

In the wake of today's Chicago Tribune story detailing Governor Quinn's outsourcing an \$85 million no-bid Medicaid administration contract to a company under federal grand jury investigation, Democratic gubernatorial candidate Bill Daley called for the Governor to release all correspondence related to hiring the embattled firm.

"I am calling on Governor Quinn to release all correspondence and emails between his administration, the State of Michigan, this firm and their lobbyists regarding awarding a no-bid contract to a company under federal grand jury investigation. The State Inspector General should launch an immediate investigation into whether this inside deal was improperly awarded," said Daley.

Client Network Services Inc. (CNSI) was awarded the no-bid contract under an unusual partnership with the State of Michigan even after Quinn administration officials admitted that they knew the firm was under federal investigation and had been fired, replaced or banned from bidding on similar projects in Louisiana, Arkansas and Maine.

"When it comes to giving this no bid contract to a company that is both under federal investigation and had its contract cancelled by other states, we need to know who spoke to whom about this agreement and who lobbied whom, especially because of the cloud of suspicion this company is under in other parts of the country," added Daley.

The Chicago Tribune reported that Louisiana Governor Bobby Jindal fired CNSI in March after his state received a subpoena from a federal investigation into improper and potentially illegal communications between CNSI and state officials. In addition to questionable practices in awarding the contract, CSNI underbid competitors only to come back and blindsides Louisiana with a request for an additional \$40 million in fees.

In July, Arkansas banned CNSI from bidding on their Medicaid program after they received unfavorable reviews from others states where CNSI does business. This is after CNSI's debacle in Maine forced the state into \$500 million in temporary payments resulting from CNSI's system crashing in 2005. CNSI's contract in Utah is also in question after getting bad reviews from the state.

"We need to know why a company with a string of failures in other states which is also under investigation by the federal government would be given a no-bid contract by Governor Quinn's administration," concluded Daley.