (attached as Exhibit A).

46. Plaintiff SEMHIE has been damaged by Defendant CNSI's breach of the Agreement.

WHEREFORE, Plaintiff SEMHIE respectfully requests this honorable Court enter a judgment in favor and against Defendant CNSI for all damages Plaintiff SEMHIE has suffered, together with interests, costs, out-of-pocket expenses, attorney fees, and all other such relief as this Honorable Court deems just and appropriate.

**COUNT III
CONVERSION**

47. Plaintiff SEMHIE realleges the allegations contained in paragraphs 1 through 46 above as fully restated herein.

48. Plaintiff SEMHIE commissioned Defendant CNSI to develop the Software by entering into an Agreement on December 31, 2010 that provides in Section 7.2 and 7.3 that "all interest, right and title in and to" inventions, patents, copyrights, trade secrets in computer software, including computer software documentation are treated as works made for hire and "is vested in SEMHIE."

49. Plaintiff SEMHIE owns all right, title and interest to the Software developed by Defendant CNSI.

50. Plaintiff SEMHIE has repeatedly, both orally and in writing, demanded access, delivery, possession of the Software from Defendant.

51. Defendant CNSI has, both expressly and by its silence, refused to provide access or deliver the Software that Defendant CNSI has converted and will not relinquish to Plaintiff SEMHIE.

52. Defendant CNSI converted and denied access to the Software beginning in September 2012.

53. When the Software was converted, the fair market value of the Software, by way of contractual development, was One Million Two Hundred Four Thousand Six Hundred Thirty-three and 08/100 Dollars (\$1,204,633.08) under the Agreement plus the amounts SEMHIE has paid or owes to other vendors of approximately One Million Four Hundred Dollars (\$1,400,000),

for a total value based solely on contractual development and not including any commercialized value of approximately \$2,600,000.

54. Upon information and belief, Defendant CNSI has unlawfully taken and asserted dominance over the Software, of which title is vested in Plaintiff SEMHIE.

55. The acts described above constitute an unlawful conversion of Plaintiff SEMHIE'S property, resulting in treble damages to Plaintiff SEMHIE in the amount of Seven Million Eight Hundred Thousand Dollars (\$7,800,000).

WHEREFORE, Plaintiff SEMHIE requests that this honorable Court enter judgment against Defendant CNSI in the amount of Seven Million Eight Hundred Thousand Dollars (\$7,800,000), plus interest, costs, attorney fees, and and any other relief that this honorable Court may deem just and appropriate under the circumstances.

COUNT IV
VIOLATION OF MICHIGAN UNIFORM TRADE SECRETS ACT, MCL 445.1901

56. Plaintiff SEMHIE realleges the allegations contained in paragraphs 1 through 55 above as fully restated herein.

57. Plaintiff SEMHIE possesses confidential and proprietary information and know how in the area of combining information and technology to automate the process of filing social security disability insurance claims and development of a health information exchange for disability claims. Such confidential and proprietary information of Plaintiff SEMHIE constitutes trade secrets under Michigan Uniform Trade Secrets Act, MCL 445.1901.

58. These trade secrets were disclosed to Defendant CNSI under a confidentiality non disclosure provision of the Agreement for the sole and limited purpose of developing the Software pursuant to the Agreement that is the subject of this lawsuit. Plaintiff SEMHIE has

devoted a substantial amount of resources in the development of this information and has secured a contract with the Social Security Administration in the amount of Two Million Nine Hundred Eighty-Eight Thousand and No/100 Dollars (\$2,988,000.00), later reduced to \$1,822,545.80, for the purpose of delivering a technology used to automate the process of filing Social Security Disability Insurance Claims.

59. Plaintiff SEMHIE's trade secrets could only be properly acquired or duplicated by others through extraordinary efforts that were otherwise unavailable or unknown to Defendant CNSI.

60. Defendant CNSI misappropriated Plaintiff SEMHIE's trade secrets by obtaining the trade secrets through the Agreement and then breached the Agreement by failing to turn over the Software that utilizes Plaintiff SEMHIE's confidential and proprietary information, of which constitutes trade secrets under the Michigan Uniform Trade Secret Act.

61. Defendant CNSI has misappropriated Plaintiff SEMHIE's trade secrets to the detriment of Plaintiff SEMHIE and seeks to commercialize the Software it was commissioned to develop for Plaintiff SEMHIE by commercializing, licensing and selling Plaintiff SEMHIE's Software to third parties, of which contains Plaintiff SEMHIE's trade secrets.

62. Defendant CNSI's misappropriation occurred in September 2012 after it failed to deliver or provide access to Plaintiff SEMHIE's Software.

63. Defendant CNSI's misappropriation of Plaintiff SEMHIE's trade secrets has injured Plaintiff SEMHIE by causing damages to Plaintiff SEMHIE through lost profits, lost business opportunity, and reduced value of Plaintiff SEMHIE's business due to the misappropriation.

64. Defendant CNSI's misappropriation of Plaintiff SEMHIE's trade secrets has unjustly enriched Defendant CNSI.

65. Defendant CNSI's ongoing use and/or disclosure of Plaintiff SEMHIE's trade secrets is a continuous violation of Plaintiff SEMHIE's rights, has irreparably harmed Plaintiff SEMHIE and will continue to irreparably harm Plaintiff SEMHIE unless enjoined.

WHEREFORE, Plaintiff SEMHIE requests that this honorable Court enter a judgment against Defendant CNSI and order that Defendant CNSI be enjoined from using and/or disclosing Plaintiff SEMHIE's Software that contains Plaintiff SEMHIE's trade secrets, and award damages against Defendant CNSI in whatever amount Plaintiff SEMHIE is found to be entitled to, plus interests, costs, and attorney fees, as well as any other relief this honorable Court deems just and appropriate.

**COUNT V
DECLARATORY JUDGMENT**

66. Plaintiff SEMHIE realleges and incorporates by reference the allegations contained in paragraphs 1 through 65, as fully set forth herein

67. Under the facts stated herein, there is an actual controversy between Plaintiff SEMHIE and Defendant CNSI concerning Plaintiff SEMHIE's right to immediate possession and vested title in all rights of ownership and use of the Software that was commissioned by and created for Plaintiff SEMHIE.

68. A multiplicity of litigation will be avoided if all of these issues as contained herein, are determined by this Honorable Court at one time.

69. This Court has the power under MCR 2.605 to adjudicate the matters at issue and enter its Judgment declaring the rights of all parties to this action.

70. It is necessary for this Honorable Court to adjudicate and declare their rights of the parties to this action to guide Defendant's future conduct, as well as preserve and protect Plaintiff SEMHIE's legal rights in and to the Software that was commissioned by and for Plaintiff SEMHIE. This Honorable Court's determination will further resolve Defendant's improper continued use and/or conversion of Plaintiff SEMHIE's Software.

WHEREFORE, Plaintiff SEMHIE respectfully requests this Honorable Court to enter a declaratory judgment declaring:

- A) Plaintiff SEMHIE is the rightful owner to the software and that Defendant CNSI is enjoined from using or otherwise commercializing Plaintiff SEMHIE's software.
- B) Enter a judgment in favor of Plaintiff SEMHIE and against Defendant CNSI ordering Plaintiff SEMHIE its costs, expenses and interest, including all reasonable attorney fees incurred in this matter and such other and further relief as this Honorable Court deems just and appropriate.

**COUNT VI
TORTIOUS INTERFERENCE WITH A BUSINESS EXPECTANCY
A CONTRACT OR ADVANTAGEOUS BUSINESS RELATIONSHIP OR
EXPECTANCY**

71. Plaintiff SEMHIE re-alleges the allegations contained in Paragraph 1 through 70 as fully re-stated herein.

72. Plaintiff SEMHIE and the Michigan Health Information Network ("MIHIN") entered into discussions, commencing the first week of September 2012, for MIHIN to license or otherwise acquire the software from SEMHIE.

73. On September 12, 2012, Plaintiff SEMHIE requested that Defendant CNSI provide MIHIN and Plaintiff SEMHIE access to the software for due diligence review.

74. Defendant CNSI refused access to Plaintiff SEMHIE's software, even though Defendant CNSI was informed that the MIHIN transaction had a contractual deadline of September 30, 2012.

75. On October 1, 2012, Defendant CNSI agreed to permit access if a Mutual Non-Disclosure Agreement was signed in which the Defendant CNSI disputed ownership of the technology. On October 2, 2012, a Mutual Non-Disclosure Agreement conforming to those instructions was provided to Defendant CNSI. To date, Defendant CNSI has not responded to the MNDA.

76. MIHIN extended the deadline for due diligence with Plaintiff SEMHIE from September 30, 2012 to October 9, 2012 and then again to October 11, 2012. The October 11, 2012 deadline was final.

77. The transaction between MIHIN and Plaintiff SEMHIE was not effectuated as a result of the actions and inactions of Defendant CNSI.

78. The business relationships and expectancies had a reasonable likelihood of future economic benefit for Plaintiff SEMHIE, and provided sufficient present and projected future revenue to pay Plaintiff SEMHIE's creditors.

79. Defendant CNSI knew of the business relationship and expectancy between Plaintiff SEMHIE and MIHIN.

80. By its conduct, Defendant intentionally and improperly interfered with the contract and business relationship and expectancies between Plaintiff SEMHIE and MIHIN.

81. Defendants' actions and inactions were intended to, and did, interfere with the business relationship and expectancies, causing a breach, disruption, or termination.

82. As a direct and proximate result of Defendant's wrongful conduct, Plaintiff SEMHIE suffered substantial economic injury, loss of goodwill, harm to its business reputation, loss of esteem standing in the market, and loss of business opportunities.

WHEREFORE, Plaintiff SEMHIE requests that this Honorable Court enter judgment in its favor against Defendant for compensatory damages in the amount in excess of \$25,000.00 that is sufficient to compensate Plaintiff SEMHIE for its actual, consequential, and incidental losses, including loss of profits, sustained as a result of Defendant's wrongful actions, plus interest, costs and reasonable attorney fees.

Respectfully submitted,

FOSTER, SWIFT, COLLINS & SMITH, P.C.
Attorneys for Plaintiffs

Dated: December 13, 2012

By: 

Samuel J. Frederick (P64580)
313 South Washington Square
Lansing, MI 48933
(517) 371-8100

JURY DEMAND

Plaintiff SEMHIE, by its attorneys, Foster, Swift, Collins & Smith, P.C. hereby demands a jury trial in this matter.

Respectfully submitted,

FOSTER, SWIFT, COLLINS & SMITH, P.C.
Attorneys for Plaintiffs

Dated: December 13, 2012

By: 

Samuel J. Frederick (P64580)
313 South Washington Square
Lansing, MI 48933
(517) 371-8100

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**SOUTHEAST MICHIGAN HEALTH INFORMATION
EXCHANGE (SEMHIIE)
SUBCONTRACT SERVICES AGREEMENT**

THIS Southeast Michigan Health Information Exchange (SEMHIIE) SUBCONTRACT SERVICES AGREEMENT (hereinafter "Agreement") is made effective this December 31, 2010, by and between Southeast Michigan Health Information Exchange (SEMHIIE) (hereinafter "SEMHIIE"), a Michigan organization with a principal place of business at Michael Talley, C/O SEMHA, Suite 200 Fisher Building, 3011 West Grand Blvd, Detroit, MI 48202 Client Network Services, Inc. (hereinafter "CNSI"), with a principal place of business located at 702 King Farm Boulevard, 2nd Floor, Rockville, Maryland 20850.

WHEREAS, CNSI is a party to certain agreements with others (hereinafter "clients") under which CNSI provides or will provide professional information technology consulting and related technical services to said clients, and

WHEREAS, SEMHIIE has a contract with the Social Security Administration for the development of a health information exchange for disability claims (the "e-Disability Project"), and

WHEREAS, SEMHIIE desires to retain CNSI to provide information technology and related services in connection with the fulfillment of the Social Security e-Disability Project, and

WHEREAS, CNSI desires to provide professional information technology consulting and related technical services to SEMHIIE in support of SEMHIIE's contract with the Social Security Administration for the e-Disability Project.

NOW THEREFORE, in consideration of the mutual promises, covenants and obligations herein contained and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, SEMHIIE and CNSI agree as follows:

1. REPRESENTATIONS & WARRANTIES

1.1 CNSI represents to and covenants with SEMHIIE that CNSI has ability to provide information technology consulting and related services and that CNSI staff will perform any and all services provided on behalf of or at the request of SEMHIIE or otherwise provided hereunder in a professional and timely manner.

1.2 In the event SEMHIIE elects to use the services of CNSI based on the representation by CNSI that it can provide the required services to meet SEMHIIE Client's needs, SEMHIIE may, in its sole discretion, submit to CNSI, a Task Order setting forth: a) the nature and scope of the services to be provided SEMHIIE by CNSI; b) the name and location of the client; c) the period of time during which the services are to be performed; d) the compensation to be paid to CNSI for furnishing these services and the manner of payment therefor; and e) any other terms or conditions which SEMHIIE deems appropriate, including all flowdown clauses applicable to the services to be provided that are required by SEMHIIE's client. Only upon execution by both parties will the Task Order be binding and thereby constitute a part of this agreement.

03/23/2011 13:45 3133861339

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PAGE 03

- 1.3 CNSI represents that it has contacted the Internal Revenue Service and all other governmental taxing authorities to which CNSI is obligated to file income tax returns, in order to determine whether it should make payments against estimated income taxes due thereto. In the event that CNSI's status as an independent Contractor should be attacked or recharacterized, CNSI does hereby indemnify, hold, and save harmless SEMHIE and any client thereof from and against any and all liability incurred or threatened, including interest and penalties and the costs of SEMHIE's defense, and, if necessary, the settlements of any proceedings, administrative or judicial, attempting to recharacterize CNSI's status or to collect any amounts, including interest and penalties, alleged to be due from SEMHIE or any such client.

2. NO EMPLOYMENT AGREEMENT


SEMHIE and CNSI agree that CNSI is an independent Contractor and acknowledge that neither this agreement nor any Task Order creates or is intended to create an employer-employee relationship between SEMHIE and CNSI, or between either of them and any client. CNSI and SEMHIE are now, and shall remain during the term of this agreement, separate and independent entities. CNSI further agrees it will not hold itself out as or maintain itself as an employee, agent, or representative of SEMHIE, and CNSI shall have sole responsibility for all financial and legal aspects of its staff's employment.

3. CONTROL; RULES & REGULATIONS

CNSI will have sole discretion and control over its work and that of the staff it provides, as well as the manner in which its services are performed. Notwithstanding the foregoing, CNSI agrees to and shall comply with the rules and regulations of any client for which CNSI performs services pertaining to non-employees of said client, including but not limited to hours of operation, security and internal audit procedures, and to comply with the terms, conditions and provisions of SEMHIE's agreement with any said client pertaining to the conduct of SEMHIE's non-employees. CNSI will at all times comply with regulations and policies in effect at the client location.

The Parties agree to attempt to resolve any issues or disputes related to this Agreement, on an informal basis through communication between the SEMHIE Project Manager, Michael M. Talley, at SEMHIE or SEMHIE contractual representative, Howard Burda, at BurdeLaw and CNSI.

4. TERM AND TERMINATION

The term of this Agreement shall be one (1) year, commencing on the date of the execution hereof by both parties, and shall be automatically renewed for successive one (1) year periods through ^{(JULY} 8), ~~2012~~ or otherwise as amended by mutual agreement of the parties, unless either party provides written notice to the other of the intention to terminate, such written notice to be given no less than sixty (60) days prior to the expiration of the then applicable one (1) year term. 

Notwithstanding the foregoing and the provisions of this Agreement, SEMHIE shall have the right to terminate this agreement and/or any and all Task Orders then existing, upon giving two (2) week's written notice to CNSI or upon such shorter notice as may be given to SEMHIE by any client for which CNSI may or may have been providing services. SEMHIE may also immediately terminate this Agreement and any or all outstanding Task Orders upon breach of any terms and conditions by CNSI and/or due to poor performance of CNSI.

Within five (5) days after the termination of this agreement and/or any and all Task Orders, CNSI will deliver to SEMHIE, any and all tangible property and work products produced, purchased, created or

otherwise in the possession of CNSI relating to or obtained in the course of CNSI's performance of services under this agreement and/or any and all supplemental subcontracts so terminated.

5. PAYMENT

CNSI shall invoice SEMHIE in accordance with the instructions contained in Schedule A and the Task Order.

SEMHIE will issue payment within thirty (30) days after receipt of payment for services performed and invoiced by CNSI.

Please submit an original invoice by mail to: Attention: Accounts Payable, SEMHIE, (INSERT).

CNSI shall not be paid or reimbursed for any expenses other than those provided for in this Agreement that have not been approved by SEMHIE in writing in advance. In the event that any client for whom CNSI performed or is performing services withholds payments to SEMHIE arising out of or otherwise due to unsatisfactory performance or non-performance of CNSI, SEMHIE shall have the right to withhold any and all payments due to CNSI.

6. CONFIDENTIALITY; PROPRIETARY INFORMATION

6.1 The parties hereto acknowledge and agree that during the course of this Agreement they may exchange confidential and proprietary technical and business information ("Information"). Such Information shall be identified clearly in writing (or verbal and followed-up in writing within two weeks) as proprietary or confidential by the disclosing party at the time of disclosure. Neither party nor their subsidiaries, divisions, employees, agents, representatives, independent Contractors or other persons or organizations over which they have control will at any time during the term of this agreement directly or indirectly disclose such Information to any third parties for any purposes without prior written agreement of the other party. Should the proprietary or confidential status of any such Information be disputed, the parties agree to work in good faith to reach a mutually satisfactory disposition.

6.2 Notwithstanding the expiration of other parts of this Agreement, the obligations and provisions of this Section 6 shall continue for three (3) years after the termination of this Agreement unless otherwise agreed by the parties or when a longer time is required by statute, pre-existing contract or other obligation.

7. INVENTIONS AND PATENTS

7.1 No license to the other party under any patents is granted or implied by conveying proprietary or other information to that party, and no portion of such information which may be transmitted or exchanged by the respective parties shall constitute any representation, warranty assurance, guaranty, or inducement by either party to the other with respect to the infringement of patents or other rights of others.

7.2 Inventions created or conceived by CNSI in performance of services hereunder are "works made for hire" and all interest, right, and title in and to such inventions is vested in SEMHIE.

7.3 Patents, copyrights, and trade secrets in computer software, including computer software documentation, are also "works made for hire" and shall be treated in the same manner as inventions under paragraph 7.2 above.

8. EXAMINATION OF RECORDS

CNSI agrees that SEMHIE will have access to and the right to examine any books, documents, papers and records of any and all the transactions relating to this Agreement. CNSI shall maintain all records for a period of three (3) years after completion of the Work.

9. INDEMNIFICATION

CNSI hereby agrees to defend, indemnify, hold and save harmless SEMHIE, its directors, officers, employees, agents, and representatives from and against any and all claims, losses, damages, liability, legal action, and/or attorney's fees whatsoever arising from damage to or the destruction of property of others or arising from the death of or injury to third persons or parties resulting from the gross negligence or intentional or willful acts or omissions of CNSI.

10. INSURANCE

10.1 During the term of this agreement, CNSI will maintain insurance of the type and in the amounts specified below and any other insurance required by a SEMHIE client and identified in an individual Task Order:

- (i) **Worker's Compensation/Employers Liability** in accordance with all federal, state, and local requirements and shall include Employer's Liability coverage with a minimum limit of \$100,000 each accident, with a policy limit of not less than \$500,000, and \$100,000 each employee;
- (ii) **Commercial General Liability** - \$2,000,000 each occurrence and annual aggregate to include coverage for bodily injury, property damage and personal injury liability. Coverage shall include Premises/Operation, Products/Completed Operations Broad Form Property Damage, Independent Contractor's Liability and Contractual Liability, along with "per project" aggregate. Medical payments - \$10,000 per person, Fire Damage Liability - \$500,000;
- (iii) **Business Automobile Liability** covering all vehicles that CNSI owns, hires, or leases in an amount not less than \$200,000 per person and \$500,000 (each accident for bodily injury and property damages);
- (iv) **Commercial Excess/Umbrella** in an amount not than \$2,000,000 each occurrence and annual aggregate;
- (v) **Professional Liability** in an amount not less than \$1,000,000 each occurrence;

10.2 The insurance required under this Section shall provide adequate protection for CNSI and SEMHIE, against claims that may arise from operations performed by CNSI or by anyone directly or indirectly engaged by them in the performance of this Agreement. CNSI's insurance must respond on a primary basis without contribution from any other insurance carrier by SEMHIE, until limits become exhausted. SEMHIE retains the right to request an increase in the above stated insurance limits. All insurance policies carried by CNSI shall contain waivers of any and all rights of subrogation against SEMHIE.

- 10.3 All insurance obtained by CNSI will be underwritten by an insurer having a minimum AM Best insurance rating of "A" or better and licensed to do business in the State of Maryland. CNSI will furnish to SEMHIE certificates of insurance and/or other appropriate documentation evidencing the coverage(s) referenced above. Further the policy shall name as "additional insured" – "SEMHIE, subsidiary companies, directors, officers and employees thereof." Such certificates or other documentation must provide for thirty (30) days written notice to SEMHIE prior to coverage cancellation, non-renewal or alteration of the coverage by either CNSI or the applicable insurer.

11. NON-COMPETE

- 11.1 CNSI, its consultants, and its contractors shall not, during the term of this Agreement and for a period of one year thereafter, indirectly or directly solicit business or employment or accept employment from or perform services for any client, limited to the individual agency or division, for which CNSI, pursuant to this Agreement: 1) is performing services for; 2) has performed services for; or 3) has been introduced to through this Agreement or the relationship between the parties arising therefrom. This prohibition does not apply where there is a preexisting business relationship between CNSI and a Client or where CNSI has submitted a proposal or is in the process of submitting a proposal to the Client.
- 11.2 CNSI shall not, either indirectly or directly, solicit the employment of or employ any employee of SEMHIE or any client of SEMHIE or any other independent Contractor or consultant of SEMHIE. This prohibition does not apply where an employee or consultant of SEMHIE responds to a general advertisement by CNSI placed through the general media.
- 11.3 CNSI shall cause each of its consultants, Contractors, or employees performing services for SEMHIE to enter into non-competition agreements incorporating the prohibitions and restrictions contained in this paragraph 11 of this Agreement. CNSI warrants that it has caused such Agreements to have been entered into.
- 11.4 Except as provided in this Agreement and/or in any Task Orders, SEMHIE, its directors, officers and/or representatives shall not for a period of one (1) year following the voluntary or involuntary termination of this Agreement, either indirectly or directly (a) solicit, interfere with, or endeavor to cause any employee, consultant or independent Contractor of CNSI to leave his or her employment, assignment or (b) induce or attempt to induce any such employee, consultant or independent Contractor to breach her or his employment, temporary placement agreement or other contract with CNSI.

12. FLOWDOWN PROVISIONS

CNSI acknowledges that certain provisions of SEMHIE's contract with client may be required to be flowed down to the CNSI, and such flowdown provisions will either be incorporated by reference in this agreement or will be incorporated by reference in any resulting Task Order. If the flowdown provisions are incorporated by reference in this Contract document, such provisions shall be automatically incorporated within each Task Order issued hereunder.

13. SEVERABILITY

Should any clause, provision, right, or obligation of this Agreement be found unenforceable or invalid by a court of competent jurisdiction, the same shall be stricken from this Agreement without effect on all

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remaining provisions. Remaining provisions shall be construed so as to give as much effect as possible to the invalid or unenforceable provisions.

14. ASSIGNMENT

Neither this Agreement nor any part hereof shall be assigned by CNSI without the prior written consent of SEMHIE, other than the routine assignment of payments to a financial institution or creditor. Any attempt of CNSI to effect such an assignment without consent shall be void.

15. DISPUTES

This Agreement is governed by and construed in accordance with the laws of the state of Michigan, but without regard to the conflict of laws principles of Michigan. The parties hereto consent to the exclusive jurisdiction of the federal and state courts residing in Michigan. In the event that litigation is necessary to enforce a right or claim of a party under this Agreement, the costs associated with such litigation will be borne by the party against whom judgment is entered in such litigation or proceeding.

16. GENERAL

- 16.1 The failure of either party to insist upon strict or specific performance of any obligation under this Agreement shall in no way act as a waiver or relinquishment of that or any future right at the present time or in the future.
- 16.2 The titles and headings contained in this Agreement are solely for convenience and in no way clarify, explain, or negate the meaning or intent of this Agreement.
- 16.3 CNSI hereby expressly authorizes SEMHIE to make the contents of this Agreement known to the Client. CNSI is not authorized to make the same known to the Client or any other party absent written consent of SEMHIE. CNSI agrees not to directly contact any clients of SEMHIE for matters relating to this agreement unless upon prior written approval of SEMHIE.
- 16.4 Nothing in this Agreement shall be construed to prevent either party from conducting its normal business operations and offering its products and services to the general public, as long as such operations and sale do not compete with SEMHIE's proposal to or performance of services for Client. This Agreement is not to be construed as a restraint of trade.
- 16.5 This Agreement may not be changed, modified, altered, or amended except by written agreement of both parties hereto.

17. ENTIRE AGREEMENT

This Agreement and all supplements or attachments hereto constitute the complete and exclusive statement of the terms and conditions between SEMHIE and CNSI and cannot be altered except in a writing executed by authorized representatives of each party, including any Task Order contemplated under paragraph 1.2.

IN WITNESS WHEREOF, the parties have executed or caused their duly authorized officers or representatives to execute this agreement on the date set forth below.

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SEMHI

CNSI

Signature: Robert J. Jackson
 Name: Robert J. Jackson MD, MMM
 Title: President SEMHI
 Date: 3-23-11

Signature: John H. Cousins III
 Name: JOHN H. COUSINS III
 Title: VICE PRESIDENT OF CONTRACTS AND CORPORATE COUNSEL
 Date: 4/4/2011

**SCHEDULE A
SPECIFIC TERMS AND CONDITIONS**

1.0 INVOICES

Individual invoices will be issued and forwarded to SEMHIE's Accounts Payable (A/P). Hard copy invoices shall be mailed in duplicate, one (1) original and one (1) copy to:

SEMHIE
(INSERT)
Attention: Accounts Payable

2.1 GENERAL INVOICE REQUIREMENTS

Invoices shall be issued so as to be received by SEMHIE within five (5) business days after the end of the monthly billing period. Separate invoices must be submitted for each Task Order. Each invoice must be signed and approved by an authorized representative of CNSI who shall certify that the Invoiced amounts are accurate.

All invoices should be prepared on CNSI company letterhead and shall contain, at a minimum, the following information:

- 1) Contract No. (if applicable)
- 2) CNSI Taxpayer Identification Number
- 3) Task Order No.
- 4) Invoice Date
- 5) Task Order value
- 6) Task Order funded amount
- 7) Performance period and current billing period
- 8) Total amount previously billed
- 9) Task Order number and description.
- 10) Total amount billed by Task Order to date.
- 11) Name and address where invoice payment is to be mailed. Name must agree with the Agreement name.
- 12) Name, title, phone/fax number and mailing address of person to be notified in event of a defective invoice.

2.2 FINAL INVOICE

- a. Failure of CNSI to invoice SEMHIE within sixty (60) calendar days after Task Order period of performance completion shall relieve SEMHIE of all financial obligations, liabilities and payments to CNSI for any and all unbilled costs, profit and/or fees under the Task Order.
- b. Prior to final payment on a Task Order, CNSI is required to certify to SEMHIE that it has for such Task Order: completed all required effort for such Task Order; met all milestones; provided and obtained inspection and acceptance of all deliverables; and provided the reports called for in such Task Order. Further, SEMHIE may require and then CNSI shall execute and deliver, at the time of and as a condition precedent to any final Task Order payment under this Contract, a Release of Claims for each specific Task Order.

3.0 TECHNICAL AND CONTRACTUAL REPRESENTATIVES

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The following authorized representatives are hereby designated for this Agreement:

SEMHIE
(Technical
Representative)

Michael M. Talley

734 369 4505

mtalley@university-
bank.com

SEMHIE
(Contractual
Representative)

Howard Burde

610 616 3357

howard@burdelaw.com

CNSI
Shailesh Patel -
Technical
Representative

Sr. Vice President
Corporate Development

301 634 4641

shailesh.patel@cns-inc.com

CNSI
John H. Cousins III
- Contractual
Representative

Vice President of
Contracts and
Corporate Counsel

301-634-4637

john.cousins@cns-inc.com

4.0 OPTION TO EXTEND TERM

SEMHIE has the option to extend the term of this Agreement or any Task Order issued hereunder for additional periods. SEMHIE, without prior written notification, may exercise this option by issuing an Agreement or Task Order modification subject to mutual agreement by the parties hereto..

TASK ORDER NO. 1

Project: SSA e-Disability Implementation

SUBCONTRACTOR NAME:	CNSI	PROJECT #:	TO-2010-001
PROJECT/ CLIENT NAME:	SSA e-Disability Implementation	DATE:	
SEMHIE CONTACT AT CLIENT SITE NAME:	Michael Talley	ACCOUNT MGR:	Shailesh Patel
AUTH. START DATE:	July 8, 2010	ACCOUNT REP:	Shailesh Patel
EST. PRJ. DURATION:	July 8, 2012	TASK ORDER AMOUNT:	The Total Firm Fixed Price of the Task Order is \$1,204,633.08. (See "Additional Notes" below for individual milestone payment breakdown.)

JP
JH

ASSIGNMENT RESPONSIBILITIES:	(See attached Statement of Work for this Task Order No 1)
ADDITIONAL NOTES:	CNSI shall invoice SEMHIE immediately after accomplishment of each of the milestones defined in the Social Services Administration's RFP for services rendered and accepted by SEMHIE. Payments shall be made as follows: Milestone 001 - \$ 180,694.96 Milestone 002 - \$ 301,158.27 Milestone 003 - \$ 722,779.85
TASK LOCATION:	Gaithersburg, MD

SEMHIE

Signature: Robert J. Jackson
Name: Robert J. Jackson
Title: President SEMHIE
Date: 3-23-11

CNSI

Signature: John H. Cousins III
Name: JOHN H. COUSINS III
Title: VICE PRESIDENT OF CONTRACTS AND CORPORATE COUNSEL
Date: 4/4/2011

Email to CNSI at: john.cousins@cns-inc.com

TASK ORDER NO. 1

Project: SSA e-Disability Implementation

Introduction

This document provides the scope of work in providing the systems integration services to support the Southeast Michigan Health Information Exchange (SEMHIIE) in developing the solution for Social Security Administration #SSA-RFP-10-1001 and as documented in the SEMHIIE proposal to SSA. The mission of the Social Security Administration (SSA) is to provide funding for "Health Information Technology", under the "American Recovery and Reinvestment Act of 2009" (ARRA). By conducting independent and objective audits, evaluations and investigations, the goal of SSA is to inspire public confidence in the integrity and security of SSA programs and operations and protect them against fraud, waste and abuse.

The President signed ARRA into law on February 17, 2009. ARRA provided SSA \$500 million dollars to process additional retirement and disability workloads received as a result of the economic downturn. ARRA allows the Commissioner of SSA to use up to \$40 million of these funds for HIT research activities to facilitate the adoption of electronic health records in disability claims.

SEMHIIE responded to a notice of the filing of "SSA-RFP-10-1001" and in collaboration with participating hospitals, Henry Ford and Oakwood Healthcare Systems, Sun-Oracle/CNSI for technology and the OMG, formed a team which produced the RFP response.

On February 1, 2010, SEMHIIE received an award response to SSA Solicitation No. "SSA-RFP-10-1001" entitled "The Authorized Release of Medical Information through Integration with the Nationwide Health Information Network", (NHIN) for selection. The SEMHIIE SSA e-Disability project will implement a system to respond to SSA requests for Comprehensive Care Documents (CCD) EHR data through the National Health Information Network (NHIN).

Objectives

SEMHIIE's overall goals for the project are as follows:

- Establish a sustainable, self-sufficient business model for the SEMHIIE that aligns costs with benefits for the stakeholders
- Provide for secure, private, and efficient cross-institutional exchange of clinical and administrative healthcare data
- Create a secure, ubiquitous, and interoperable health information technology infrastructure consistent with recognized international, state, and federal standards/guidelines where applicable
- Link to national and regional efforts through use of a common trust framework, business and operating rules, technical infrastructure, and governance models for federated identity management and interoperability
- Develop and maintain an environment of trust among stakeholders

CNSI's objective is to support SEMHIIE in implementing and integrating the overall e-Disability System in a manner consistent with SEMHIIE long term goals.

Scope of Work

Figure 1 provides the overall work breakdown structure for the project. It represents all work elements to accomplish the project goals. CNSI's role on the project will be a subset of the total project scope.

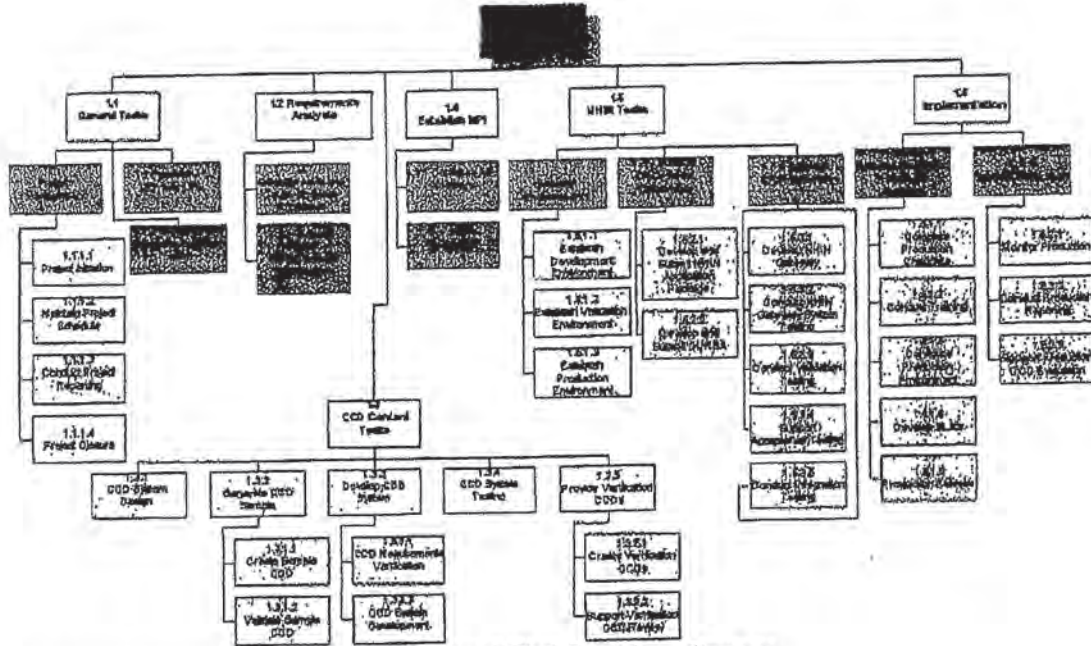


Figure 1. Overall Work Breakdown Structure

The following describes the scope of work by WBS element.

General Tasks (WBS 1.1)

General tasks defined for the SSA e-Disability project involve project management, HL7 Object Identifier and URL establishment, and developing the hospital systems facility list. The following table identifies the scope of work and deliverables.

1.1.1.1 Project Initiation	<ul style="list-style-type: none"> Support project initiation and planning Participate in kick off meeting Update project plan as needed Submit risk items for review and analysis Participate in change, issue, and risk management processes 	<ul style="list-style-type: none"> Meeting minutes from planning sessions and other meetings where CNSI is involved
1.1.1.2 Maintain Project Schedule	<ul style="list-style-type: none"> Provide schedule status and updates 	<ul style="list-style-type: none"> Project schedule updates
1.1.2 Establish HL7 OID and URL	<ul style="list-style-type: none"> Ensure servers and software implement the HL7 OID and URL 	<ul style="list-style-type: none"> Publish URL to DNC and SSA Ensure URL's are implemented in system Completed ONC forms with OID and URL data
1.1.3 Develop and Evaluate Facilities List	<ul style="list-style-type: none"> Review facilities list and prepare test data based on facility information 	<ul style="list-style-type: none"> Test data

The following table provides the resource requirements to support this WBS element.

Account Manager (Shailesh Patel)	0.05 FTE	<ul style="list-style-type: none"> Represents CNSI at executive and customer facing meetings Primary responsibility for the CNSI contract with SEMHIE Track and monitor CNSI activities Provide updates to project work plan
System Architect (Gaja Mani)	0.1 FTE	<ul style="list-style-type: none"> Document meeting minutes Create risk mitigation plans
Project Control Specialist (Rupa Rizvi)	0.075 FTE	<ul style="list-style-type: none"> Maintain project financials Submit invoices

Requirements Analysis (WBS 1.2)

The requirements analysis task establishes the set of functional and non-functional requirements for the project. Requirements are developed from the SSA RFP and are derived based the business and project goals. These activities result in a Requirements Specification Document that will be used as the foundation for the project.

1.2.1 Requirements Analysis	<ul style="list-style-type: none"> Participate in working groups to analyze business process flows, data, and requirements Review and comment on business process flows developed by hospital information systems staff 	<ul style="list-style-type: none"> Review and comments on process flows
1.2.2 Develop System Requirements Specification	<ul style="list-style-type: none"> Develop and maintain the requirements specification document (RSD) for the project Conduct reviews of the RSD as needed 	<ul style="list-style-type: none"> Requirements Specification Document for SSA e-Disability Project

The following table provides the resource requirements to support this WBS element.

Account Manager (Shailesh Patel)	0.04 FTE	<ul style="list-style-type: none"> Review requirements for accuracy, testability and clarity
System Architect (Gaja Mani)	0.20 FTE	<ul style="list-style-type: none"> Develop requirements statements Develop the contents for the Requirements Specification Document Provides business and technical expertise and direction to the CNSI development team Communicate status, issues and risks to Account Manager and the SEMHIE Project Management team Review requirements statements for accuracy, testability, and clarity
Team Lead (Guru Prasad Rasukonda)	0.15 FTE	<ul style="list-style-type: none"> Conducts requirements management activities

		<ul style="list-style-type: none"> ▪ Develop the contents for the Requirements Specification Document ▪ Maintain requirements traceability ▪ Trace requirements to test cases ▪ Maintain requirements baseline and configuration control of all deliverables
<p>Technical Writer (Leigh Ann Brown - however a pool of technical writers are available and assignment may change based on work load)</p>	<ul style="list-style-type: none"> ▪ 0.05 FTE 	<ul style="list-style-type: none"> ▪ Establishes all documentation deliverable templates ▪ Coordinates document inputs from the development team ▪ Conducts the final technical writing on all document deliverables ▪ Corrects document errors found during QA evaluations and peer reviews

CCD Content Tasks (WBS 1.3)

The CCD Content Tasks involves establishing the CCD System for the project. The results of this scope also involve the accomplishments of the Sample CCD and Verification CCD milestones defined in the SSA RFP.

<p>1.3.1 CCD System Design</p>	<ul style="list-style-type: none"> ▪ Maintain requirements traceability ▪ Conduct reviews of system design ▪ Ensure system requirements are traced to CCD components ▪ Review CCD component requirements and assess clarity and testability of requirements ▪ Note: This work is not exclusively CNSI's and it is conducted in participation with other partners and organizations. 	<ul style="list-style-type: none"> ▪ Requirements traceability matrix ▪ Design document for integration with hospital systems and MDMI engine
<p>1.3.2 Generate Sample CCD</p>	<ul style="list-style-type: none"> ▪ Participate in reviews of the CCD contents ▪ Review mapping documents ▪ Recommend changes to the CCD contents per SSA requirements ▪ Coordinate CCD efforts between hospitals and other contractors ▪ Coordinate NIST testing of sample CCD 	<ul style="list-style-type: none"> ▪ Comments on CCD mapping and vocabulary translation
<p>1.3.3 Develop CCD System</p>	<ul style="list-style-type: none"> ▪ Maintain requirements traceability ▪ Develop test cases 	<ul style="list-style-type: none"> ▪ Integration with hospital systems and MDMI engine
<p>1.3.4 CCD System Testing</p>	<ul style="list-style-type: none"> ▪ Conduct system testing ▪ Provide test reporting ▪ Maintain requirements traceability 	<ul style="list-style-type: none"> ▪ Test results document

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1.3.5 Provide Verification CCDs	<ul style="list-style-type: none"> ▪ Participate in reviews of the CCD contents ▪ Recommend changes to the CCD contents per SSA requirements ▪ Coordinate NIST testing of sample CCD 	<ul style="list-style-type: none"> ▪ Comments on CCD mapping and vocabulary translation
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The following table provides the resource requirements to support this WBS element.

Account Manager (Shailesh Patel)	0.01 FTE	<ul style="list-style-type: none"> ▪ Coordinate with hospital systems and other partners in developing sample and verification CCDs ▪ Review and approve design documents prior to submission to SEMHIE
System Architect (Gaja Mani)	0.05 FTE	<ul style="list-style-type: none"> ▪ Review CCD contents and assist in mapping activities ▪ Recommend changes to CCD content and generation system ▪ Develop NIST schematron testing suite
Team Lead (Guru Prasad Rasukonda)	0.10 FTE	<ul style="list-style-type: none"> ▪ Maintain requirements traceability ▪ Trace requirements to test cases ▪ Maintain requirements baseline and configuration control of all deliverables
PL/SQL Programmer (Sarbendu Kumar Ghosh)	0.10 FTE	<ul style="list-style-type: none"> ▪ Participates in design activities ▪ Develops software code ▪ Participates in software unit testing ▪ Participates in software code walkthroughs ▪ Corrects discrepancies and defects found during testing
Programmer (Gopi Kalyan Ponneganti, Maria Royan Jesuraj, and Vijayaguru Arumugam) Note: Programmers are assigned from a pool of resources and their assignments may change based on work load.	0.60 FTE	<ul style="list-style-type: none"> ▪ Participates in design activities ▪ Develops software code ▪ Participates in software unit testing ▪ Participates in software code walkthroughs ▪ Corrects discrepancies and defects found during testing

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Establish MPI (WBS 1.4)

The Establish MPI scope of work involves implementing of the Mural MPI software to support the record locator service (RLS) necessary to successfully completed NHIN Validation Testing. Mural may also be implemented for production but it is not a completed and comprehensive MPI solution. The scope of work includes modifying the SEMHIE and hospital node software to accommodate a more comprehensive MPI should an alternative to Mural be selected by SEMHIE. However this selection must be made prior to Milestone 002 (Verification CCD) in order to have sufficient time to make the necessary changes prior to production.

1.4.1 Configure MPI Software	<ul style="list-style-type: none"> ▪ Install and configure the Mural MPI software 	<ul style="list-style-type: none"> ▪ Mural Software configured to support record locator service (RLS)
1.4.2 MPI Integration	<ul style="list-style-type: none"> ▪ Implement Mural to support ONC Validation testing (throw away effort) ▪ Coordinate with hospital staff to address processes for patient indexing and handling changes ▪ Develop real time interfaces to hospital patient index systems ▪ Test the MPI software with hospital systems 	<ul style="list-style-type: none"> ▪ Design documentation for MPI integration with hospital systems ▪ Test results

The following table provides the resource requirements to support this WBS element.

System Architect (Guja Mani)	<ul style="list-style-type: none"> ▪ 0.05 FTE 	<ul style="list-style-type: none"> ▪ Develop architecture for MPI Integration ▪ Develop interface specifications (documented in design documents)
Team Lead (Guru Prasad Rasukonda)	<ul style="list-style-type: none"> ▪ 0.10 FTE 	<ul style="list-style-type: none"> ▪ Lead programmers in developing MPI RLS ▪ Install Mural MPI software to support ONC Validation testing
PL/SQL Programmer (Sarwendu Kumar Ghosh)	<ul style="list-style-type: none"> ▪ 0.15 FTE 	<ul style="list-style-type: none"> ▪ Participates in design activities ▪ Develops software code ▪ Participates in software unit testing ▪ Participates in software code walkthroughs ▪ Corrects discrepancies and defects found during testing
Programmer (Gopi Kalyan Ponneganti, Maria Royan Jesuraj, and Vijayaguru Arunugam)	<ul style="list-style-type: none"> ▪ 0.46 FTE 	<ul style="list-style-type: none"> ▪ Participates in design activities ▪ Develops software code ▪ Participates in software unit testing ▪ Participates in software code walkthroughs ▪ Corrects discrepancies and defects found during testing
<p>Note: Programmers are assigned from a pool of resources and their assignments may change based on work load.</p>		

NHIN Tasks (WBS 1.5)

The NHIN Tasks scope of work is the bulk of work related to establishing connectivity with SSA over the NHIN. It also establishes the SEMHIE internal NHIN network. A SEMHIE Portal will also be developed to support the management of transactions with the SSA and to approve or reject consent forms (Form SSA-827) provided by SSA.

1.5.1.1 Establish Development Environment	<ul style="list-style-type: none"> ▪ Procure hardware and software items per approved bill of materials ▪ Install, configure, and test the development environment ▪ Move the development environment to SEMHIE facilities at the conclusion of the contract 	<ul style="list-style-type: none"> ▪ Development environment ▪ Internal development environment self test results
1.5.1.2 Establish Validation Environment	<ul style="list-style-type: none"> ▪ Provide specifications for hardware and software items ▪ Install, configure, and test the SEMHIE environment ▪ Support the installation, configuration, and testing of the environment at two hospitals in the SEMHIE network ▪ Complete hosting forms provided by hosting partner 	<ul style="list-style-type: none"> ▪ Functioning validation environment ▪ Hosting forms ▪ Internal validation environment self test results
1.5.1.3 Establish Production Environment	<ul style="list-style-type: none"> ▪ Provide specifications for hardware and software items ▪ Install, configure, and test the SEMHIE environment ▪ Support the installation, configuration, and testing of the environment at two hospitals in the SEMHIE network ▪ Complete hosting forms provided by hosting partner 	<ul style="list-style-type: none"> ▪ Functioning Production environment ▪ Hosting forms ▪ Internal production environment self test results
1.5.2.1 Develop and Submit NHIN Application Package	<ul style="list-style-type: none"> ▪ Assist SEMHIE in completing the application ▪ Work with SEMHIE and ONC to address questions and issues with the application package ▪ Ensure the NHIN gateway is prepared and ready to participate in validation testing 	<ul style="list-style-type: none"> ▪ NHIN Application Package
1.5.3.1 Develop NHIN Gateway	<ul style="list-style-type: none"> ▪ Lead the development of the NHIN gateway ▪ Conduct development of software of assigned components 	<ul style="list-style-type: none"> ▪ Design document for NHIN Gateway and Hospital Nodes ▪ Design document for SEMHIE portal ▪ SEMHIE Portal software

		<ul style="list-style-type: none"> ▪ SEMHIE NHIN Gateway software ▪ Hospital node software ▪ Requirements traceability matrix
1.5.3.2 Conduct NHIN Gateway System Testing	<ul style="list-style-type: none"> ▪ Conduct system testing ▪ Provide test reporting ▪ Maintain requirements traceability 	<ul style="list-style-type: none"> ▪ Test results ▪ Requirements traceability matrix
1.5.3.4 Conduct Validation Testing	<ul style="list-style-type: none"> ▪ Conduct conformance and interoperability testing ▪ Provide test reporting ▪ Maintain requirements traceability 	<ul style="list-style-type: none"> ▪ ONC validation testing application and forms ▪ Validation test results
1.5.3.4 Support Acceptance Testing	<ul style="list-style-type: none"> ▪ Support acceptance testing conducted by SSA ▪ Provide software defect corrections as assigned 	<ul style="list-style-type: none"> ▪ Responses to SSA questions ▪ Requirements traceability matrix
1.5.3.5 Conduct Integration Testing	<ul style="list-style-type: none"> ▪ Conduct integration testing ▪ Provide test reporting ▪ Maintain requirements traceability 	<ul style="list-style-type: none"> ▪ Responses to SSA questions ▪ Requirements traceability matrix

The following table provides the resource requirements to support this WBS element.

Account Manager (Shailesh Patel)	<ul style="list-style-type: none"> ▪ 0.05 FTE 	<ul style="list-style-type: none"> ▪ Review hosting forms and environment data ▪ Review NHIN application packages and ONC forms ▪ Note: This work is conducted in conjunction with the hosting partner, CSC.
System Architect (Gaja Mani)	<ul style="list-style-type: none"> ▪ 0.50 FTE 	<ul style="list-style-type: none"> ▪ Review design documents ▪ Establish architecture and provide technical guidance ▪ Lead the validation testing activities ▪ Provide development standards to the team
Team Lead (Guru Prasad Rasukonda)	<ul style="list-style-type: none"> ▪ 0.50 FTE 	<ul style="list-style-type: none"> ▪ Develop design documents ▪ Conduct validation testing ▪ Develop test results documentation ▪ Ensure integration of NHIN components with node software ▪ Develop SEMHIE Portal user interface
PL/SQL Programmer (Sarwendu Kumar Ghosh)	<ul style="list-style-type: none"> ▪ 0.55 FTE 	<ul style="list-style-type: none"> ▪ Participates in design activities ▪ Develops software code ▪ Participates in software unit testing ▪ Participates in software code walkthroughs ▪ Corrects discrepancies and defects found

		during testing
<p>Programmer (Gopi Kalyan Ponneganti, Maria Royan Jesuraj, and Vijayaguru Arumugam)</p> <p>Note: Programmers are assigned from a pool of resources and their assignments may change based on work load.</p>	<ul style="list-style-type: none"> ▪ 3.10 FTE 	<ul style="list-style-type: none"> ▪ Participates in design activities ▪ Develops software code ▪ Participates in software unit testing ▪ Participates in software code walkthroughs ▪ Corrects discrepancies and defects found during testing
<p>Technical Writer (Leigh Ann Brown – however a pool of technical writers are available and assignment may change based on work load)</p>	<ul style="list-style-type: none"> ▪ 0.05 FTE 	<ul style="list-style-type: none"> ▪ Establishes all documentation deliverable templates ▪ Coordinates document inputs from the development team ▪ Conducts the final technical writing on all document deliverables ▪ Corrects document errors found during QA evaluations and peer reviews

Implementation (WBS 1.6)

The implementation scope involves ensuring the production environments are ready for testing and production. Service level agreements will be established and reviewed prior to entering into production.

1.6.1.1 Complete Production Checklists	<ul style="list-style-type: none"> ▪ Support the development of production checklists ▪ Support risk management working group ▪ Update project plans as needed 	<ul style="list-style-type: none"> ▪ Implementation plan ▪ Production Implementation checklists
1.6.1.2 Conduct Training	<ul style="list-style-type: none"> ▪ Provide training materials for NHIN related components 	<ul style="list-style-type: none"> ▪ Training materials ▪ Training results document
1.6.1.3 Configure Production Environment	<ul style="list-style-type: none"> ▪ Update production environment ▪ Conduct readiness testing 	<ul style="list-style-type: none"> ▪ Updated production checklists
1.6.1.6 Develop SLA's	<ul style="list-style-type: none"> ▪ Develop SLA documentation ▪ Support the negotiation of SLA's with SSA ▪ Note: This work is conducted in conjunction with the hosting partner, CSC. 	<ul style="list-style-type: none"> ▪ SLAs
1.6.1.5 Production Release	<ul style="list-style-type: none"> ▪ Support the production release of the system 	<ul style="list-style-type: none"> ▪ Updated software to address defects
1.6.2.1 Monitor Production	<ul style="list-style-type: none"> ▪ Monitor system performance ▪ Provide SLA reporting during production 	<ul style="list-style-type: none"> ▪ Updated software to address defects ▪ Monitoring reports and

	<ul style="list-style-type: none"> Coordinate Issues with hospital groups 	statistics
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The following table provides the resource requirements to support this WBS element.

Account Manager Shailesh Patel)	<ul style="list-style-type: none"> 0.05 FTE 	<ul style="list-style-type: none"> Review and approve production checklists Review and negotiate SLAs Formally close the contract responsibilities Document lessons learned
Implementation Manager (Rajesh Bait)	<ul style="list-style-type: none"> 0.30 FTE 	<ul style="list-style-type: none"> Lead implementation of environments Develop production checklists
System Architect (Gaja Mani)	<ul style="list-style-type: none"> 0.10 FTE 	<ul style="list-style-type: none"> Review and analyze production checklists Coordinate implementation activities with SEMHIE and hosting partner Finalize and submit all project documentation for SEMHIE
Team Lead (Guru Prasad Rasukonda)	<ul style="list-style-type: none"> 0.15 FTE 	<ul style="list-style-type: none"> Finalize requirements traceability matrix Conduct audits of production software and documentation
PL/SQL Programmer (Sarwendu Kumar Ghosh)	<ul style="list-style-type: none"> 0.20 FTE 	<ul style="list-style-type: none"> Develop software changes to address defects Conduct regression testing
Programmer (Gopi Kalyan Ponneganti, Maria Royan Jesuraj, and Vijayaguru Arumugam)	<ul style="list-style-type: none"> 0.46 FTE 	<ul style="list-style-type: none"> Develop software changes to address defects Conduct regression testing
Note: Programmers are assigned from a pool of resources and their assignments may change based on work load.		
Support Engineer (Mike Rockwell)	<ul style="list-style-type: none"> 0.50 FTE 	<ul style="list-style-type: none"> Support implementation activities Establishes and maintains the network in the development environment Oversees the network connectivity with the facilities Establishes and maintains the testing network environment Establishes and maintains the production network environment Manages the application and web server environments

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		<ul style="list-style-type: none"> ▪ Installs and configures software ▪ Maintains software inventory and licenses ▪ Responsible for maintaining network connections, routing, firewall management, intrusion detection
<p>Technical Writer (Leigh Ann Brown – however a pool of technical writers are available and assignment may change based on work load)</p>	<ul style="list-style-type: none"> ▪ 0.05 FTE 	<ul style="list-style-type: none"> ▪ Update project documentation as needed ▪ Package all project documentation for submission to SEMHIE as a part of project closure

Period of Performance

The period of performance is from 8 July 2010 to 30 September 2011.

Place of Performance

CNSI staff will establish a home base at its facilities in Gaithersburg, MD. Staff will travel to SEMHIE to support the project as the project schedule dictates. Meetings at SSA will also be supported.

**STATE OF MICHIGAN
CIRCUIT COURT FOR THE COUNTY OF EATON**

SOUTH EAST MICHIGAN HEALTH
INFORMATION EXCHANGE, a Michigan
nonprofit corporation,

Plaintiff,

v

CLIENT NETWORK SERVICES, INC., a
Maryland corporation

Defendant.

Case No.: 12-1683-CZ

Honorable Janice Cunningham

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NOTICE OF FILING NOTICE OF REMOVAL

TO: Circuit Court Clerk
Eaton County Circuit Court
1045 Independence Boulevard
Charlotte, Michigan 48813

PLEASE TAKE NOTICE that on January 17, 2013, Defendant, Client Network Services, Inc. filed a Notice of Removal of this civil action from the Circuit Court for the County of Eaton, to the United States District Court for the Western District.

Respectfully submitted,

DICKINSON WRIGHT PLLC

By: _____

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Date: January 17, 2013

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