

STATE OF LOUISIANA : DOCKET NO. 09-14-0773, SECTION "V"
 : 19TH JUDICIAL DISTRICT COURT
V. : PARISH OF EAST BATON ROUGE
 :
BRUCE GREENSTEIN : STATE OF LOUISIANA

MOTION TO DISCLOSE GRAND JURY TESTIMONY

NOW INTO THESE PROCEEDINGS, comes the State of Louisiana, through the undersigned Assistant Attorneys General, requesting that this Court allow the State to disclose the grand jury transcript of the testimony of the Defendant, Bruce Greenstein ("Greenstein").

Since grand jury secrecy does not apply to prosecutions for perjury, and since Greenstein has been indicted on five separate counts of committing perjury in front of the East Baton Rouge Parish Grand Jury, this Court must permit the State to disclose a transcript of those proceedings. *See* La. C.Cr.P. art. 434.

Factual Background

Greenstein became Secretary of the Louisiana Department of Health and Hospitals ("DHH), an appointed public position, on September 15, 2010, and was terminated by the Governor's Office, effective May 1, 2013. Greenstein was indicted by the East Baton Rouge Parish Grand Jury on September 23, 2014, on nine separate counts of perjury. The indictment is attached as Exhibit A. Five of those nine counts, specifically counts 5-9, involve testimony given under oath before that grand jury. *See* Exhibit A.¹

Argument

The Louisiana State Attorney General's Office ("the State") was represented and present at the grand jury meeting in question and has confidential access to the transcript of those proceedings. *See* La. C.Cr.P. arts. 434 and 434.1. When the State seeks to disclose grand jury testimony on the ground that perjury has been committed, it may do so "at any time when permitted by the court". La. C.Cr.P. art. 434. There are two independent reasons why perjured grand jury testimony is subject to disclosure: (1) the transcript falls squarely within the statutory exemption for the disclosure of perjury and (2) the transcript is necessary to the Greenstein's trial

¹ The Louisiana State Attorney General's Office has received a letter of assistance from Hillar Moore, pursuant to La. Const. art. 4, §8. *See* Exhibit B.

preparation, as it will be admissible at trial under *State v. Poland*, among other cases. 2000-0453 (La. 03/16/01), 782 So.2d 556. In all fairness to Greenstein, he will need the transcript to prepare whatever defense he might have to counts 5-9 of the indictment in this case.

Louisiana Code of Criminal Procedure Article 434(a) states in part:

Members of the grand jury, all other persons present at a grand jury meeting, and all persons having confidential access to information concerning grand jury proceedings, shall keep secret the testimony of witnesses... Such persons may disclose testimony given before the grand jury, at any time when permitted by the court, to show that a witness committed perjury in his testimony before the grand jury...

Simply put, “[t]estimony taken before a grand jury is admissible in a prosecution for perjury.” *State v. Hennigan*, 404 So.2d 222, 231 (La. 1981) (citations omitted); *See also State v. Neslo*, 433 So.2d 73, 87 (La. 1983); *Poland*, 782 So.2d at 559 (This “enumerated exception permits a person to disclose testimony given before the grand jury, when permitted by the court, to show that a witness committed perjury.”).²

Greenstein cannot prepare for trial without a record of his grand jury testimony. Since Greenstein currently has no access to facts which form the basis of five separate counts, there is no reason to disclose his testimony at any later date. In fact, Louisiana’s discovery laws would require the State to turn over the *entire* transcript of Greenstein’s statement anyway. *See* La. C.Cr.P. art. 716(A); *See also Hennigan*, 404 So.2d at 232; La. R.S. 15:450.

Even if this prosecution was for a crime other than perjury, Greenstein’s grand jury transcript would still be subject to disclosure because the State may use of defendant’s grand jury testimony as direct substantive evidence of his guilt where the defendant has been informed that he is a target, where he is represented by counsel, and where he has knowingly and voluntarily waived his rights to remain silent and to not incriminate himself. *Poland*, 782 So.2d at 560-61.³ The defendant in *Poland* was convicted of manslaughter. *Id.* at 556.

² Compare this to the prior inconsistent statements given to a grand jury by a *witness*, rather than the defendant, where the “party seeking disclosure must prove that, without access to the grand jury materials, the party’s case would be ‘greatly prejudiced’ or that an ‘injustice would be done.’” *State v. Ross*, 2013-0175 (La. 03/25/14), 144 So.3d 932, 937-38, 941 (citation omitted). However, in prosecutions for perjury before a grand jury, a record of those proceedings is supplied to the defendant and may form the basis of the State’s evidence at trial. *See e.g. State v. Petta*, 359 So.2d 143 (La. 1978).


³ Although not at issue in this case, the Third Circuit has admitted the grand jury testimony of the defendant in a prosecution for manslaughter even where the record did not reflect a waiver of the defendant’s rights to remain silent and to not incriminate herself. *See State v. Rains*, 2012-615 (La. App. 3rd Cir. 11/07/12), 101 So.3d 593, 607, writ not considered, 2012-2689 (La. 05/24/13), 116 So.3d 657.

WHEREFORE, the State of Louisiana respectfully requests that this Court allow the State to disclose the transcript of the Defendant's grand jury testimony and file a copy of the same into the record. The State respectfully requests all other relief to which it is entitled.

**JAMES D. "BUDDY" CALDWELL,
LOUISIANA STATE ATTORNEY GENERAL**



Colin Clark, Bar Roll #33775
David Caldwell
Butch Wilson
Assistant Attorneys General
Public Corruption Unit
Louisiana Department of Justice
P.O. Box 94005
Baton Rouge, Louisiana 70804
(225) 326-6200 (Telephone)
(225) 326-6297 (Fax)
ClarkC@ag.state.la.us

2014 NOV 10 AM 9:45


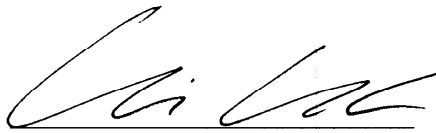
CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing has this day been delivered by hand to the following persons:

John McLindon
12345 Perkins Rd., Bldg. 2
Baton Rouge, Louisiana 70810

Brent Stockstill
8048 One Calais Ave., Ste. A
Baton Rouge, Louisiana 70809
Attorneys for Bruce Greenstein

Baton Rouge, Louisiana this 16th day of November, 2014.



Colin Clark, Assistant Attorney General

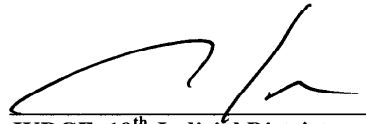
2014 NOV 10 AM 9:45
Sha Carrea

STATE OF LOUISIANA : DOCKET NO. 09-14-0773, SECTION "V"
 : 19TH JUDICIAL DISTRICT COURT
 V. : PARISH OF EAST BATON ROUGE
 :
 BRUCE GREENSTEIN : STATE OF LOUISIANA

ORDER DISCLOSING THE GRAND JURY TESTIMONY OF THE DEFENDANT

IT IS ORDERED that the State's motion to disclose a transcript of Bruce Greenstein's grand jury testimony is **GRANTED**. A copy of the transcript shall be filed into the record.

Baton Rouge, Louisiana, this 10 day of Nov, 2014.


 JUDGE, 19th Judicial District

Please Serve/Send Notice to:

John McLindon
 Attorney for Bruce Greenstein
 12345 Perkins Road, Bldg. 2
 Baton Rouge, Louisiana 70810

Brent Stockstill
 8048 One Calais Ave., Ste. A
 Baton Rouge, Louisiana 70809

Colin Clark
 Butch Wilson
 David Caldwell
 Assistant Attorneys General
 Public Corruption Unit
 Louisiana Department of Justice
 P.O. Box 94005
 Baton Rouge, Louisiana 70804

2014 NOV 10 AM 10:13
John Caldwell

Exhibit A

INDICTMENT

STATE OF LOUISIANA
19th JUDICIAL DISTRICT COURT
FOR THE PARISH OF EAST BATON ROUGE

FILED
EAST BATON ROUGE
2014 SEP 23 AM 11:22

STATE OF LOUISIANA

VERSUS

BRUCE GREENSTEIN (WM 7/11/69)
8219 45th AVENUE NE
SEATTLE, WASHINGTON

A TRUE BILL

BY: 

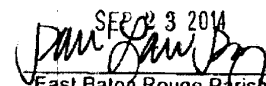
FOREPERSON

NO. _____

DIVISION _____

FACTUAL BACKGROUND

Defendant Bruce Greenstein ("Greenstein") became Secretary of the Louisiana Department of Health and Hospitals ("DHH"), an appointed public position, on September 15, 2010 and was terminated by the Governor's Office on May 1, 2013. The following felony charges are based upon facts concerning (1) the publication by DHH in 2010 of a Request for Proposal ("RFP") which sought bids from vendors to provide Medicaid billing services and which was eventually awarded to Greenstein's former private employer, Client Network Services Inc. ("CNSI"), in 2011; (2) the creation and issuance of "Addendum No. 2" to the original RFP on January 10, 2011; (3) the issuance and applicability of a letter signed by Greenstein on September 27, 2010, which required that DHH employees involved in the bidding process have no contact with bidders or their representatives; (4) the number and nature of telephonic contacts between Greenstein and CNSI during his term as Secretary of DHH; and (5) Greenstein's testimony, taken under oath, before the Louisiana Senate Committee on Senate and Governmental Affairs on June 17, 2011; deposition testimony taken on October 29, 2013, in a civil matter entitled "CNSI vs. State of

SEP 23 2014

East Baton Rouge Parish
Deputy Clerk of Court

Louisiana, et al." filed under No. 621,271 in the 19th Judicial District Court, Parish of Baton Rouge; and Grand Jury testimony taken on June 3, 2014 before the Grand Jury for the Parish of East Baton Rouge, relative to the above-referenced facts, and to other relevant and material information.

OFFENSES

On the 23rd day of September, 2014, the Grand Jury for the Parish of East Baton Rouge, State of Louisiana, charges that in the Parish, District and State aforesaid,

BRUCE GREENSTEIN

Committed the following offenses:

COUNT 1

On June 17, 2011 during his testimony under oath before the Louisiana Senate Committee on Senate and Governmental Affairs, Greenstein was questioned by Senator Robert Marionneaux regarding the creation of "Addendum No. 2" to the original DHH bid proposal ("RFP"), which was issued by DHH at Greenstein's direction on January 10, 2011 and which allowed Greenstein's former employer, CNSI, to remain as a bidder in spite of the fact that CNSI would have been disqualified under the terms of the original RFP due to their lack of an important qualification. Senator Marionneaux asked Greenstein if the "expansion of scope" of the RFP accomplished by Addendum No. 2 "allowed CNSI to then submit a plan which they otherwise would not have been qualified to submit." Greenstein responded as follows: "I don't know if they would have not, not qualified to bid." Greenstein's reply to Senator Marionneaux constitutes **PERJURY**, as defined by Louisiana Revised Statute 14:123, in that it is a materially false statement made knowingly and intentionally by Greenstein in violation of La. R.S. 14:123 (A) and (C)(4).

COUNT 2

The State of Louisiana realleges the facts and circumstances contained within Count 1 and further alleges that, in a further response to Senator Marionneaux, Greenstein replied: "My goal Senator, the whole way has been to have the most competition, all of these vendors submitted letters of intent and had been engaged with the department before I was here. So, it wasn't as if the

idea was that what I said created an opportunity that didn't exist before." Greenstein's reply to Senator Marionneaux constitutes **PERJURY**, as defined by Louisiana Revised Statute 14:123, in that it is a materially false statement made knowingly and intentionally by Greenstein in violation of La. R.S. 14:123(A) and (C)(4).

COUNT 3

Following Senator Marionneaux's questioning on June 17, 2011, Senator Peterson asked Greenstein additional questions regarding his memory of an email regarding Addendum No. 2 which was sent between Greenstein and his former employer, CNSI founder Adnan Ahmed, on January 7, 2011, three days before DHH, acting on Greenstein's direction, issued Addendum No. 2 on January 10, 2011 to satisfy Ahmed and keep CNSI from being disqualified from bidding due to their lack of a relevant financial qualification. Referencing Greenstein's earlier Senate testimony on June 8, 2011, Senator Karen Carter Peterson asked Greenstein: "Why did you say last week under oath that you didn't have any conversations about 'anything' that was contained in the RFP?" Greenstein responded: "That's what I remembered at the time, and when I saw the January 7 email I recognized I had that exchange." Greenstein's reply to Senator Peterson constitutes **PERJURY**, as defined by Louisiana Revised Statute 14:123, in that it is a materially false statement made knowingly and intentionally by Greenstein in violation of La. R.S. 14:123(A) and (C)(4).

COUNT 4

The State of Louisiana realleges the facts and circumstances contained within Counts 1-3 and further alleges that, in a further response to Senator Peterson, Greenstein replied: "I was not trying to mislead anyone, I was nervous at the time, I was trying to think back to the time frames when your questions were pertaining toI know for sure that I had no conversations about how the proposals were evaluated, scores, were the decisions being made, all the parts that produced to who the winning bidder was. I could just not remember the degree to which I was involved in the interactions during that time. There were very few, and I just couldn't remember when I didn't have any more discussions about it." Greenstein's reply to Senator Peterson constitutes **PERJURY**, as defined by Louisiana Revised Statute 14:123, in that it is a materially false

statement made knowingly and intentionally by Greenstein in violation of La. R.S. 14:123(A) and (C)(4).

COUNT 5

On June 3, 2014, under oath before the East Baton Rouge Parish Grand Jury, Greenstein testified falsely regarding the nature of his voluminous contacts with CNSI official Creighton Carroll. This testimony constitutes **PERJURY**, as defined by Louisiana Revised Statute 14:123, in that it is a materially false statement made knowingly and intentionally by Greenstein in violation of La. R.S. 14:123(A) and (C)(4).

COUNT 6

On June 3, 2014, under oath before the East Baton Rouge Parish Grand Jury, Greenstein testified falsely regarding the applicability of a letter to Greenstein issued by Greenstein to DHH personnel on September 27, 2010 which forbade relevant employees from contact with bidders. This testimony constitutes **PERJURY**, as defined by Louisiana Revised Statute 14:123, in that it is a materially false statement made knowingly and intentionally by Greenstein in violation of La. R.S. 14:123(A) and (C)(4).

COUNT 7

On June 3, 2014, under oath before the East Baton Rouge Parish Grand Jury, Greenstein testified falsely regarding the creation of and his intent in issuing Addendum No. 2. This testimony constitutes **PERJURY**, as defined by Louisiana Revised Statute 14:123, in that it is a materially false statement made knowingly and intentionally by Greenstein in violation of La. R.S. 14:123(C)(4).


COUNT 8

On June 3, 2014, under oath before the East Baton Rouge Parish Grand Jury, Greenstein testified falsely regarding legal advice that he claimed to have received from DHH Staff Attorney Stephen Russo. This testimony constitutes **PERJURY**, as defined by Louisiana Revised Statute 14:123, in that it is a materially false statement made knowingly and intentionally by Greenstein in violation of La. R.S. 14:123(A) and (C)(4).

COUNT 9

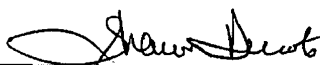
On June 3, 2014, under oath before the East Baton Rouge Parish Grand Jury, Greenstein testified falsely regarding his confrontation by DHH and Administration officials prior to his second testimony before the Senate on June 17, 2011, and their attempts to discover the truth regarding the number and nature of his contacts with CNSI while serving in a public capacity as DHH Secretary. This testimony constitutes **PERJURY**, as defined by Louisiana Revised Statute 14:123, in that it is a materially false statement made knowingly and intentionally by Greenstein in violation of La. R.S. 14:123(A) and (C)(4).

JAMES D. CALDWELL
ATTORNEY GENERAL
STATE OF LOUISIANA



DAVID CALDWELL
BUTCH WILSON
ASSISTANT ATTORNEYS GENERAL
PUBLIC CORRUPTION UNIT
LOUISIANA DEPARTMENT OF JUSTICE

Filed September 23 2014



DEPUTY CLERK

54:56 PM 01 NOV 11 02

FILED
2014 SEP 23 AM 11:22

Exhibit B



HILLAR C. MOORE, III

DISTRICT ATTORNEY, 19TH JUDICIAL DISTRICT
EAST BATON ROUGE PARISH

April 2, 2013

Honorable James D. "Buddy" Caldwell
Attorney General
Louisiana Department of Justice
P.O. Box 94005
Baton Rouge, Louisiana 70804-9005

Re: Investigation of Louisiana Department of Health and Hospitals;
Letting of CNSI Contract, *et.al.*

Dear Attorney General Caldwell:

By letter of March 27, 2013, you advised that the Attorney General's Office is conducting an ongoing investigation in the above referenced matter in East Baton Rouge Parish.

On April 1, 2013 you advised that your investigation of the past several months has been a joint effort with the Office of the United States Attorney for the Middle District of Louisiana. Due to the current posture of the investigation you have requested to be designated to prosecute this matter pursuant to Louisiana Constitution Article 4, Section 8 and further that a special grand jury be empaneled by this office to assist in your investigation in accordance with C.Cr.P. Article 415.1.

This is accordingly your authorization to prosecute this matter. This authority includes the right to investigate, file bills of information, conduct Grand Jury hearings, trials, appellate and post-conviction proceedings in the 19th Judicial District Court.

This process, as always, is subject to the supervision and control of the District Attorney of the 19th Judicial District, legal advisor to the Grand Jury.

Very Truly Yours,

Hillar C. Moore, III
District Attorney
19th Judicial District

CONFIDENTIAL EBR GRAND JURY

6/3/2014

Page 1

TRANSCRIPTION FROM AUDIO FILES

EAST BATON ROUGE SPECIAL GRAND JURY PROCEEDINGS

Held on June 3, 2014

REPORTED BY: DEZ O'ROURKE, CCR

COURT REPORTERS OF LOUISIANA, LLC

9614 BROOKLINE AVENUE, SUITE A

BATON ROUGE, LOUISIANA 70809

PHONE: (225) 201-9650 * FAX: (225) 201-9651

E-MAIL: depos@courtreportersla.com

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

CONFIDENTIAL EBR GRAND JURY

6/3/2014

Page 2

1	I N D E X	
2		PAGE
3	CAPTION	1
4	APPEARANCES	3
5	EXAMINATION	
6	BY MR. WILSON	7
7	BY MR. CALDWELL	121
8	BY GRAND JURORS	162
9	BY MR. CALDWELL	167
10	BY GRAND JURORS	169
11	REPORTER'S CERTIFICATE	201
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 APPEARANCES:

2 East Baton Rouge Parish Special Grand Jurors

3 Butch Wilson, Assistant Attorney General

4 David Caldwell, Assistant Attorney General

5 Bruce Greenstein

6 John McLindon, Esquire

7 Lewis Unglesby, Esquire

8 (Others present by not listed)

9

10

11

12 REPORTED BY: DEZ O'ROURKE, CCR

13

14

15

16

17

18

19

20

21

22

23

24

25

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 P R O C E E D I N G S:

2 MR. WILSON:

3 Gentlemen, I would like to introduce you
4 to the members of the East Baton Rouge Parish
5 Special Grand Jury. Ladies and Gentleman,
6 this is Mr. John McLindon and Mr. Bruce
7 Greenstein.

8 And by the way, Mr. Greenstein, is that
9 how you pronounce your name?

10 MR. GREENSTEIN:

11 Greenstein.

12 MR. WILSON:

13 Greenstein. Okay. And I apologize in
14 advance if I call you Bruce Springsteen. It's
15 very possible that that could happen.

16 MR. GREENSTEIN:

17 It won't be the first time.

18 MR. WILSON:

19 And by the way, I constantly get called
20 Bruce, so yeah.

21 Mr. Greenstein, before we get into your
22 testimony today, there's a very important
23 issue that we have to take care of at the
24 start of this. Has Mr. McLindon -- and I
25 would like the record to reflect, as we did a

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 moment ago, that Mr. Greenstein is present
2 today with his counsel, Mr. John McLindon.

3 Mr. McLindon, could you make an
4 appearance for the record, please?

5 MR. MCLINDON:

6 Sure. Good morning, I'm John McLindon.
7 I'm an attorney in Baton Rouge, and my office
8 is on Perkins Road.

9 MR. WILSON:

10 Thank you very much.

11 Mr. Greenstein, has Mr. McLindon
12 explained to you the fact that you are a
13 target of this Grand Jury investigation.

14 MR. GREENSTEIN:

15 Yes.

16 MR. WILSON:

17 Has he explained to you the ramifications
18 of that?

19 (Discussion off the record.)

20 MR. WILSON:

21 I normally do this before the swearing.

22 UNIDENTIFIED SPEAKER:

23 Well, we need to swear him first, I
24 think.

25 MR. WILSON:

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201 9651

827b6eda-30fb-49e6-b2ab-36e765782088

CONFIDENTIAL EBR GRAND JURY

6/3/2014

Page 6

1 Let's go ahead and do that then.

2 UNIDENTIFIED SPEAKER:

3 Okay. We're ready?

4 MR. WILSON:

5 Yes.

6 UNIDENTIFIED SPEAKER:

7 Okay. Do you solemnly swear to tell the
8 truth, the whole truth and nothing but the
9 truth and to keep secret all matters which you
10 may learn in this Grand Jury meeting,
11 revealing nothing that transpires here, so
12 help you God?

13 MR. GREENSTEIN:

14 I do. Just for clarification, I can talk
15 with my attorney about anything that we talk
16 about in here?

17 MR. WILSON:

18 That's correct. Absolutely. Absolutely,
19 yes. Also I believe you need to read
20 something to Mr. McLindon.

21 UNIDENTIFIED SPEAKER:

22 Yes.

23 Do you solemnly swear to keep secret all
24 matters which you may learn in this Grand Jury
25 meeting, revealing nothing that transpires

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

CONFIDENTIAL EBR GRAND JURY

6/3/2014

Page 7

1 herein so help you God?

2 MR. MCLINDON:

3 I do.

4 UNIDENTIFIED SPEAKER:

5 Thank you.

6 EXAMINATION

7 BY MR. WILSON:

8 Q Now, getting back to what I was talking
9 about before, Mr. McLindon has explained to you
10 about the fact that you are a target of this Grand
11 Jury?

12 A I saw the letter, yes.

13 Q Correct. And as a target of a Grand
14 Jury, you have Fifth Amendment protections under
15 the United States Constitution, more specifically
16 the right to remain silent and/or the right to not
17 self-incriminate. You understand those rights?

18 A Yes.

19 Q Have you discussed them with your
20 attorney.

21 A Yes.

22 Q Okay. And is it your intent at this time
23 to waive those rights and to voluntarily testify
24 before this Grand Jury?

25 A Yes, I'm very happy to be here today.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q Has anyone forced, threatened, coerced or
2 intimidated you in this way or fashion to appear
3 before this Grand Jury?

4 A No.

5 Q Okay. Thank you very much sir.

6 Now, we want to begin with -- and by the
7 way, the Grand Jurors, I will tell you right now,
8 are quite familiar with a lot of the details of
9 this case, so unlike the eight- or nine-hour
10 deposition you took part in, we are going to be
11 cutting more to the issues. But I do want to just
12 start out by getting a bit of background
13 information on you. We all know that you began as
14 secretary of DHH in September of 2010 and you
15 continued then until your resignation I believe was
16 March of last year?

17 A March or May -- I think my last day was
18 May 1st.

19 Q Of last year?

20 A 2013, yes.

21 Q Okay. What I wanted to talk about was
22 just to get a brief history -- first of all, just a
23 little background information. Are you married?

24 A Yes.

25 Q And you have children?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A Two children, two girls.

2 Q Okay. And are you currently still living
3 in Baton Rouge?

4 A No. We moved back to Seattle.

5 Q Back to Seattle; is that where you are
6 originally from?

7 A I wasn't born there, but that is where we
8 got married and our kids were born.

9 Q Okay. Where are you from originally?

10 A New York and Florida and Seattle and
11 Louisiana.

12 Q Okay. Bounced around a bit?

13 A Yeah.

14 Q I see.

15 A My father is -- he is born and raised in
16 Brooklyn, but he spent maybe the last five or six
17 years of his working life in Bossier. He is a
18 truck driver, and that's where his terminal was, so
19 --

20 Q Okay.

21 A -- he likes to say that I'm also from
22 Louisiana.

23 Q Gotcha, gotcha. Okay. Now, prior to
24 coming to work at DHH, as secretary of DHH, I
25 understand you worked for Microsoft prior to that?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A Yes.

2 Q And what was your position with
3 Microsoft?

4 A I was head of a healthcare business
5 division, and we did work around the world to work
6 with governments, health care systems, hospitals,
7 other companies that did technology work, to
8 develop our software, develop products to
9 understand the market better, to have better
10 partnership arrangements.

11 Q Okay. What was your official position
12 within Microsoft; were you a VP or anything like
13 that?

14 A It was called managing director of
15 worldwide health.

16 Q Okay. So you had an executive position
17 at Microsoft?

18 A Yes.

19 Q And I'm guessing you oversaw a fairly
20 large department?

21 A It was, I guess, a couple of weeks
22 looking -- at first the entire world was sort of my
23 region, and then the amount of dollars that I was
24 responsible for generating business was in the
25 hundreds of millions of dollars.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q So this was a job of a good deal of
2 responsibility, it sounds like.

3 A Yeah, it was big job.

4 Q Okay. And how long did you work for
5 Microsoft?

6 A Four-something years, around there.

7 Q Okay. So that would have been from
8 around 2006?

9 A '6, yeah.

10 Q -- until when you started as DHH
11 secretary. Okay. When -- I'm just curious; when
12 you were hired by Microsoft, were you personally
13 hired by Mr. Gates?

14 A No, I wasn't. I'd been in a meeting with
15 him, but he didn't select me.

16 Q Did you have any contact with Mr. Baum or
17 any of those people?

18 A Again, I have been in -- I was in a
19 selective -- in an executive program where kind of
20 high-performing executives get asked to be in this
21 program to be ready to take over other higher
22 positions in the company, and he's given talks --
23 in our company meetings, he would give talks, but
24 not directly.

25 Q Okay.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A But not one-on-one.

2 Q Okay. So from 2006 until 2010, you were
3 at Microsoft. Who did you work for prior to that?

4 A CNSI.

5 Q CNSI. And what was your position with
6 CNSI?

7 A I was called vice president for health
8 care.

9 Q Okay. Once again you were in an
10 executive position?

11 A Yes.

12 Q And how long did you work for CNSI?

13 A A year and week, a year and two weeks.

14 Q Okay. And do you recall -- why did you
15 leave CNSI? Was it just -- I mean, I'm guessing
16 Microsoft is one of the biggest companies in the
17 world, that was a step up?

18 A Yeah, it wasn't a great fit for me at
19 CNSI, and when Microsoft and I got in
20 conversation -- you know, sort of when you're ready
21 to make a move, you put yourself and your mental
22 state into wanting to talk to people about
23 opportunities, and one thing lead to another with
24 Microsoft, so I went that route.

25 Q I guess the point I'm trying to make is

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 that you didn't leave CNSI on bad terms, though,
2 did you?

3 A No, no, no.

4 Q Okay.

5 A I wasn't asked to leave in any way.

6 Q Right. You were just moving on to a
7 different position?

8 A Yes.

9 Q I see. Prior to CNSI, who did you work
10 for?

11 A For the U.S. Government, the CMS Center
12 for Medicare, Medicaid services.

13 Q Okay.

14 A I had two different roles with CMS. The
15 first job overseeing the Medicaid program, Medicaid
16 and the Children's health insurance, SCHIP, the
17 state children's health insurance program in New
18 England, so the six New England states. And then I
19 moved to the headquarters to -- I can't remember
20 the exact title, but it was the director of, I
21 think, waivers and demonstrations, and so we did
22 the reform projects for states. So for instance, I
23 think after the last election, every one knew what
24 Romney care was. That was one of the programs that
25 we developed and approved health reforms in

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Florida, Vermont, Minnesota and other states; we
2 did that. We oversaw the state's managed care
3 programs, Medicaid programs in the states, and then
4 so that's where I was.

5 Q So would it be fair to say that you have
6 extensive experience at both the public and private
7 level dealing with Medicaid issues?

8 A Yes.

9 Q Okay. Tell us a little bit about your
10 educational background.

11 A I studied public policy and economics. I
12 was at Florida State University for an
13 undergraduate and master's, a little English
14 literature.

15 Q Okay.

16 A And then I went to the University of
17 Tennessee for doctoral studies. And then I --
18 before I finished a dissertation there, I moved to
19 Florida to work in the state healthcare agency,
20 which is the equivalent of DHH for Florida, as a
21 health economist doing policy analysis and design,
22 where we were putting together a state health care
23 reform just before the Clinton healthcare reform
24 started.

25 Q Okay. So you completed your master's,

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 though, didn't you?

2 A Yes, yes, at Florida State.

3 Q Okay. Have you ever completed your PhD?

4 A No.

5 Q Okay. Do you recall how far along you
6 were when you split that off, because I have
7 friends of mine who -- it can take years to
8 complete a dissertation?

9 A Yeah, it's quite a large group for people
10 they call ABD, all but dissertation. So I finish
11 my course work. I was done with the courses, and
12 then you get to where you are ready to write your
13 dissertation and you put your committee together,
14 and during that time -- I don't know if being a
15 professor was really for me. I really wanted to do
16 the stuff, do the policy work, help change
17 programs, and so when I got the call from the
18 Florida government, I was exited, and I got that
19 job.

20 Q Okay. Now, we are going to -- I want to
21 direct your attention now, Mr. Greenstein -- and
22 like I say, we don't need a whole lot of background
23 about dates. We know you took over -- I believe
24 the job was offered to you in July of 2010. You
25 had some -- before you came in in September, you

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 had some meetings with some of the DHH folks up in
2 Seattle at a conference, I believe.

3 A It was Portland.

4 Q Okay. Portland?

5 A But northwest -- Portland.

6 Q Portland, right, right. It rains a lot
7 in both places. I have been there, so.

8 A It's sunny in the summer.

9 Q Okay. And then you come in in September
10 of '10, and at the time you come in, the state --
11 am I correct that the state was well into -- they
12 were about to issue the RFP?

13 A Yes.

14 Q Okay. Which is the request for
15 proposals, asking companies to bid on the MMIS
16 system; is that correct?

17 A That's correct.

18 Q And that process had actually begun under
19 your predecessor; is that correct?

20 A Yeah, in 2008, so probably right around
21 the time that they got started.

22 Q Okay.

23 A The election was in '7, so yeah, 2008.

24 Q Okay. And I believe the RFP was released
25 in November of 2011, and then the closing date was

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 February 17th of -- I'm sorry -- it started in
2 November of 2010, closed on February 17th of 2011?

3 A Yes.

4 Q Is that correct? Okay. And during that
5 time, there were -- once the bidding process was
6 open, once the RFP period began, is that also what
7 you refer to as the backout period?

8 A There is a blackout period for certain
9 people in the organization that are going to be
10 working with the evaluation, so that is considered
11 the blackout period for the employees working on
12 the evaluation.

13 Q Okay. Now, at the time that you
14 requested bids, do you remember who -- who placed
15 bids for the MMIS work?

16 A Yes. It was Molina; HP formerly EBS;
17 Xerox formerly ACS; and CNSI.

18 Q And CNSI. Okay. Of those four
19 companies, which would you say was the smallest
20 player?

21 A CNSI.

22 Q It was CNSI?

23 A Yeah.

24 Q All right. Now, I understand there was
25 this process of bids being brought in -- and what I

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 want to refer to now is that following the ending
2 of the bid process, the end of the valuation
3 process, you came up for a senate confirmation
4 hearing on June 8, 2011; do you recall that?

5 A Uh-huh.

6 Q Okay. And would you agree with me that
7 there was some controversy present during those
8 hearings?

9 A Oh yeah.

10 Q All right. And that's what we want to
11 talk about right now. You were testifying at both
12 hearings under oath, is that correct?

13 A I believe so.

14 Q Okay. You were sworn, you were under
15 oath. Okay. Now, going through the transcript --
16 and by the way, the Grand Jurors have seen the
17 video of both of the hearings. Is it fair to say
18 that there is a good deal of wrangling in about the
19 first half of the transcript between you and the
20 undersecretary, Mr. Jerry Phillips, and several
21 members of the state senate, regarding whether or
22 not you're going to tell them who won the award?

23 A I would say "wrangling" is a good word to
24 use, yeah.

25 Q You and Mr. Phillips took the position

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 that we're not telling you. And then there was a
2 good deal of argument about the interpretation of
3 the law. The senators were telling you, no, that
4 refers to the award not the announcing of the
5 winner. And at some point, Mr. Phillips asked for
6 time to speak with you, y'all go speak, make a
7 couple of phone calls, and then you come back in
8 and say, Okay, we will do it.

9 A Yeah.

10 Q All right. And I believe -- actually
11 your quote was, "And the envelop is CNSI."

12 A Yeah.

13 Q Okay. First of all, it begs the
14 question, they knew at the time you had formerly
15 worked for CNSI. Why didn't you just come out and
16 tell them?

17 A For sure, looking back on it, we should
18 have just made the announcement either before
19 session or before the hearing. I went in that
20 session to have a regular confirmation hearing. I
21 had a nice talk about my background, and my dad in
22 Bossier City, connection to the state, you know,
23 what we have done so far, what I hoped to do, and I
24 don't know that we ever got to that. It was -- the
25 senators had very pointed questions. They had

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 been, you know, prepped and prepared. We were
2 completely unprepared for that -- for the content
3 of that hearing.

4 Q But Mr. Greenstein, isn't it also fair
5 that you knew this was going to be controversial?

6 A Yeah.

7 Q You did not believe that having been a
8 former executive with CNSI, it was --

9 A I knew that would at least raise
10 questions.

11 Q Okay. If you knew it was going to raise
12 questions, why not get out in front of it and just
13 tell everybody walking through the door --

14 A Again, looking back at it now, I agree
15 with you. And it was a decision that the team came
16 up -- Jerry Phillips, Steve Russo, we had talked
17 about it, and we were going to follow the protocol
18 we had used for -- I think at least the last three
19 awards over a decade before, that they always do a
20 joint senate and house health and welfare, and they
21 made the announcement there. We had put a request
22 in, I think, at the beginning of session -- or at
23 least sometime during session before that hearing,
24 and it didn't occur until the end of session.

25 Q Okay. Now, regarding those conversations

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 you had with Mr. Phillips and Mr. Russo about
2 disclosure at the June 8th meeting -- and by the
3 way, you just said you thought this was going to be
4 a regular confirmation hearing. It sounds to me
5 like you thought that issue was going to come up.

6 A Well, we were --

7 Q -- that you had had discussions about it.

8 A We were prepared to have an answer if it
9 did come up, instead of trying to decide on the
10 spot, so.

11 Q But your answer amounted to saying, We
12 don't want to tell you.

13 A So the answer was that we were prepared
14 to have the hearing and make the announcement at
15 the hearing.

16 Q Now, let's be clear about this. Did Mr.
17 Russo and/or Mr. Phillips come to you and say, You
18 don't have to tell them, or did you go do them and
19 say, How do avoid telling them?

20 A I can't remember that.

21 Q You don't recall this?

22 A This is three years ago.

23 Q No, I get that, Mr. Greenstein. And I
24 just want to tell you at the beginning, you know, I
25 went through the deposition you gave a few months

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 ago, and you have a very sharp memory when it comes
2 to some details, specifically you recalled a dinner
3 at Tsunami with Mr. Adnan Ahmed, I believe is his
4 name -- you recall that Mr. Rainwater, you ran into
5 him there, and that y'all didn't eat very much
6 because you were hungry afterwards. Now, it seems
7 to be a pretty good memory of something at the time
8 you testified had taken place almost two years
9 previously.

10 A Well, somebody had asked me about that at
11 some point a lot more recently, but -- certain
12 things trigger your memory for sure, but I don't --
13 again, we went to the hearing with that conclusion.
14 I just don't remember if they asked me or I asked
15 them.

16 Q Okay. Fair enough. Now, at the hearing
17 very early on in your testimony, it was Page 3 of
18 the June 8th transcript, you stated that you had,
19 quote, "Completely firewalled myself from the
20 process"?

21 A Yes.

22 Q And I believe you later explained that
23 you defined the process to mean the actual process
24 of evaluating the bids?

25 A Yes.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q Okay. Now, was the reason why -- or one
2 of the main reasons why you needed a quote/unquote
3 firewall, was before you were, in fact, close
4 friends with Mr. Ahmed and another gentleman named
5 Creighton Carroll?

6 A I don't know if that is the reason why.
7 First of all, I don't think that the secretary --
8 whether there was a hearing about it or not, I
9 think the secretary is completely kept out of this
10 process. I did not ask to not been included. I
11 just was not included, so the evaluation, I gather
12 -- I can't remember who went through this in the
13 deposition, but the evaluation had 60 members,
14 there were 11 teams, the bids came in somewhere,
15 they did the be evaluation somewhere. The score
16 criteria, I didn't have access to that. I wasn't a
17 part of that. I don't know who the people were
18 still until today. I did not appoint them. I
19 didn't ask anybody to go on it. I basically had
20 nothing to do with it.

21 Q I get that, but --

22 A When I used the term "firewall" --

23 Q Yeah.

24 A -- that's exactly what I meant. The
25 term has come back many, many times. I wish I

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 hadn't used it, but that's -- basically, I had
2 nothing to do with it, stayed away from it, part in
3 my mind, too, just for extra precaution to make
4 sure that there is, you know, no conflict of
5 interest around that. I wanted to make sure I
6 didn't want anything to do with the evaluations.

7 Q I'm glad you brought up that term,
8 "conflict of interest", because I want to go back
9 to my question a moment ago. Isn't it, in fact,
10 true that you are friends with Creighton Carroll.

11 A Yes.

12 Q I mean, it goes beyond a business
13 relationship; you socialize together, you're tight.

14 A Yeah. We are friends, yes.

15 Q Right. And having worked for CNSI
16 before, having been friends with two of principals
17 of that company -- as a matter of fact, Mr. Ahmed
18 is one of the owners, correct?

19 A Yeah, one of the founders.

20 Q Right, one of the founders. You just
21 used the term "conflict of interest." I believe
22 any reasonable person would believe, under that set
23 of circumstances, there is the potential -- you
24 know, we always talk about as lawyers avoiding even
25 the appearance of impropriety. That's what our

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 conflict rules are based upon. Would you agree
2 with that?

3 A Yeah. Well, I mean, I'm not a lawyer,
4 but as I understand it, yes.

5 Q But as an intelligent man, you obviously
6 realize that your past associations with CNSI, your
7 friendship with Mr. Carroll and Mr. Ahmed, could be
8 a potential source of conflict for somebody from
9 the outside looking in?

10 A Sure. And so in all the meetings in DHH
11 that we had, I always started out with meetings,
12 even if it was the same people -- I had said this
13 just days before, "I worked for CNSI before, I've
14 had business relationships with HP, and I don't --
15 I want to make sure that that's clear to everyone
16 here, and that there is no conflict because of that
17 interest."

18 Q Okay. Now --

19 A And never tried to hide or make my
20 relationship unclear.

21 Q Now, along those lines, your predecessor,
22 Mr. Levine, had issued a memo, when the prior RFP
23 went out years before, that told the members of the
24 evaluation team no contact with vendors during the
25 blackout period; is that correct?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A I believe so, yes.

2 Q And would you agree that the primary
3 intent behind that memo is to avoid conflicts of
4 interest?

5 A So -- yeah, so the evaluation team is not
6 colored in any way.

7 Q Okay. Now, were you personally aware of
8 any members -- I believe there were 60 or so people
9 on evaluation teams -- that had previously worked
10 for one of the four bidders?

11 A No, not aware.

12 Q Okay. But you had.

13 A Yes.

14 Q Right?

15 A Yes.

16 Q Now, in your deposition testimony a few
17 months ago, when the issue of that memo -- which
18 you signed yourself, you reissued it and you signed
19 it -- no contact, you testified that that memo did
20 not apply to you.

21 A Correct. It was for people that were
22 either on or will be potentially on the evaluation
23 teams.

24 Q Well, Mr. Greenstein, if the point of
25 that memo is to avoid conflicts of interest, how

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 can it not apply to you if you were the only person
2 in this entire loop that worked for a former
3 bidder? Do you see where I coming with this?

4 A Oh, yeah, yeah, yeah, I mean, it's a good
5 point.

6 Q I mean, it seems as, if the point is to
7 avoid conflict, it should apply to you first.

8 A I didn't have anything to do would the
9 wording of the contract. So the point here is that
10 --

11 Q Okay.

12 A -- so the point, though, for this was --
13 and I believe we sent it out before the evaluation
14 teams were done forming. I idea was that for
15 people that were going to be on the evaluation
16 team, that they not be in contact or colored. But
17 we actually didn't prohibit -- for all I know, we
18 could have had 30 out of the 60 people be from
19 Molina. It wouldn't be uncommon for people that
20 worked there to come to DHH to work, because vice
21 versa happens. Even if that's the case, I don't
22 know if we would have excluded somebody because of
23 that. But really what we were concerned with is,
24 while people were making the evaluations or before,
25 them having contacts, just so that evaluation

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 process is isolated and not part of conversations
2 or inference.

3 Q I understand that, and I completely agree
4 with your assessment, but don't you think that,
5 going back to your concern regarding conflicts of
6 interest, you should have had no contact at all
7 with anyone from CNSI. I mean, you were heading up
8 a department of 9,000 employees. You had Janet
9 Miller and Lori Tichner and Jerry Phillips and
10 Don -- what's -- Don Gregory, and all of these
11 folks who were there to answer questions, and yet
12 we know now -- it's come out through the hearings,
13 through e-mails, through phone records -- that you
14 were actually having a great deal of contact with
15 both Mr. Adnan -- Mr. Ahmed and Mr. Carroll; is
16 that true?

17 A That's true.

18 Q That does not seem like that was a very
19 good idea; would you agree with that?

20 A Most of my contacts -- almost all the
21 contacts were social; there were about food,
22 politics, having babies. The point was that I
23 wasn't influencing the evaluation of the RFP. That
24 was clear along the way.

25 Q Okay. Well, regarding your testimony

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

CONFIDENTIAL EBR GRAND JURY

6/3/2014

Page 29

1 just a second ago about social contact, I want to
2 read you -- we did an analysis of the phone records
3 between you and Mr. Carroll going back from
4 January 10th all the way through -- January of 2010
5 until June of 2012, and what we found was rather
6 interesting. And this is the contacts between both
7 texts and phone calls between you and Mr. Creighton
8 Carroll. In January of '10 one contact; in
9 February of '10 no contact; in March of '10 one
10 contact; April of '10 five contacts; May of '10 one
11 contact. June, we all of a sudden -- in June,
12 which is apparently right before, when you were in
13 the process of being interviewed, accepting the job
14 offer from the Governor, we shoot up to 75
15 contacts. In July 96; in August 161; in
16 September 100; and October 131; in November 149; in
17 December 70. In January, when the whole Addendum 2
18 stuff was going down, which we are going to talk
19 about in a minute, 227. In February 143; March 78;
20 April 70; May 129; June 158. And all of a sudden
21 July, it goes down to 16; August back up to 96;
22 September 117; October 149; November 130; December
23 of '11, 205; January of '12, 109; February of '12,
24 137; March of '12, 197; April of '12, 82; May of
25 '12, 54, and then in June all of a sudden it goes

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 down to three.

2 So what we have here is that -- before
3 you take office, we have not even a dozen contacts
4 with Mr. Carroll. And after you take office, we
5 have a total, both from him and to you, of 2,882
6 communications. How do you explain that?

7 A First of all, he is a prolific texter.

8 Q So you are you.

9 A Yeah. I mean, I do a lot of texting.
10 Creighton is not even in my top five of texting
11 people.

12 Q But what I want to concentrate on is,
13 there is almost -- there's very, very -- you said
14 this is social, and this is going from very little
15 contact to -- and I hope you're not offended by
16 this, but it almost seems like you're a couple of
17 teenagers, you know, on a first love affair. I
18 mean --

19 A It's been suggested I can out text any
20 teenage girl around.

21 Q I get that, but I'm talking about
22 specific texts to and from Creighton Carroll. It
23 goes from very little and then shoots to the moon.
24 And then in January of '11, when the whole addendum
25 2 controversy is going on, is when we have the

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 heaviest number of contacts. And I want you to
2 be -- you have to be honest with these people.

3 A Absolutely, absolutely.

4 Q Are you telling them that that was social
5 contact during January when it shot up to over 200?

6 A Almost all would be, absolutely.

7 Q Almost all?

8 A Yeah.

9 Q But were you discussing Addendum #2 with
10 Creighton Carroll?

11 A I can't remember exactly, but I would --
12 I couldn't tell you that I absolutely did not.
13 Could I have gotten one for two? Sure. Could I
14 have gotten ten? Could be. I know his wife got
15 pregnant at the time earlier than one would make an
16 announcement, but he confided in me in that. It
17 was big deal for them; it was their first baby, and
18 they had some trouble before that. So I just can't
19 remember -- obviously, with the numbers like
20 that -- for other people at the same time, I had --
21 you know, I personally do thousands of text
22 messages per month.

23 Q But there's a huge, huge uptake in
24 communications after you take the job?

25 A Oh, yeah, yeah, yeah, for sure.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q And let's face it, Mr. Carroll works for
2 a company that wants the work. They want the MMIS
3 contract?

4 A They were interested in it, yes.

5 Q Okay. And -- but you're saying that the
6 majority of this was just social contact?

7 A The vast majority of it, yes.

8 Q Okay. Now, when all the controversy was
9 raging from January 7th until January 10th about
10 Addendum 2 within DHH, there is an awful lot of
11 communications between those days between you and
12 Mr. Carroll.

13 A I wouldn't characterize it as a
14 controversy at all; it was a business question.

15 Q It was -- are you saying that there were
16 not individuals within DHH that thought that was a
17 bad idea?

18 A Not that I'm aware of.

19 Q Not that you're aware of. Okay. So no
20 one in DHH, Lori Tichner, Janet Miller, Don --

21 A Gregory.

22 Q -- Gregory never expressed any
23 consternation at all?

24 A No one ever said to me that it was a bad
25 idea.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q Okay, but the idea originated with you
2 correct?

3 A So the --

4 Q Yes or no, and then you can explain. The
5 idea originated with you?

6 A The idea of?

7 Q Of Addendum #2?

8 A Yes. Yes.

9 Q Of allowing CNSI to use a subcontractor's
10 level of experience to qualify to bid at all?

11 A So let me explain, because that's not
12 exactly how I understand it. So this is
13 clarification to -- I went back to look at these
14 documents, so it's a clarification for something
15 that wasn't clarified when CNSI had asked for it to
16 be clarified.

17 Q But it was clarified when CNSI asked a
18 few days before Addendum #2. DHH had actually
19 posted a response saying, No, you can't do that?

20 A No, no, that's not at all how it
21 happened. CNSI ask for a clarification. The
22 department answered with the same language as they
23 had to be begin with, and it said, It's the
24 department's intent that the proposer have the
25 experience. There's a couple of more lines to it.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 DHH's response was that was it, the department's
2 intent is to have the proposer possess the response
3 (sic).

4 There's a question right below it
5 where -- there was a question, and the department
6 rejected the question, so it was -- it was unclear.
7 I don't know if I looked at it then, but I
8 just reviewed documents to come here today. And
9 I'm sure you have it in --

10 Q The point is that you've testified
11 previously that you got a phone call on
12 January 7 -- you testified to this in your
13 deposition, not before the senate -- but you get a
14 phone call from Mr. Ahmed on January 7 telling
15 you -- complaining about the way things stand,
16 they're not going to be able to bid. You've
17 admitted that.

18 A That they couldn't bid as the prime.

19 Q Correct.

20 A So it would be -- their partner would
21 have to bid as the prime.

22 Q Okay. But Addendum #2 allowed them to
23 bid as the prime, correct?

24 A Yes.

25 Q So prior to Addendum #2, CNSI could not

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 have bid as the prime?

2 A Correct.

3 Q Correct. And addendum number --

4 A The language, again, is not perfectly
5 clear, because it says "the proposer". I'm not
6 sure if it means the team, if it's the distinction
7 between prime, sub. The idea was it wasn't clear,
8 and they needed clarification. And we didn't make
9 it clear through the question-and-answer process.

10 Q Well, Mr. Ahmed seemed to have thought it
11 was clear. He appealed to you to issue an addendum
12 to allow them to bid as a prime?

13 A For clarification, yes. It's one of
14 those things that could be read maybe either way,
15 maybe they felt like it was --

16 Q Okay.

17 A -- not comprehensive enough. Remember
18 any of the other teams could have used that
19 authority as well to have an interesting team
20 arrangement. All this did was expand competition.
21 It didn't favor anyone. In fact, if you look at
22 the department -- this is 2014 -- we've had the
23 same system for -- this is 30 years now.

24 Q How can you say it didn't favor anyone if
25 CNSI was the only one of the four bidders that got

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 any benefit from Addendum #2?

2 A Because the only benefit was allowing
3 them to compete. Our goal for was for competition,
4 so in May of that year -- this is before me -- but
5 our SFP language said the bidder must have a
6 certified system. ASC came to the department and
7 said, We don't have a certified system, but we
8 believe our system will be certified one day. We
9 would like the language the say "certifiable". The
10 team said, That's great, because we want more
11 competition. The same thing here; if CNSI's
12 interest was, We want to bid and we have this
13 partner that has, you know, world class experience,
14 and we are going to partner with them; but the
15 language is unclear whether it has to be us or them
16 on the letterhead. I said that's a good point. We
17 should have open competition.

18 Our goal was to have more competitors to
19 make sure that we got the best system for the
20 taxpayer instead of fewer. This whole discussion
21 on Amendment 2 that I have looked at, I completely
22 understand all the questions, there's a phone call,
23 what happens. But at the end of the day what
24 happens is not a favoritism or benefit to any
25 company; it just allows them to compete. After

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 that, everybody is off to compete against each
2 other. It's like saying we couldn't -- we want to
3 bring our best quarterback on the field. Well, we
4 don't know if they weren't born in this parish or
5 that parish. We want to have your best -- the best
6 teams come to play. That's what our RFP was about.

7 Q I'm glad you brought that up, the best
8 team. That is why there was the requirement that
9 the primary bidder be an FI, a fiscal intermediary;
10 correct?

11 A I'm not sure I understand the question.
12 Can you say it again?

13 Q It was -- one of the requirements was
14 that the primary contractor bidding had to be an FI
15 or an FA, correct?

16 A No. It said the proposer. The idea you
17 cannot just show up as a technology company with
18 never having been in this business before. The
19 idea is you want to have technology companies that
20 have done this, that know this market, that can
21 adjudicate claims.

22 It turns out CNSI's partner is Meridian.
23 They process claims for Medicare. I think they are
24 the biggest Medicare claims processing division in
25 the country. From my work at CMS, I remember them

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 being -- winning a lot of the RFPs, doing a very
2 good job, having a low-cost claim processing
3 center, because they do so many, millions and
4 millions and millions. And that's what CNSI has to
5 bring. I think it sounds like our RFP should
6 allow the bidders to figure out the best team that
7 they could bring.

8 Now, just to kind of go further on your
9 question, because it's a good question, if CNSI
10 said, We have got Fred's Claim Processing, and they
11 work out of a pharmacy, and they do 17 pharmacy --
12 you know, whatever people come into their shop, and
13 they are in Pointe Coupee Parish and they're going
14 to be a great partner, I mean, that doesn't sound
15 very good. If you want to bring it, I doubt you're
16 going to get very far with that. But they brought
17 the nation's biggest -- I don't know if it's the
18 strongest -- Medicare likes them; they are doing a
19 great job for Medicare.

20 Q You are referring to Meridian?

21 A Meridian.

22 Q Right.

23 A It sounds like, yeah, you guys should be
24 able to bring the team you want to the game, and
25 let the evaluators take a look at it.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

CONFIDENTIAL EBR GRAND JURY

6/3/2014

Page 39

1 Q But CNSI didn't even need Addendum #2;
2 they could have simply served at the sub and
3 allowed Meridian to bid as the prime, correct?

4 A This is why they wanted clarification. I
5 don't know.

6 Q True or false, you make more money as a
7 prime than you do as a sub?

8 A Actually, I can't answer that question.
9 By the question, I think that you -- the prime?

10 Q Yeah.

11 A I'm not sure that it's the prime. It's
12 the one that processes the claims over the long
13 period of time. If you look at the total cost of
14 these things, doing the development work up front
15 is probably 1/6 of the total cost of the contract.
16 Processing claims, it's an amount of money per
17 claim for -- well, like say Molina, for 30 years.

18 Q You're still getting more cache within
19 the industry if you are the prime as -- I mean this
20 has value.

21 A Sure. For a cache, for sure. For
22 bragging rights after the game, yes. But for
23 money, I'm not sure that --

24 Q As we know in the business world, cache
25 usually equivocates to money.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A Well, you want to have it for some
2 reason.

3 Q It's not just something to have rattling
4 around in your pocket like loose change.

5 A I would think that it helps them out in
6 the long run.

7 Q Okay. That's fair enough.

8 Now, would you agree that that
9 conversation you had with Mr. Ahmed, regarding
10 Addendum #2 that you later disclosed during your
11 deposition, specifically dealt with the RFP?

12 A For this question, yeah, I would say
13 that.

14 Q Okay. But you don't think that there was
15 any issue with you discussing that directly with
16 him, directly with your former employer, because
17 the conflict-of-interest memo you issued did not
18 apply to you?

19 A I didn't even think about it like that.

20 Q But Mr. Greenstein, I mean, you are going
21 to have to explain that to us. I have only known
22 you a few minutes, you strike me as a very
23 intelligent man.

24 A Thank you.

25 Q An intelligent person clearly would see a

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 red flag here, wouldn't they?

2 A Looking back at it now -- again, I wish I
3 just turned my phone off for all these months. But
4 if being asked to take another look at it was the
5 thing, I didn't -- certainly didn't promise it; I
6 didn't make the decision myself. I asked the team
7 to take another look at it. We wanted a
8 clarification on it. I didn't tell them, You have
9 to do this or else. I didn't sign it myself. I
10 didn't write it myself, so.

11 Q Did you strongly encourage them?

12 A I said I think it's a good thing to do.

13 Q You think it's a good thing to do. Okay.
14 But the idea of it initiated with you.

15 A Yes.

16 Q Right. Okay.

17 A Again, the goal was to increase
18 competition, and that was what we strived for in
19 the whole process of the RFP writing.

20 Q You do --

21 A -- before the time I got there.

22 Q You would agree with me, though, that
23 there's is good competition and there's bad
24 competition, right?

25 A Well --

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q I mean, there are some competitors,
2 that's why we have guidelines and rules in order to
3 weed them out.

4 A There's competition like having the same
5 system for 30 years where, it's supposedly
6 competition and there's an RFP, but either no one
7 else could bid for it or it's written so peculiarly
8 or -- if you are some companies, you want to make
9 sure that no one else can bid except for you, and
10 then you are happy to do that.

11 Q The thing that we have been concerned
12 with is that this open-competition door, that you
13 keep referring to, only applied to one company.
14 That's true, right?

15 A Half the companies that bid --

16 Q In other words, when you issued Addendum
17 #2, it didn't open the flood gates to a bunch of
18 other bids, did it?

19 A I wish it would have.

20 Q But it didn't.

21 A No, but we had four, and four is about as
22 good as you're getting these days, and for
23 Louisiana probably ever, to bid on an MMIS.

24 Q Okay. You did not think though that
25 given your history with Creighton Carroll and Aanan

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Ahmed and CNSI that this was just a terrible idea
2 for you to be involved with this in any way, shape,
3 or form?

4 A I thought about this. The alternative
5 would be to discriminate against them. If another
6 company had come to say exactly the same thing, I
7 would think it's a great idea.

8 Q How about you do the Pontius-Pilate
9 approach, and you just wash your hands of it. I'm
10 not -- you told Mr. Ahmed -- why didn't you tell
11 Mr. Ahmed, Look, you need to talk to Ms. Tichner or
12 Ms. Miller or Mr. Gregory or Jerry Phillips, I
13 can't talk to you about this. I mean, we are
14 talking about conflicts of interest here.

15 A Yeah -- again, I didn't have a
16 prohibition.

17 Q In your definition you didn't have a
18 prohibition.

19 A I mean, I looked at all the documents. I
20 don't see a prohibition.

21 Q But isn't it ironic that you would issue
22 the strict standard for people on the evaluation
23 team, but then claim that it didn't apply to you?

24 A I think that's exactly what it should be,
25 so that there's someone could talk in public, give

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 talks, lobbyist come and see, and they are
2 insulated from having any impact on the evaluation.
3 Again, what we are trying to do is make sure -- two
4 things, RFP is good, it produces good, qualified
5 competitors, best teams on the field, and that the
6 evaluation team is not influenced in any way by
7 this.

8 Q But what about the secretary?

9 A There is no way that I influenced the
10 evaluation, absolutely not. The whole idea was
11 creating a very fair evaluation team. We strived
12 incredibly hard, and we absolutely delivered on
13 that.

14 Q Okay. So you -- in answer to my
15 question, you did not see any conflict with
16 speaking up on behalf of CNSI regarding Addendum
17 #2?

18 A Again, I thought it was a good idea. I
19 suggested it to the team, that we take a look at
20 it, we clarify what our answer that didn't provide
21 a concrete answer before was --

22 Q But I understand -- and I understand what
23 you're saying, Mr. Greenstein. You were the head
24 of the department, you were the secretary, you were
25 the public face of the department. Absolutely, we

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 want you going around speaking to groups, giving
2 lectures, spreading the word about all the good
3 things we are going to do, except when it involves
4 a former employer, who is seeking almost a
5 quarter-of-a-billion dollar contract. I mean,
6 don't you think that's common sense?

7 A I don't know how you get around
8 discriminating against the company then.

9 Q But what I'm saying is that, couldn't you
10 have just removed yourself entirely from having any
11 contact with them?

12 A Sure. I could have -- again, I could
13 have turned off my phone. I could have just not
14 talked, I could have not listened.

15 Q But you didn't?

16 A I did not.

17 Q All right.

18 A I didn't think that I was compelled to.

19 Q You didn't think you were compelled to by
20 your own memo, because that didn't apply to you.

21 A But the memo is specifically addressed to
22 a certain population.

23 Q I got you. And you're talking about the
24 performance evaluation team; but Mr. Greenstein,
25 this is really splitting hairs on this point,

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 because without Addendum #2, CNSI never even gets
2 that far.

3 A They go in as the sub, or they bid and
4 they ask for clarification later on. Again, it was
5 not perfectly clear, our answer from the Q&A
6 process.

7 Q The point is that you -- in all fairness,
8 you took actions that were a benefit to your former
9 employer?

10 A That -- so the --

11 Q Yes or no?

12 A Yes. Yes, it allowed them to compete.

13 Q I got you. Okay. Now, let's go back to
14 the June 8th hearing -- you had -- I wouldn't call
15 it a friendly conversation with Senator Peterson,
16 but Sention Peterson at the first hearing asked you
17 pointblank, Any conversations with CNSI about the
18 this contract; you replied yes. And then when she
19 asked for a follow-up, you said, All I discussed
20 was what we were looking for, what we were
21 interested in.

22 A Yes.

23 Q Right. No mention of the conversation
24 with Mr. Ahmed regarding Addendum #2. You did not
25 mention that, correct?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A No, I didn't. When she asked me the
2 question, she asked about the company many, many
3 times. And I know that we had meetings in the
4 department where companies came in, and in my mind,
5 the whole time I was thinking about what meetings
6 did we have, what did we explain, what did we
7 do with the company. And it never crossed my mind
8 that my friends or my texts were with a company.

9 Q Wasn't it clear, though, that Senator
10 Peterson was specifically grilling you about
11 contacts with CNSI, your former employer?

12 A She kept on saying "the company", and I
13 kept thinking about the company, the team that
14 comes in to officially work with the department.

15 Q I get you, but no where in that
16 transcript do you bring up your discussions with
17 Mr. Ahmed regarding Addendum #2, and there is
18 certainly no mention of all of this, none at all.
19 Now, as intelligent man, when Senator Peterson was
20 asking you, Tell me about all of your
21 communications, and you just mentioned vaguely --
22 you said, I had one with Mr. Ahmed; but you don't
23 say it involved Addendum #2. You said it involved
24 what we were looking for, what we were interested
25 in.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A She kept referring to "the company" over
2 and over again, that's my recollection. And
3 remember thinking that -- in fact, we went back,
4 because I think she asked in one hearing -- we went
5 back and we looked for the phone logs, visitor
6 logs, meeting logs, so we were trying to answer the
7 company to DHH, what conversations, what meetings
8 that we had; and that's what I was talking about.

9 Q Well, this hearing took place a few
10 months after your phone conversation with Mr.
11 Ahmed. You clearly recalled it at that time,
12 didn't you?

13 A I know that he and I talked, but again I
14 was -- as you can see -- I don't know if you said
15 rattled and so forth. But the questions were about
16 the company, it was about the process, and I
17 remember just sticking with trying to recall what
18 those things were, because there some very specific
19 questions.

20 Q But you admitted in your deposition that
21 that conversation had to do with Addendum #2?

22 A It likely was. I can't remember
23 specifically what the conversation --

24 Q You can't argue with the fact that at
25 that time period in January, I mean, your

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 communications with Carroll are at their highest of
2 any month, 227 total communications with Creighton
3 Carroll around that time?

4 A A lot of text messages.

5 Q What do you think that says to these
6 folks?

7 A That we both texted a lot.

8 Q About what?

9 A Again, almost all is -- I wish you could
10 see them, plenty of Obama and Bobby Jindal, whether
11 it was sports -- he's a Seattle guy, babies, bad
12 jokes, maybe some good jokes, but mostly bad ones.

13 Q Nothing to do with the bidding process,
14 because I'm going to ask you pointblank right now,
15 okay. Isn't it, in fact, true that Creighton
16 Carroll and Mr. Ahmed had -- you were aware that
17 they were in financial trouble?

18 A No.

19 Q You didn't know that.

20 A Financial trouble as in with the company.

21 Q The company.

22 A I didn't know that.

23 Q You did not know that.

24 A No.

25 Q They never disclosed it to you?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A That they were -- no.

2 Q They never told you they really needed
3 this business bad?

4 A No.

5 Q You are sure about that?

6 A I don't recall them telling me that.

7 Q Okay. But under Senator Peterson's
8 questioning, as we just covered -- there was no
9 mention of the conversation with Mr. Ahmed
10 regarding Addendum #2 and no mention of the
11 thousands of contacts with Creighton Carroll?

12 A No.

13 Q Okay. So you did not give her an
14 accurate response; is that correct?

15 A I was trying to answer her question,
16 which was my contact with the company.

17 Q But in light of the fact that previously
18 you had had an over hour-long fight about whether
19 or not to tell them that CNSI was the winning
20 bidder, this doesn't seem evasive to you? I mean,
21 what you do you think would have happened if you
22 would have just went out and told Senator Peterson
23 at the time, Yeah, as a matter fact, I had over
24 2000 texts with Creighton and Mr. Ahmed and I, he
25 call me up on the 7th, and we talked about Addendum

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 #2, how do you think that would have been gone
2 over?

3 A I -- I don't know. I had many, many
4 conversations during the whole course of the
5 session with Senator Peterson. She is an extremely
6 smart senator. She typically was not very happy
7 with pretty much anything the administration did.
8 Those discussions on all kinds of health care
9 issues, which we had many times -- she was on
10 senate health and welfare to start with, and on
11 senate finance. I just remember that was a very
12 tight budget year. We had some big health care
13 reform issues going on, so there was -- I mean, her
14 and I were just like this, you know, at the table
15 and at the --

16 Q I get that, but I mean, are you -- would
17 you agree with me that her line of questioning was
18 fair?

19 A Yes, of course, they were fair. They
20 were good questions, and they were very narrow and
21 specific, and I tried to give narrow and specific
22 answers to answer exactly what she was asking.

23 Q And there was quite a reaction in that
24 room when you opened the envelope and said, The
25 winner is CNSI, right?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A Yes.

2 Q Don't you think that it's common sense
3 that if you had disclosed the actual contents of
4 your January 7th phone call with Mr. Ahmed and your
5 thousands of contacts with Creighton Carroll that
6 that would have been even more explosive?

7 A It certainly would have been interesting,
8 but remember we went over Addendum #2 with a great
9 deal of depth.

10 Q Yes or no, it wouldn't have gone over
11 well, right?

12 A It wouldn't have gone over well.

13 Q Okay.

14 A This was a very political process.

15 Q But it's also a process that involves
16 integrity; isn't that also true?

17 A Yes.

18 Q That's the whole point of a confirmation
19 hearing?

20 A Well, I don't think it's the whole point,
21 but it's the major point.

22 Q We want to make sure that the people we
23 are putting in positions of great authority, as you
24 pointed out in your deposition -- DHH spends almost
25 one-third of the entire state budget.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A Correct.

2 Q It oversees 9,000 employees. We want to
3 know that the person we have in that job can be
4 trusted. Would you agree that that is a main
5 concern of a confirmation hearing?

6 A Yes.

7 Q And along those lines, you were not
8 forthcoming with Senator Peterson at that first
9 hearing. You did not -- I mean, you understand,
10 there was no mention of the conversation, the
11 substance of the conversation regarding Addendum #2
12 with Mr. Ahmed, and there was no mention at all of
13 Creighton Carroll. Creighton Carroll's name
14 doesn't show up in either of those transcripts.
15 Right?

16 A Yes.

17 Q Do you think that's something that they
18 should have known about?

19 A Texting with a friend of mine? I don't
20 know.

21 Q I get your whole texting thing, but we
22 are talking about this kind of texting; we are
23 talking about texting that -- this is like, you
24 know, me on my motorcycle when I'm in a crazy mood.

25 I mean, that thing can go from zero to a hundred

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 real fast, you know. Here is zero, here is a
2 hundred. You get my point?

3 A Yes.

4 Q So that is information that, in all
5 fairness, you should have disclosed. Yes or no?

6 A I don't think so. I don't know.

7 Q I mean, put yourself in Senator
8 Peterson's place.

9 A Yes.

10 Q You would want to know?

11 A Again, it was a very contentious hearing.

12 Q I understand that.

13 A I was taken by surprise by the questions.
14 Senate hearings are also about policy and the
15 direction of the department. We did some really
16 big changes in healthcare in our state. We changed
17 our birth outcomes initiative at the same time. We
18 have so many more -- so many fewer preterm and
19 premature babies, so many fewer low-birth weight
20 babies. We have health plans now for people to
21 enroll and get better access to health care. All
22 those things were going on. We did a big waiver
23 for New Orleans, for the community health clinic, a
24 person who I worked with on that, had -- you know,
25 I don't know if it was the most number of texts,

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 but many more texts in trying to get ready for
2 that.

3 Q Let's just cut to the quick, Mr.
4 Greenstein. If you had informed -- if they knew
5 about this, this would not have helped you out,
6 right?

7 A I would not be positive, no.

8 Q No. And a fair-minded person would look
9 at this and go, What's going on?

10 A Yeah, there would more questions for
11 sure.

12 Q Certainly. Fair questions.

13 A Yeah -- well, they would ask questions.

14 Q You don't think that questions regarding
15 the spike in contacts would have been fair?

16 A That would have been a fair question,
17 but, remember, this is a political process, so
18 there were a lot of questions that were good and
19 some there weren't good. I mean, that's part of
20 the process; you go and you take them.

21 Q Okay. Now, you later said -- on Page 24
22 of the June 8th transcript during your testimony,
23 you stated that you had had no vendor conversations
24 regarding the RFP after it was released. That is
25 not correct, is it?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A It's -- as I look at it now, no.

2 Q That was an inaccurate statement?

3 A With knowing what I know now, it is not
4 accurate.

5 Q Knowing what you knew then?

6 A I did not recall --

7 Q This is four months after a very
8 important conversation with your friend and former
9 employer, Mr. Ahmed, and you tell Senator Peterson
10 no vendor conversations regarding RFP after it was
11 released. And you admitted a minute ago that that
12 conversation with Mr. Ahmed definitely involved the
13 RFP. So that was not an accurate statement, was
14 it?

15 A From -- I did not make it at the time
16 thinking it was an inaccurate statement. I
17 couldn't recall -- I knew I didn't have more
18 meetings. I again was thinking about the company.
19 I was really trying to put the business of the
20 department and doing the RFP together, and so --

21 Q But you were also taking a lot of heat at
22 this meeting, and if these details had come up,
23 let's face it, the temperature would not have gone
24 down. It would have increased, correct?

25 A Yeah -- again --

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q And this is -- I'm just -- like I said,
2 Mr. Greenstein, you seem to me to be a very
3 intelligent man, and your resume' is -- God knows,
4 anybody would be just pleased as punch to have
5 worked at the levels you have and been in charge
6 and had the responsibilities that you have. It's
7 just -- it's hard for me to believe that a company
8 like Microsoft would have hired somebody with such
9 bad recall. What do you think about that? We all
10 have a lot of responsibilities; we all have a lot
11 of things on our plate or whatever, but the
12 important events that happen, those tend to stick
13 in your mind. And as I pointed out before in your
14 deposition, you even remembered trivial events that
15 had taken place a year-and-a-half, two years
16 previous to your testimony. Don't you think that's
17 a fair concern?

18 A I mean, you have the record of how many.
19 I can't recall who I talked to, how many times and
20 about what. Put yourself in my shoes. It was
21 very, very stressful. I was doing the best job
22 that I could. I was working extremely hard in the
23 department. We were making a lot of progress in
24 healthcare. Was there a conversation about that?
25 I couldn't recall. I didn't think so. At the time

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 I was answering the questions the best I could.
2 Clearly, I didn't want to answer inaccurate. I
3 wanted to tell them everything that they were
4 asking. And I didn't go in there trying to say
5 everything possible I could. I was trying to
6 answer the questions correctly. And when I left
7 there, I felt very good about having answered the
8 questions as accurately as I could.

9 (END OF DISC 1)

10 BY MR. WILSON:

11 Q I got you, but when I put myself in your
12 shoes and I look at these documents and I think
13 that if I was honest with Senator Peterson, if I
14 let them know this, it's probably going to kill me,
15 as far as being secretary of DHH. Do you think
16 that's a fair statement?

17 A I couldn't venture a guess on that.

18 Q It certainly would not have helped, would
19 it?

20 A It would not have helped, no.

21 Q Okay. And the opposite of "help" is
22 "hurt"; do you agree?

23 A Yeah, sure.

24 Q Got you. Okay. Now, you stated later on
25 in that same page -- when you were asked specific

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 questions about your meeting with Mr. Ahmed, you
2 did not mention anything about Addendum #2. You
3 said that you had had a meeting in September of
4 2010, right after you had taken office, with Mr.
5 Ahmed. It was a face-to-face meeting at DHH. Do
6 you remember that testimony?

7 A Yeah, I remember the testimony.

8 Q But there was no mention at that time of
9 the phone call with Mr. Ahmed regarding Addendum
10 #2.

11 A Correct.

12 Q All right. Why did you leave that out?

13 A That's three years ago. I can't recall
14 what I was thinking at the time. I was just
15 answering the questions.

16 Q But if you had answered the question
17 honestly, you would have mentioned that
18 conversation, that phone call with Mr. Ahmed,
19 wouldn't you?

20 A I wasn't dishonest in my answer. Again,
21 three years ago was the hearing --

22 Q When you said you had no vendor
23 conversations regarding the RFP after it was
24 released, that was not honest.

25 A At the time -- again, this is what I was

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 thinking. I wasn't trying to be misleading in that
2 at all.

3 Q Okay. Now, later on toward the end page
4 25-26, you were asked specifically about the number
5 of meetings. You said, one to two meeting at CNSI
6 at the office, three to four phone conversations
7 with people from CNSI, no mention of Carroll's
8 calls or the texts, correct?

9 A Correct.

10 Q So when you said three or four phone
11 conversations, not even close, right?

12 A Yeah, there was no -- but that wasn't at
13 all what I was thinking. When people from the
14 company, not my friends, call and ask questions
15 about the MMIS business, that was like a, you know,
16 business and company phone call.

17 Q Okay.

18 A Again about being pregnant, about the
19 Seahawks and the Saints --

20 Q Let's not get into that. Okay.

21 Anyway, following that hearing, do you
22 recall that in between -- you were called to
23 testify again on June 11, which would have been
24 nine days later. Okay. And in between your second
25 testimony in front of the state senate, do you

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 recall having a meeting with officials from DHH and
2 DOA? At that time they were making a hard target
3 search for any e-mails, a subpoena had been issued
4 by the senate committee --

5 A Actually, I don't know if it was a
6 subpoena. I think it was a request, but
7 nonetheless, we just treated it as seriously as we
8 would --

9 Q Okay. It didn't make any difference to
10 you. Y'all were getting documents together to turn
11 over to the senate subcommittee, correct?

12 A Yeah.

13 Q Okay. The confirmation committee. Do
14 you recall a meeting with DHH officials and DOA
15 people, specifically Paul Rainwater, J.T. Lane,
16 several other folks, where you had a meeting
17 regarding the e-mails that had been found. Do you
18 remember that meeting?

19 A I don't.

20 Q You don't remember that meeting with
21 Mr. Lane and Mr. Rainwater and several other people
22 in between your testimonies before the senate?

23 A I don't remember it.

24 Q You don't recall a meeting where they
25 brought you what they were going to turn over, and

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 it was discussed with you?

2 A No. I remember looking at e-mails, but I
3 don't remember looking at it with Paul Rainwater.

4 Q You do not recall that?

5 A No.

6 Q Okay.

7 A Paul Rainwater and I met all the
8 time during session. We had a very tight budget.
9 I just don't remember meeting about this issue with
10 Paul Rainwater.

11 Q Okay. Do you recall being explicitly
12 asked by folks at that meeting from both DHH and
13 DOA, Is this all there is?

14 A No.

15 Q I'm going to ask you again. Are you
16 sure?

17 A I don't remember having a meeting with
18 Paul Rainwater about these e-mails.

19 Q J.T. Lane, anybody else?

20 A With J.T. Lane, I'm sure -- because he
21 was chief of staff at the time, so he probably
22 did the pulling of all of the e-mails.

23 Q Do you recall being asked, though, Bruce
24 is this it?

25 A I don't recall that question like that.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q You see that's a little hard to believe.
2 I mean, you knew you were headed for a second
3 grilling, right?

4 A Yeah. They set the date or they set it
5 to be the week after the first one.

6 Q And you would agree with me that it was
7 extremely important to make any and all disclosures
8 to the senate prior to that second testimony,
9 right?

10 A They had full access to the meeting
11 records, phone records, e-mail, my calendar.

12 Q Uh-huh.

13 A So they did all that --

14 Q Did you disclose to those forks your
15 conversation with Mr. Ahmed regarding Addendum #2?

16 A I did not.

17 Q Why not?

18 A I didn't even think about it.

19 Q Why wouldn't you think about that, Mr.
20 Greenstein? I mean, this is why the state senate
21 was being very aggressive with you. That was the
22 issue. How could that slip your mind?

23 A The state senate wanted to be sure that I
24 didn't influence the award of the RFP, that I
25 didn't change the nature of the evaluation, that I

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 didn't steer it.

2 Q The nature of the qualifications had been
3 changed, though.

4 A The qualifications, we definitely --
5 again, we wanted the competition. All Addendum #2
6 does is just allows a company to compete, just like
7 we did in May of that year. We allowed another
8 company to compete. If we did it for one company
9 and then we didn't do it for another company, I
10 don't know if that wouldn't be discrimination.

11 Q Did any other companies make a phone call
12 to you like Mr. Ahmed did?

13 A Not to me. The first one, I don't know
14 how their change came about. It could have been a
15 phone call, it could have been a meeting, it could
16 have been a lunch. I'm not sure.

17 Q You don't remember -- no other vendors
18 called you up and said, Hey, we need our own
19 addendum so we can bid?

20 A No. It had already been changed for ACS
21 in May of that year.

22 Q Okay. But this specific addendum did not
23 have anything to do with ACS, right?

24 A No. This was -- CNSI asked. It could
25 have been applied for any of the vendors.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q Okay.

2 A Any vendors could have taken advantage of
3 this.

4 Q Okay. Now --

5 A Again, there -- Addendum 2 was just to be
6 allowed to compete. It didn't change the
7 evaluation, the points, who got the contract, just
8 allowed that team to bring, you know, the
9 quarterback they wanted onto the field.

10 Q We all understand competition, Mr.
11 Greenstein, and that's the American way. It is the
12 system we live in, and by and large, it's good.
13 You understand there is such a thing as unfair
14 competition, don't you?

15 A I understand there's unfair competition,
16 yeah.

17 Q And you can understand why, based on some
18 of the facts we have covered so far, members of the
19 senate might have thought there was unfair
20 competition going on?

21 A I don't know that they thought that. I
22 think that this process was political. I had heard
23 that later on a lobbyist for one of the companies
24 supplied the senators with questions to ask. It's
25 the pure definition of trying to create an unfair

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 environment.

2 Q Mr. Greenstein, politics did not have
3 anything to do with your actions, did they?

4 A With what actions?

5 Q Your discussions with Mr. Ahmed, your
6 text, your communications with your former
7 employer. I mean, politics -- those facts are
8 facts, right?

9 A Those are all there, yes.

10 Q That's it.

11 A But again, the reason why we're having
12 this conversation is because we wanted to have more
13 open competition. There are other companies that,
14 as you said, that want unfair competition.
15 Numerous companies want to bid because they either
16 want to hold on to their business, or they want to
17 not have as much competition.

18 Q The administration you were hired by,
19 though, has made a great deal -- we are talking
20 about open competition, about open transparency,
21 true?

22 A Yes.

23 Q Right? You weren't being transparent,
24 were you?

25 A At that time, I answered all the

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 questions that I was asked the best that I could.

2 Q You didn't get scared under oath?

3 A I was very nervous. I remember my shirt
4 being very -- I was sweating under my shirt.

5 Q You weren't -- your better judgment
6 wasn't telling you, I need to tell these people
7 about everything, my entire involvement with CNSI?

8 A My better judgment was saying to answer
9 those questions very specifically. Every time that
10 I had said something that I couldn't remember
11 exactly or I made something general, they jumped on
12 it, so I wanted to be very specific about what I
13 was answering.

14 Q But the omissions, the things you're not
15 specific about, all involve CNSI, contacts with
16 CNSI that weren't discovered until after your
17 senate confirmation hearings, correct?

18 A Yes. And of all those --

19 Q That's not transparency, is it?

20 A I answered the questions that I was
21 asked.

22 Q But you left out information that would
23 have definitely rammed up the spotlight on you even
24 more, correct?

25 A I believe so, yeah.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q Okay.

2 A It's not like the senators told me, you
3 know, we had a lobbyist for one the companies that
4 doesn't want competition call us to ask these
5 questions. It's a very one-sided situation.
6 Whether it's the other company -- they have huge
7 motivation. The company that is now in place will
8 make over \$200 million without winning anything
9 along the way. The state is paying a lot of
10 taxpayer dollars. There is no competition. We
11 don't have understanding of the price. There are
12 other companies that want their company to be able
13 to bid but doesn't want anyone else to bid, that's
14 not being transparent. Senators that are getting
15 information, maybe getting a campaign contribution.

16 Q With all due respect, Mr. Greenstein,
17 that is evasion. We are not here to talk about
18 those folks. We are here to talk about you. And I
19 want to ask you something. You knew before you
20 came to this state -- you said your father was out
21 of Bossier?

22 A Bossier City.

23 Q So you were obviously familiar with
24 Louisiana and its political history before you
25 showed up here, right?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A Not enough of the political history.

2 Q But you know that this --

3 A Huey P. Long, sure.

4 Q -- this state has a long bloody history
5 of public corruption?

6 A Yes.

7 Q It does.

8 A Yes.

9 Q We are fairly notorious for it across the
10 US. As a matter of fact, Thank God for New Jersey
11 right?

12 A In healthcare we say that about
13 Mississippi --

14 Q There you go. Okay. So can you
15 understand why we were bringing you in, with your
16 incredible resume', from out of state to be
17 different?

18 A Yes.

19 Q And instead we get evasiveness.

20 A Let me just say, it's a very good
21 question. I wasn't trying to be evasive. Why was
22 I brought in? Not only is there a track record of
23 corruption -- by the way, I never took any money.
24 I didn't gain financially. I'm not looking for a
25 job when I leave here. I came to do the best that

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 I could. Louisiana has more of a reputation of
2 being either the worst, or next to Mississippi, the
3 second worst health state in the country. Our
4 babies die when they are born. We have the 49th
5 place infant mortality; 47th low birth rate; 49th
6 for prematurity. We have to do work on women that
7 get breast cancer. We are number one for women
8 that die after they get breast cancer, because we
9 don't identify it quickly enough. We spend 11th in
10 the nation, highest; we get the 49th outcome. We
11 had a lot of work to do. That's why I was brought
12 it.

13 Q You are making my point for me, though,
14 Mr. Greenstein. You were brought in basically to
15 be a savior. That's the way people saw you. I
16 have interviewed tons of people at DHH. They were
17 incredibly excited when you were named as
18 secretary. And you come in here, and you are not
19 forthcoming. All of those points you just made
20 are -- that's why we brought you in. Right?

21 A Yes.

22 Q And you were evasive about your contacts
23 with your former employer?

24 A I don't think I was being evasive. I
25 think I was answering the question narrowly.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 That's how --

2 Q Narrowly?

3 A Well, I mean, I was answering the
4 questions that I was asked to the best of my
5 ability.

6 Q But that's almost the definition of
7 evasiveness, if you know there are other details
8 that should be brought out and you don't bring them
9 out -- I mean, there are lies commission and there
10 are lies of omission, correct?

11 A I -- I think so.

12 Q I mean, you don't think so; I mean, you
13 either believe it or you don't?

14 A If someone asks you a question about, Is
15 that microphone on, but that one is on, and the
16 answer is no, that microphone is not on, but that
17 one is on, you answered the question.

18 Q I'm not talking microphones. I am
19 talking about a specific question as to whether or
20 not you had had discussions with anyone from CNSI
21 regarding the RFP; and you said no.

22 A Correct.

23 Q That's what I'm talking about.

24 A Again, at the time -- I do not remember
25 leaving there thinking that I was not accurate. I

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 remember thinking that was a tough hearing. I
2 answered it the best I could. I answered it -- I
3 answered what they asked me.

4 Q Let me just ask you something.

5 A The question was about, Can you look at
6 something again, which was a whole process within
7 DHH I didn't take any specific authority. I
8 didn't sign my name to something and say, Go do
9 this. I didn't force anybody to do anything. It
10 traveled in this process. When we met the DHH
11 team, I asked them for transparency to make sure
12 that it was done properly.

13 Q But then you reissue Levine's memo and
14 say it doesn't apply to you.

15 A It doesn't say that, so --

16 Q That's your interpretation of it.

17 A Because it doesn't.

18 Q Why not?

19 A It was mailed to a certain part of the
20 department that was not me. That's why I sent it
21 out.

22 Q There's no part of that memo that says at
23 the bottom -- there is no asterisk that says
24 "Except for me"?

25 A To whom is the memo addressed?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q To the team members?

2 A Yes, so that's who it's for.

3 Q Right.

4 A For that team.

5 Q I understand what you're saying. You're
6 saying technically, legalistically, it didn't apply
7 to me. I'm asking you, morally and ethically, why
8 didn't it apply to you?

9 A Because it was not addressed to me. If
10 you got mail at your house --

11 Q That's a technical answer.

12 A No, I don't believe that at all. It --
13 it was sent to the group that's going to
14 evaluate -- this is the most important part. The
15 best team wins, right? We have points. We have a
16 very rigorous process, 60 people, 11 teams. They
17 do it somewhere. I don't know if it was in the DHH
18 building or somewhere else. That team has to be
19 walled off; and they were. This -- so this process
20 was looked at by the legislative auditor, by the
21 OIG, and there's probably other groups that looked
22 at it too.

23 Q Are you telling me that the legislative
24 auditor and the inspector general interpret that
25 memo the same way you do?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

CONFIDENTIAL EBR GRAND JURY

6/3/2014

Page 74

1 A I think the OIG does. I didn't ask the
2 inspector -- or I didn't ask the state auditor, but
3 I would suspect that they do as well.

4 Q Well, we'll see about that.

5 A Okay. We asked for the work papers from
6 the -- the state auditors -- the auditor's office,
7 and they wouldn't give the work papers, which is
8 unusual because I was an auditor earlier in my
9 live, and your work papers are always your proof of
10 the analysis that you've done.

11 Q I'm just saying, though, Mr. Greenstein,
12 I mean, you issued the memo. We have already
13 covered it. You directed members of the team, none
14 of whom to your knowledge had any prior employment
15 connections with any of the four bidders. You are
16 the one person that did, and it doesn't apply to
17 you?

18 A I don't know if anyone worked for Molina,
19 again, because Baton Rouge people --

20 Q But I'm just asking you as a matter of
21 basic ethics and common sense and fair play,
22 shouldn't it have applied to you?

23 A I don't think so. I think it's for the
24 people that did the evaluation. If I were on the
25 evaluation team, if I chose the evaluation members,

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 if I set the scoring criteria, I would agree with
2 you completely. But as the secretary, I'm going
3 out, giving speeches, lobbyist are coming in; they
4 have clients that are there for, say, group homes,
5 adult day, but they also represent an MMIS vendor.
6 I was always getting questions; how is the RFP
7 going; are you guys going to be on time. Those
8 are hallway conversations that people just ask. I
9 can't remember who they represent. And those are
10 innocent questions.

11 Q There's no doubt about that, but
12 Creighton Carroll and Adnan Ahmed aren't just the
13 ordinary people you run into in the hallway. They
14 were personal friends of yours, right?

15 A Yes. Yes.

16 Q And Mr. Greenstein, I'm not up here
17 saying that they threw a bag of cash in a dumpster,
18 that it was some, you know, Edwards situation like
19 we had years ago or whatever, or there's any
20 payoffs or you were promised a job, although we all
21 know in the business world, there's a whole concept
22 called picking up a chip. You have heard this
23 before, right?

24 A Yes. If what you are trying to do is
25 imply somehow I want to go back to work for them,

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 no. I left --

2 Q I'm not saying that. What I'm saying is
3 that, isn't it just basic human nature sometimes we
4 want to help our friends?

5 A Sure, human nature -- people -- hopefully
6 people want to help their friends, people in their
7 community, in their congregation. That's how
8 communities thrive. In this case -- listen, the
9 thing that happened out of Addendum 2 was providing
10 clarification to the people who whom we worked --
11 if you follow the e-mail chain within DHH, people
12 thought it was good idea. I went to DOA; they
13 thought it was a good idea. We expanded
14 competition. We allowed vendors to bring their
15 best team onto the field. That was the whole
16 thing. It didn't influence giving more points,
17 giving an unfair advantage. It was just to get
18 more competition, which is exactly what our state
19 needed.

20 Q You thought we needed more competition
21 like this?

22 A We have 30 years of one system that was
23 developed in the '80s.

24 Q No. I get that. I get that, but what
25 I -- you seem to be wanting to give me very

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 technical responses to --

2 A I mean, that's a gut; that's not a
3 technical. That's just -- whatever we did in
4 the -- over the last, say -- say we picked a vendor
5 in '80- -- whatever, year it was. Then we haven't
6 really been able to get another vendor to come in
7 since then.

8 Q Okay. Now, referring to your June 17,
9 testimony, you were asked for clarification by
10 Senator Walsworth about the term you had used in
11 previous testimony, "firewall".

12 A Yes.

13 Q And you respond, The firewall is, um,
14 it's redundant to even call it a firewall, because
15 the process is set up in such a way to not allow
16 any communication or interference with the
17 decision-making process. And I would consider the
18 decision-making process the evaluation, scoring and
19 final decision-making process where, you know, a
20 winner would be recommended. Do you recall that
21 testimony?

22 A I don't remember word for word, but that
23 sounds right.

24 Q Do you ever recall in your time as
25 secretary of DHH being critical of the other three

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 vendors to members of DHH?

2 A Of the current system, yes. We have a
3 system, like I said, that's built on cobalt; that
4 was Molina's, but I wasn't critical of the -- first
5 of all, their newer system that they would have bid
6 is one that I preferred when I worked at Microsoft.
7 It's the only one built on Microsoft technology,
8 and I had spoken about it as a good system. I
9 worked with HP; they had good systems. So the
10 current -- and remember, Molina, the bid, wouldn't
11 have bid the current system that we have today.
12 They would have bid their new system. So their old
13 system, yes, we had problems. I remember maybe --
14 it wasn't long after I started, there was a
15 problem -- it was referred to sometime during that
16 session where we took money back from physicians.

17 We did, I think a -- I think a rate --
18 (indecipherable). We took all this money back, and
19 then what we decided to do, we would go ahead and
20 give them the money, and then we would take a
21 little bit from their paychecks, their
22 reimbursement over I think it was 30-something
23 weeks, the number of weeks until the end of fiscal
24 year. And it worked for one week, and then it
25 crashed, and we took all the rest of money back and

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 it caused another uproar.

2 We tried to do -- we tried to do other
3 reforms, different payment policies, DRGs like
4 Medicare does, and the system wasn't capable of
5 doing it. We had a lot of problems.

6 Q Do you recall telling members -- high
7 ranking members of DHH, that CNSI had a state of
8 the art system?

9 A Sure. I would have said that about HP.
10 I don't know if I would have said that about ACS; I
11 wasn't familiar with it. But CNSI's was modern.
12 HP's was modern, and ACS was still being built out.

13 Q Okay. Except for the Visa verification,
14 right, which we will get into in a moment?

15 A For CNSI's?

16 Q Yes.

17 A Yeah. It was nothing that I would have
18 talked about.

19 Q Okay. Now on Page 23 of your June 17,
20 testimony the second senate confirmation hearing,
21 you were specifically asked about the contents of
22 the January 7, 2011 e-mail that had been turned
23 over. That was that e-mail chain between you and
24 Don and Lori regarding Addendum #2?

25 A Yes.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q You remember that?

2 A Yeah, I think --

3 Q Okay. And that had been turned over. In
4 the meantime, you were questioned specifically
5 about it; do you recall that?

6 A I do. Yes, I do. I don't remember the
7 question, but I remember the topic.

8 Q Okay. Well, I went through that entire
9 transcript, and isn't it, in fact, true that once
10 again you make no mention at that time of the
11 telephone conversation that occurred on that same
12 day, January 7, 2011, with Mr. Ahmed?

13 A I'm sorry? Can you state the question
14 again?

15 Q When you were explaining -- they were
16 asking you questions about the January 7th e-mail,
17 you did not inform them about the January 7th phone
18 call?

19 A That's right. I just don't remember when
20 you said explain to -- what --

21 Q To the state senate; they were
22 questioning you about that e-mail. It had been
23 turned over to them. It's dated January 7, the
24 e-mail chain where you and Don and Lori are
25 discussing Addendum #2 and how it's going to play

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 out. And the phone conversation you had with
2 Mr. Ahmed took place that same day, correct?

3 A I can't remember if it was that day or
4 the day before, but it could have easily been that
5 day.

6 Q Okay. So that sounds like a pretty quick
7 response to me. He calls you on the 7th, and this
8 e-mail chain goes out, and it went out before noon.

9 A I saw Don -- so, again, it could have
10 been the day before that I got a phone call; it
11 could have been that morning. I saw Don in the
12 hallway. I asked that we take another look at it,
13 provide clarification, and that's what sparked the
14 e-mail chain.

15 Q Okay, but you would agree with me that
16 that was a very quick reaction to Mr. Ahmed's
17 request?

18 A I saw Don in the hallway, sure.

19 Q Within hours, I'm guessing?

20 A Don was in my office all the time or in
21 the conference room.

22 Q Do you understand how a reasonable person
23 might view that as favoritism?

24 A I would look at the e-mail chain. If it

25 --

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q I'm talking about the fact you get the
2 phone call from Ahmed that morning and by lunch
3 time --

4 A It could have been the day before, or it
5 could have been that morning. I can't remember
6 when I got asked to take another look.

7 Q The point is that you did not bring up
8 that phone call in the second hearing.

9 A I didn't -- either I didn't remember or
10 didn't think about it, whatever the case is. If
11 you look at the e-mail chain, how I came to ask the
12 question, to me the question was, Was it a fair
13 process; did we take a look at that; did it make
14 sense; was it a good idea; did it travel through
15 the DHH process; did it go through the DOA process,
16 or did I strong-arm people; did I arm-twist; did I
17 yell at people? No.

18 I asked them to take a look at it: Does
19 it make sense; yes. Is it a good idea; yes. It
20 goes through the process. You have the e-mail
21 chain, I'm sure.

22 Q You --

23 A Take a look at it; it makes sense.

24 Q But wouldn't you --

25 A It's policy --

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q Wouldn't you agree -- I mean, I'm not
2 talking about strong-arming people or saying, If
3 you don't do this, I'm going to fire you, or
4 screaming at them or anything else. When you are
5 the boss, when you are the head of an organization
6 as big as DHH, there's tons of ways of influencing
7 people outside of screaming your head off, right?

8 A Absolutely.

9 Q I mean you, for instance, bad-mouthing
10 certain competitors and talking well of others?

11 A I -- so --

12 Q Yes or no?

13 A You can do that, but I did not do that.
14 And so let me say when I came in --

15 Q You are saying you did not bad-mouth the
16 other competitors and speak highly of CNSI?

17 A That's correct.

18 Q Once again, are you absolutely certain?

19 A When you say "bad-mouth competitors," I
20 would have talked about the current system, and I
21 would have talked about the attributes for each of
22 the vendors. I didn't come in and say --

23 Q But you were supposed to cut yourself off
24 from the evaluation process. If you are making
25 comments about one vendor as opposed to another,

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 how does that not influence the evaluation?

2 A So first of all, these are professional
3 people that aren't listening to what I'm saying,
4 thinking that that's what they should do. Every
5 meeting --

6 Q So you can speak for these people?

7 A That they professional? You have made
8 many comments today that I'm an intelligent guy, so
9 you are saying that I must be smart. The people I
10 work with, you observe people and know they are
11 smart people or otherwise. And these are -- DHH
12 are some of the best people I've ever worked with,
13 public sector/private sector; these are sharp
14 people.

15 Q You are right, and they have very, very
16 good memories; they do.

17 Now, once again --

18 A Again at the beginning of every
19 meeting -- because the idea was to not have the
20 appearance of undue influence. I always made it
21 clear that I worked for CNSI, I did work with HP,
22 and I don't want that to be part of -- I forget how
23 I phrased it, but --

24 Q I get you, but I mean, Mr. Greenstein the
25 math is not adding up because at that second

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 hearing, once again, when those e-mails come out,
2 now we are getting to the Addendum #2, once again
3 it's not until your deposition a year later that
4 you admit the substance of the conversation with
5 Ahmed. Not only that, once again, when you are
6 being grilled earn harder the second time, no
7 mention of Creighton Carroll, not one, no mention
8 of any of that; true or false? If you admit --
9 disclose that information, that would not have been
10 good for you?

11 A It would not have helped me.

12 Q Which means that you had a strong
13 motivation not to turn it over, correct?

14 A It wasn't what I was thinking about. I
15 wasn't motivated. I wasn't looking to say
16 everything that I had eaten or drank or done --

17 Q Yeah, but Mr. Greenstein, we are just
18 talking about common sense. I mean, you relocated
19 your family from Seattle, you moved down here. I'm
20 sure you must have sold the house over there and
21 bought a new one over here, and you got your kids
22 in school, and you are in these hearings, and they
23 are going right after you. And let's face it, if
24 you hadn't been confirmed, that would have been bad
25 for you and your family, right?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A I mean, given all this, it probably would
2 have been better.

3 Q And I completely understand that
4 statement.

5 A I really wanted to continue to serve.
6 That job was very exciting, you know, a lot of
7 things done.

8 Q I got you. I totally get that. I'm just
9 saying that the things you are leaving out are
10 things that might have caused you to not be
11 confirmed; is that fair?

12 A Again, I don't think it raises to the
13 level of not getting confirmed, but it is not
14 something that would have been helpful.

15 Q You could have done this a lot better?

16 A If I know what I knew now (sic), I would
17 have changed many things along the way.

18 Q Mr. Greenstein, I mean, honesty, I think,
19 is something we learn as children, you know. It's
20 not something you learn between the time you
21 stopped being chairman or secretary of DHH and us
22 sitting here today, correct?

23 A Correct.

24 Q And you were not completely honest with
25 these people?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A I was not dishonest.

2 Q That you're testimony?

3 A Yeah.

4 Q You don't think consistently leaving out,
5 when you were asked a specific questions, when you
6 were asked specific questions about discussions
7 with Ahmed about the RFP and you said, No, that
8 that was not being dishonest?

9 A To the best of my recollection, I was not
10 thinking about that.

11 Q You do know the difference between the
12 truth and a lie, don't you, Mr. Greenstein?

13 A Yes.

14 Q Okay. And pertinent information that you
15 knew about, you did not disclose?

16 A I was -- it just wasn't what I was
17 thinking about at the time.

18 Q How could you not be thinking about it?

19 A I was thinking about the very narrow
20 questions that I was being asked about the company.
21 I just --

22 Q Did it ever cross your mind, I may be in
23 trouble of not getting confirmed the way this is
24 going?

25 A Sure.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q Then, I mean, once again I'm putting
2 myself in your shoes. If I had moved all the way
3 from Washington State and bought a house and moved
4 my kids and all that stuff, I think I would have
5 been concerned about that.

6 A I mean, after that process that I had
7 many thoughts about, this would probably be a good
8 time to pack up and go back home. So I mean, it
9 wasn't like this was make or break everything.

10 Q Okay. Now --

11 A Now, again, the process that we were
12 going through was to make sure that I didn't throw
13 the contract, that I didn't get a whole bunch of
14 money to do something. And we are -- Addendum 2 is
15 a great example. If it gave them more points or
16 being in Maryland or gave them unfair advantage --
17 this was something that was good. And I know you
18 don't want to focus on this, but this was a good
19 piece of policy. This was a good thing for the
20 process and for the state.

21 Q I'm saying that a state with this
22 reputation, Mr. Greenstein, I find it very, very
23 difficult to believe that as smart a man as you
24 are, knowing this state's history and why you were
25 brought in, that you would not have -- would have

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 have been wearing it on your sleeve, that these
2 were going to be issues, that they were going to
3 cause problems, they were going to create
4 headlines, which they did. You know, I -- you just
5 don't seem to me -- I mean, God knows, I run into
6 naive people all the time, but my naivety radar is
7 not going off when I speak to you. You do not
8 strike me as a naive person, correct?

9 A No, I don't --

10 Q You don't think of yourself that way, and
11 knowing this state's history with public
12 corruption, with political corruption, how could
13 you have not known that these would have been
14 relevant and potentially explosive details?

15 A I mean, everything that I know --

16 Q -- that would have affected your
17 employment?

18 A In terms of --

19 Q In terms of your confirmation?

20 A To me public corruption, taking money,
21 doing something policy-wise that is bad, I didn't
22 do any of that. The whole goal was to have a
23 better system, better healthcare system, better
24 competition. All -- everything that we did was in
25 the right direction for the right reason. And

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 again, in the department knowing that everything
2 you just said, it certainly is the case. Every
3 meeting, I always made sure everyone knew that I
4 worked at CNSI and worked with HP, to make sure
5 that they weren't given a special shake, or I
6 didn't do anything to give them a special shake in
7 the process.

8 MR. WILSON:

9 Where is the e-mail to --

10 UNIDENTIFIED SPEAKER:

11 Which one?

12 MR. WILSON:

13 Creighton's.

14 UNIDENTIFIED SPEAKER:

15 It's right here.

16 MR. WILSON:

17 This right here?

18 UNIDENTIFIED SPEAKER:

19 Yeah.

20 BY MR. WILSON:

21 Q Okay. Mr. Greenstein -- and what you
22 just said I want you to keep in mind because what I
23 want to talk about next -- and this was an issue
24 that came out in your deposition, was -- that is in
25 February 5th of 2013. It was an e-mail from

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Creighton Carroll to Steve Russo, who was executive
2 counsel at DHH, the attorney. Right? And it says,
3 As you know, B.G. -- which I believe probably means
4 Bruce Greenstein -- has agreed to a letter of
5 recommendation. Please review, edit and/or make
6 additions. Let me know when I can pick up the
7 signed copy, need by mid February.

8 And that is from Creighton Carroll to
9 Steve Russo, and he attaches -- he actually wrote
10 the letter for you, right?

11 A Yeah, I saw those documents.

12 Q Okay. So Creighton Carroll from CNSI --
13 MR. CALDWELL:

14 For the record, that is BG-15A marked.

15 MR. WILSON:

16 Referencing to Mr. Greenstein's
17 deposition in the civil matter.

18 BY MR. WILSON:

19 Q What I'm specifically referencing are the
20 February 5th e-mails from Mr. Carroll to Mr. Russo
21 the attached non-letterhead form letter that at the
22 bottom says, Sincerely, Bruce D. Greenstein. And
23 this is -- it's a recommendation letter to the
24 Arkansas Department of Human Services on behalf of
25 the CNSI, which was also trying to get a contract

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 for a MMIS system in Arkansas. Correct?

2 The third document I'm referring to is
3 the actual letter of recommendation that was sent
4 out. And what's interesting is that you reviewed
5 these letters at your deposition, didn't you?

6 A At the deposition, yeah.

7 Q Right. And they are substantially
8 identical, aren't they?

9 A I recall them being pretty close to the
10 same.

11 Q Right. But the biggest difference is
12 that instead of Bruce D. Greenstein, secretary, at
13 the bottom, the actual letter that goes out is
14 Jerry Phillips, undersecretary. Okay.

15 A Uh-huh.

16 Q Whose idea was that?

17 A I can't remember who wanted to sign it.
18 I know that I didn't want to sign that. I didn't
19 run the MMIS, so --

20 Q Then why does Creighton say, As you know,
21 B.G. has recommended a letter of recommendation?

22 A I probably said that -- when asked about
23 a recommendation, yeah, we do something like that.

24 Q So the communications you had with Mr.
25 Carroll regarding this were not social, were they?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A This was in 2013, you said?

2 Q Yes.

3 A CNSI I.T. was in the building all the
4 time.

5 Q No. I got you.

6 A Yeah.

7 Q Yeah.

8 A So that would have been -- you guys do
9 reference -- and it seems like a very plausible
10 request to do.

11 Q Your friend asked you to help his company
12 that signed his checks gets more business, and you
13 said, I will do that, right?

14 A I didn't say I will do that.

15 Q Well, if you said yes, why is Jerry
16 Phillips sending out a letter?

17 A Well, it's not Bruce Greenstein on the
18 letter.

19 Q So you are saying Mr. Phillips did this
20 on his own?

21 A I don't know. He would be a good person
22 to ask. I don't know.

23 Q I'm going to ask you pointblank. True or
24 false, this letter that was rewritten and signed by
25 Jerry Phillips, you directed him to do that?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A I do not remember that.

2 Q How could you not remember that?

3 A Because I don't remember that.

4 Q That's hard to believe, Mr. Greenstein.
5 I mean, this reference is clearly a discussion that
6 you had with Creighton Carroll regarding this
7 letter that he sends to your department that he, or
8 someone from CNSI, wrote that is then minimally
9 changed and signed by not you but your under
10 secretary.

11 A He would be the appropriate person to
12 sign that.

13 Q But you knew at this point in 2013 that
14 the issue of your contacts with CNSI had been --
15 had gone public, right?

16 A I don't remember -- what was the date of
17 that again?

18 Q It was in 2013. What I'm saying is that
19 you had been confirmed, you had been through these
20 confirmation hearings where you had been grilled
21 about your contacts with CNSI, correct?

22 A Yeah.

23 Q And based on the grilling you took and
24 the public coverage, the media coverage of those
25 hearings, true or false, it wouldn't have looked

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 very good for your signature to be on this, right?

2 A I wanted to have as much distance as
3 possible.

4 Q Okay. But why even send it at all?

5 A I think that states do this all the time
6 back and forth.

7 Q Do they do it for their secretary's
8 former employers?

9 A If the secretary worked for their vendor,
10 they do it --

11 Q Name me one instance that you know of
12 where that has occurred before?

13 A Where a state sends out a letter of
14 reference? Often.

15 Q For the secretary of that department's
16 former employer?

17 A I don't know -- many, many secretaries
18 have worked for hospitals that do a substantial
19 business with the state or other states; that
20 wouldn't be uncommon.

21 Q You don't see how a reasonable Louisiana
22 citizen or a reasonable Louisiana voter would look
23 at this and say, This guy is helping his former
24 employer?

25 A I would think that that's a letter of

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 reference. It references work that they've done
2 here. If you say, If Bruce weren't the secretary,
3 then we would sent it out; but because he is, we
4 are not going to do it, that seems like something
5 that would be discriminating to that company.

6 Q Jerry Phillips didn't show you this
7 letter before he sent it out?

8 A I can't remember seeing -- I don't
9 remember seeing it -- when I looked at it at the
10 deposition, I --

11 Q And you didn't tell Jerry Phillips, You
12 need to sign it, not me?

13 A I know that I was -- I didn't want to
14 sign a reference letter. It could have come from
15 Jerry; it could have come the MMS director, the
16 Medicaid director.

17 Q It just looks to me like between
18 Creighton's comment here about "B.G. has agreed to
19 a letter of recommendation" -- and that was
20 February 5th, and the letter was issued on
21 February 14, nine days later -- this almost sounds
22 like cold feet.

23 A I'm not sure what you mean.

24 Q Well, like I said, he's sending you -- he
25 obviously -- according to his e-mail, he has

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 discussed it with you. The form letter he sends is
2 for your signature, but in nine days, now it's got
3 Mr. Phillips', the under secretary, signature on
4 it.

5 A I mean, after the confirmation hearings,
6 I backed off. I just didn't want to have
7 involvement in the process. We were busy doing
8 managed care. The team took over, MMIS doing more
9 deeper, more technical work, this was the part of
10 the business that they did.

11 Q Okay. But you didn't think at this point
12 that you should just -- I mean anything, dealing
13 with CNSI, I don't want to hear about.

14 A Well, I did --

15 Q I want to forget the letters C-N-S-I. I
16 wish I could erase them from my memory. That had
17 never crossed your mind?

18 A Erase from memory, yeah, I wish that --
19 today sitting in front of all of you, I wish I had
20 never heard of them, worked for them or dealt with
21 them.

22 Q All right. Now --

23 A But it's a letter of reference, and they
24 are doing work in the department.

25 Q It's a letter of reference for your

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 former employer, who had by that time had won an
2 almost quarter-of-a-billion-dollar bid. And it's
3 like I said -- I keep coming back to this -- you
4 came to the state knowing our reputation, and I
5 just find it hard to believe that you -- that you
6 would have thought this was a bad idea.

7 A A part of the thing is, if you go out and
8 you get somebody that is not from within state
9 government or working down the street, they are
10 going to have experiences.

11 Q Okay.

12 A So Microsoft bid for Health Information
13 Exchange maybe within one or two years that I was
14 there, and I just thought, Oh God, here we go
15 again. And so they didn't win, they were #2. But
16 I just thought, what would I have to do? Would I
17 have to tell them that they are disqualified
18 because I worked there most recently? Would we
19 stop using Microsoft word and Power Point because I
20 work there. I mean, there is -- at some point, you
21 can be somebody that has experience in that field,
22 and then you are stuck with that experience. It's
23 good, but as you are saying, a letter of reference
24 is quite benign as long as it reflects what their
25 experience is in the department. It seems like

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 it's a good idea. So how states help each other
2 trying to figure out who to look at and who not to
3 look at, but saying that because I worked there, we
4 can't tell other states about our experience,
5 that's -- that's just not -- that's not what I came
6 to the department to do. I came to the department
7 to raise at level performance, let our best people
8 in the department do their best work.

9 Q You knew, though -- and I know I'm
10 getting back to this again -- that this state has a
11 long bloody history of friends in political
12 positions helping out friends?

13 A Yes.

14 Q And this fits that profile, right?

15 A No, I don't think it does. I think the
16 bad experience is about people getting paid or
17 people making decisions for not the right reasons
18 or not the best service or product. In this case
19 -- listen, the state has a history of not getting
20 great value. The state is littered with failed --

21 Q I get that. Mr. Greenstein, we all know
22 that, and we accept your point.

23 A -- looking at one piece and trying to say
24 that this is everything. What I'm saying is, this
25 is a pretty big thing, and we focused on Addendum

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 2, and just whether it's a text or a phone call
2 something, the process -- we didn't go through the
3 process. The process is quite pristine; it's not
4 tainted. It's a good process and it's a good
5 policy. This whole RFP process, the evaluation,
6 everything has been reviewed and reviewed and
7 reviewed. If the test is, if I could remember very
8 specifically items, maybe I don't score very highly
9 on a lot things. But if the test is health care
10 and a better place today for Louisiana, is this
11 RFP -- did it work out well? The answer is yes,
12 because we worked very, very hard on it.

13 Q But there's a fair way of encouraging
14 competition, Mr. Greenstein and an unfair way.

15 A I think we came up with a very fair way.

16 Q You understand -- and I'm going to give
17 you a hypothetical, okay? You and I may be just
18 acquaintances, maybe we get together once every few
19 months for a pickup basketball game or a game of
20 poker or something like that with some other
21 friends. We are not even particularly close, but
22 we know each other on a first name basis and we
23 spend social time together. If you get arrested
24 and that complaint comes through my office, guess
25 what? I can't have any thing to do with it at all.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 As a matter of fact, I'm going to run from that
2 arrest register and that file as if my head is on
3 fire. Do you understand the logic of that?

4 A Yes.

5 Q Why doesn't that logic apply to you and
6 your relations with CNSI? Because you clearly had
7 a closer relationship with Mr. Ahmed and Mr.
8 Carroll than the hypothetical I just gave you.

9 A So first of all, I didn't make the
10 decision, so I didn't write the memo. The memo --
11 I lived within the memo's directives. I didn't do
12 the evaluation. There is plenty of -- I don't know
13 the law system well, but judges make contributions
14 to judges, lawyers make contributions to judges'
15 campaigns. Somehow that works out. Judges can be
16 friends with lawyers that appear in front of them,
17 and they are able to go ahead and make decisions
18 that are about law, not about their friendship.
19 Same goes here. If there are only three attorneys
20 and two of the people know the person, and you
21 could say, Well, you know, we can't represent you.
22 You are stuck with only one. That's not a good
23 system either. So your example is a great example
24 for -- I don't know what the process --

25 Q Why is my business any different than

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 yours when it comes to ethics? Are you saying that
2 business people have looser ethical standards than
3 lawyers?

4 A Do lawyers and law firms make
5 contributions to judges in which they appear in
6 front of?

7 Q Not this lawyer.

8 A Do they in general?

9 Q Some of them do, and sometimes that
10 becomes an issue?

11 A And especially in our state, you can see
12 how it would become an issue as well. But that is
13 how in -- where judges run for office, they are
14 always fund-raising; they don't just raise funds
15 from people that have nothing to do with the system
16 of law. Lawyers, law firms always making
17 contributions. Big businesses make contributions
18 to senators all the time, and then they go in front
19 of the senate.

20 Q I get that, Mr. Greenstein, but what you
21 are doing now, you are just pointing to other parts
22 of the fish where there's rot.

23 A Well, I mean, that's our whole system --

24 Q You understand that's not a defense to
25 say the system is screwed up.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A There won't be -- there wouldn't be a
2 legislature, there wouldn't be a congress, there
3 wouldn't be a legal division, a branch. There
4 wouldn't be an executive branch. The point here
5 is, in this process, we made sure that the
6 evaluation is locked solid. And I'm sure that
7 y'all have looked deeply into that evaluation
8 process -- that's where I would look first -- and
9 that is squeaky clean and solid and tight, so then
10 you have to go with the process that you've used.
11 I mean, I would trust a judge even if they have
12 taking campaign contributions --

13 Q Excuse me. What did you say?

14 A Just -- bad example.

15 Q Look, I'm not disagreeing with you about
16 that.

17 A No, but I mean --

18 Q I mean, I'm not --

19 A The point that we shouldn't trust or we
20 should get rid of all of our political
21 institutions --

22 Q We don't have to get rid of your
23 political institutions. We can just make them a
24 lot cleaner, right?

25 A Listen, I'm a fan of campaign finance

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 reform. I agree that we have a lot of work to do.

2 Q But you're not so much a fan of
3 transparency at confirmation hearings, are you?

4 A Again, I answered the questions that I
5 was asked.

6 Q I'm going to show you here -- and I
7 believe -- I don't know if this was referenced at
8 your deposition at all. This is December 7, 2010,
9 a letter from a law firm called McGuireWoods out of
10 Charlotte, North Carolina. They were representing
11 Bank of America, okay, which you were aware that
12 BOA was CNSI's bank, weren't you?

13 A I have heard of that when I worked there,
14 yeah.

15 Q Have you ever seen this letter? I want
16 to show it to you. And it's dated December 7,
17 2010, which would have been during the blackout
18 period.

19 A Can I share it with --

20 Q Absolutely, absolutely. I thought that
21 it had come out at the --

22 UNIDENTIFIED SPEAKER:

23 At the Deposition.

24 BY MR. WILSON:

25 Q I thought it was, but maybe it wasn't.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 You have to understand I read anything involving
2 Mr. Unglesby very quickly, so --

3 A Okay.

4 Q Okay. And what is the title of that
5 letter, the reference line?

6 A Events of default and reservation of
7 rights.

8 Q Okay. What do you read that letter as
9 pointing out about CNSI's financial health?

10 A Take a quick look. I would say the
11 attorneys definitely wrote it.

12 Q On behalf BOA?

13 A I mean, yeah, it is very specific.

14 Q And for the record, a civil attorney
15 wrote that.

16 A I mean, just from the first -- the first
17 couple of sentences, it pertains to their
18 indebtedness, so I guess they owed a bunch of
19 money.

20 Q It's a notice of default.

21 A Um --

22 Q Well, it says that on the reference line
23 in bold at the top, right?

24 A Yeah, events of default and reservation
25 of rights.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q Okay. And if you are a company like
2 CNSI, "default" isn't a word that you really want
3 to hear, is it?

4 A If you are any company, you do not want
5 to hear that.

6 Q Right. Were you ever aware of the fact
7 that they were basically in receivership with BOA
8 at the time they were bidding? Were you ever
9 informed of that?

10 A I don't think I was told that, no. It
11 doesn't ring a bell.

12 Q Were you ever told that, as a matter of
13 fact, their line of credit had been restricted by
14 Bank of America to the extent they could not spend
15 money unless they got prior approval from BOA?

16 A When I worked there, I remember they
17 had a relationship with -- actually, I don't know
18 if it was Bank of America or Citibank, something,
19 but I don't remember the terms of their -- the
20 relationship. I was never in any meetings like
21 that. I wasn't --

22 Q Did Mr. Carroll and Mr. Ahmed ever tell
23 you about the troubles, the clear financial
24 troubles, that that company was having at the time
25 they were trying to get this money from this bid?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A Not like that, no.

2 Q Should that have been disclosed to DHH?

3 A That's a good question.

4 Q It's a very good question that we have --
5 yeah, should -- you should disclose this sort of
6 thing, shouldn't you, if you are going to be --
7 it's like you said, we are bringing a state of the
8 art system to Louisiana, and we want a state of the
9 art company, okay, that is on just solid ground.
10 That wasn't CNSI, was it, based on that letter?

11 A Unless there's more to it than that, but
12 based on this, no. This is a pretty shaky
13 financial situation.

14 Q And DHH should have known about this,
15 right?

16 A If we asked for it, sure.

17 Q Just -- not even if you asked for it. As
18 secretary, wouldn't you want to -- let's even
19 assume this isn't even CNSI. It's Joe Blow, Inc.
20 -- I don't know. You would want to know--

21 A -- about the financial vitality of the
22 organization.

23 Q Particularly if they are taking over a
24 system that serves over one million Louisianians,
25 correct?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A Yes.

2 Q You would agree with that?

3 A Oh yeah.

4 Q So this is information that DHH would
5 have wanted to know about?

6 A I think so. It makes sense, yeah.

7 Q It is relevant information to the
8 financial health of the company that is going to be
9 running one of the largest systems in Louisiana, if
10 not the largest, and in fact the largest contract
11 in state history, right?

12 A I don't know if the largest contract, but
13 we have bigger ones today. But -- everything that
14 you say, yeah, I would want to know that. If I
15 were running the program, you want to know if this
16 thing -- if this company is going to be around the
17 next day.

18 Q Got you. That makes perfect sense. And
19 along those lines, by them not informing DHH or DOA
20 or you personally, true or false, they lied to you?

21 A Well, I never asked them about it, so I
22 don't know --

23 Q I'm not talking -- but you would agree
24 with me, this is something -- I mean, I was -- I
25 was reading in the paper just yesterday about one

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 of the -- one of these restaurant chains or
2 whatever, it's one of these cupcake -- that sells
3 these \$8 cupcakes, that I don't know who in the
4 world buys, but -- and they just issued their
5 annual SEC report, where they attached to it their
6 auditor's statement that said this company is in
7 high risk of going bankrupt, and their stock went
8 down from -- it had started in their initial public
9 offering at 15; it's down to 30 cents today. They
10 disclosed that, and it's blowing them up. But you
11 would agree with me, that was the right thing to
12 do, wasn't it, so you do not mislead investors?

13 A Yes, absolutely.

14 Q Okay. Same logic applies here, doesn't
15 it?

16 A It makes sense. I'm not going to
17 disagree with you.

18 Q I know, I know. What --

19 A My -- the whole thing -- again, the
20 philosophy more competition, we want to know about
21 these people. If this is material, absolutely, we
22 should know.

23 Q Is this material?

24 A It seems to me that is a pretty
25 significant issue.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q Pretty significant. And your friends
2 didn't tell you about it, did they?

3 A They did not tell me.

4 Q So your friends lied to you?

5 A Again, I didn't ask them, by the way, are
6 you --

7 Q But they didn't volunteer what you know
8 to be a very important key piece of information
9 about the financial health of that company, right?

10 A This looks significant, yes.

11 Q Would you have expected them -- in other
12 words, doesn't this fall into the category of
13 things I don't have to ask you for?

14 A I recall that we asked in the RFP for
15 many statements of financial viability or vitality.
16 And so if we asked for this and it was not
17 included, instead there was -- I don't know -- some
18 other bank records but not this, then I mean, that
19 is a very, very significant issue.

20 Q If Joe Blow, Inc. doesn't turn over a
21 document like that, are they guilty of deception?

22 A I don't know the rest of the story.
23 Maybe they have another line of credit.

24 Q We don't need the rest of the story. We
25 know their financial health. We know they are in

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 receivership. We know they are in default with
2 their bank. We know they are not financially
3 healthy. If they don't disclose that, any company,
4 during a process -- and it doesn't even have to be
5 a contract this big, but particularly one this big,
6 that would be deceptive, wouldn't it?

7 A I don't know the technical answer, but my
8 gut says I would -- absolutely, we should know
9 about that. I would want to know about that.

10 Q So if they don't turn it over, it would
11 be deceptive?

12 A Again --

13 Q Mr. Greenstein, it's a simple question.
14 You know what I'm asking you. If somebody knows
15 that this is an important document that is going to
16 affect my ability get this contract, and they don't
17 turn it over, they are deceiving you, correct?

18 A If that's the definition, sure.

19 Q How do you find "deception"?

20 A Well, it seems like it's a specific
21 definition legally. It seems like -- I got to
22 imagine that we asked about financial information
23 in the --

24 Q Mr. Greenstein, deception is not just a
25 legal concept. I mean, it's not something that

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 just goes on in court. You know -- you know what I
2 mean.

3 A Yeah, yeah.

4 Q And --

5 A It should --

6 Q I'm trying to get you to just be honest
7 with these people. Just tell them that you know
8 that if you don't turn this over, it's an
9 important -- it's a relevant detail. It's about
10 the financial health of a company that we are about
11 to turn over the billing system in a state where
12 almost one out of four people is on Medicaid. And
13 they didn't do it, right?

14 A If -- again, I don't know what came in
15 the RFP; but if they didn't, then they didn't.

16 Q Then they didn't, and they should have.

17 A I make no apologies for them. They
18 should have. I mean, it's not a good thing.

19 Q But that's the thing. I don't want you
20 to -- I'm not asking you to be an apologist for
21 them.

22 A I would want to know all the information
23 about the financial health, as well -- and all of
24 their partners.

25 Q Right. Moving on to another area along

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 the same lines, deliverables. Once they got the
2 contract, what was the first deliverable?

3 A V&V.

4 Q That turned out be quite a mess, didn't
5 it?

6 A It did.

7 Q What happened --

8 MR. MCLINDON:

9 Can we take a bathroom break?

10 MR. WILSON:

11 Oh, I'm sorry. Yes.

12 Can we go off the record?

13 (A recess was taken.)

14 MR. WILSON:

15 Okay. I note that we are back on the
16 record. It is about a quarter until 1:00 p.m.

17 BY MR. WILSON:

18 Q Mr. Greenstein, I just have a couple of
19 more things I want to go over with you. We were
20 talking about the Visa verification system. And I
21 want to specifically reference a term, very
22 appropriate term, I think you used during your
23 deposition where you said you were pissed off.

24 A I was.

25 Q Okay. What were you mad about?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A Failure to perform.

2 Q So this turned out not be the state of
3 the art company that you thought it was; would that
4 be fair to say?

5 A The -- I don't know -- it has nothing do
6 with the state of the art technology itself,
7 because there's a subcontractor that does it,
8 called Sandata. But nonetheless, the two parties
9 couldn't get their act together, and they just
10 didn't get it done. So it's about people and
11 processes. And I was angry, absolutely.

12 Q Did you think your faith in them had been
13 betrayed?

14 A Shaken, definitely.

15 Q Okay.

16 A Things like this, this letter, that,
17 not -- not what I had hoped for --

18 Q I understand.

19 A -- or any vendor as well. But I mean,
20 nonetheless, this is not a good thing.

21 Q As a matter of fact, you said in that
22 deposition that you wouldn't run a company this
23 way.

24 A We stick to deadlines to get things done
25 in the department, my employers before, and this

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 was not a good thing for me.

2 Q This created a mess, didn't it, in DHH?

3 A I think so.

4 Q That's fair to say, right?

5 A Yes.

6 Q Okay. Did they ever produce a V&VS
7 system?

8 A There is no system today.

9 Q Okay. There is no system today. Just
10 one other thing I wanted to go over with you, and
11 this is regarding -- your -- this whole issue of
12 these texts with Mr. Carroll, the contacts that you
13 had with him, that issue did not come out until
14 some time after you were confirmed, correct?

15 A Yes.

16 Q And it came out as result of several
17 investigations that were going on, both state and
18 federal; to your knowledge, is that correct?

19 A Yeah. I don't know what produced them --
20 I think the first time I saw them was maybe with
21 the OIG.

22 Q Okay. And is it fair to say that that
23 didn't go over well at DOA?

24 A Well, I don't know with DOA because --

25 Q Let's just talk about the Jindal

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 administration and -- you know generally, isn't it,
2 in fact, true that when evidence of those
3 communications came out, you were told to resign or
4 be fired?

5 A I was told to resign. There were a bunch
6 of things that came out, that being one of them.
7 Yeah, but --

8 Q Were you specifically told by
9 administration officials that you had lied to them?

10 A No.

11 Q You're sure about that?

12 A When I was asked to resign?

13 Q Right.

14 A Yeah, I was --

15 Q You were never confronted by anyone from
16 DOA who said, Bruce, you lied to us?

17 A They never asked me to come in and talk
18 about it at all.

19 Q They just said, Get out?

20 A Actually, it was Paul Rainwater, when he
21 was in the chief of staff's office.

22 Q Okay. Paul is the one who delivered that
23 to you. And did Paul ever say, Bruce, you lied to
24 us?

25 A No.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q You are sure about that?

2 A I don't remember it.

3 Q Okay. Once again, I mean -- well, you
4 say you don't remember. I just want to wrap up one
5 more thing with you, Mr. Greenstein, and then I
6 will turn you over to the other members of the
7 panel. I'm just looking at this as a bottom line,
8 I mean, and just thinking out loud or whatever.
9 And regarding your testimony to the senate, if we
10 take it in sequence, there are four big points that
11 to me we can draw out of that testimony. Number
12 one is that you tried not to tell the senate that
13 CNSI had won. You didn't tell the senate about
14 communications with CNSI regarding Addendum #2,
15 both times. You didn't tell the senate about
16 hundreds of communications with Carroll; which by
17 the way if they were innocuous, why hide them? You
18 did not tell DHH and DOA officials about
19 communications with Carroll after they asked you if
20 there was anything else, although you say you don't
21 recall that meeting, right?

22 A I'm sorry; which meeting was that.

23 Q The meeting between your first testimony
24 and your second testimony before the senate?

25 A Not one with DOA. I do remember with our

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 team that was putting the documents together.

2 Q Okay. But you don't remember being asked
3 by members of that team, Is there anything else?

4 A I just remember reviewing a lot of
5 paperwork that we produced.

6 Q Doesn't that sound like it would be a
7 commonsense question to ask, though, at a meeting
8 like that, Is there anything else we should be a
9 afraid of?

10 A We had -- I don't know. There was a lot
11 of documents and we were preparing to give a lot of
12 information.

13 Q Okay. I'm just saying, I mean, based on
14 the facts, the uncontroverted facts that I just
15 read off to you about your performance in front of
16 the senate -- and your excuse for that was
17 nervousness and lack of recall.

18 A The first one, which was about -- about
19 making the announcement. This was our attorney and
20 the leaders in the department. This is what they
21 said to do, what they have always done and this is
22 what we should do that day, so it wasn't my idea.
23 I --

24 Q But you were the boss, Mr. Greenstein.
25 You could have headed it off, and you could have

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 said, Look, when this gets out, all hell is going
2 to break loose. I mean, how could you not know
3 that?

4 A I was surprised by that.

5 Q You were surprised by the fact that
6 reporters would make a big deal out of the fact
7 that your former employer won almost a
8 quarter-of-a-billion-dollar contract?

9 A It was 184, so -- 183, 184, something
10 like that.

11 Q It was a lot of money.

12 A It was a ton of money.

13 Q Right.

14 A Reporters make a big deal out of
15 everything, so I have never underestimated how big
16 in terms of what the paper would --

17 Q I'm just saying, it's just hard for me to
18 believe that you were bushwhacked by this, that you
19 were surprised in any way. I mean, don't you think
20 that a reasonable person would say, He's trying not
21 to tell the senate because he knows what's going to
22 happen if they find out who won.

23 A That is exactly what happened. I think
24 everyone --

25 Q Isn't that logical?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A Completely logical. If you watch the
2 hearing, you see -- Jerry Phillips is an attorney
3 as well.

4 Q Uh-huh.

5 A -- Jerry and Steven Russo talking the
6 whole time, and then when Jerry and I went to the
7 ante room, which we call the chairs of both
8 committees --

9 Q Right.

10 A -- I was pushing to, Let's just make the
11 phone calls and say what had happened.

12 Q Okay.

13 A And that's what we did.

14 Q And it's your testimony here today that,
15 based on the incorrect statements and the lack of
16 forthcoming information, the things you did not
17 tell the state senate, you do not believe that that
18 amounts to deception?

19 A I was answering the questions; I was
20 giving my best recollections. No.

21 Q Okay. That's all I got. I thank you
22 very much. I believe Mr. Caldwell has some
23 questions and then the ladies and gentleman of the
24 Grand jury.

25 MR.WILSON:

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 If y'all will excuse me. You're used to
2 me running out of here anyway, so --

3 EXAMINATION

4 BY MR. CALDWELL:

5 Q I have got a couple of questions on some
6 things, a couple of different topics, more
7 tangential stuff, but I did want to -- because you
8 just mentioned it, I wanted to give you the
9 opportunity to clarify this meeting that you had
10 with your -- with your staff after the first senate
11 hearing, and -- but I want to make sure we are
12 clear on what we are talking about.

13 First of all, you had had the first
14 senate hearing. And so what did y'all do? Y'all
15 got together and talked about the second one that
16 was coming up? How did all of that come about?

17 A I don't remember the exact pieces. I
18 remember that we had senate finance going on at the
19 same time.

20 MR. CALDWELL:

21 By the way, are we back recording? Okay.
22 Just making sure.

23 A (Continuing) So there were lots of
24 things going on. I do remember that we got --
25 because this is a big I.T. pull. All the computer

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 systems were gone through for e-mail, calendar, and
2 documents, so there was a big comprehensive pull,
3 and then it produced stacks of information. And
4 then we go through them and so, for instance, the
5 e-mail we looked at between the MMIS team asking
6 about the Addendum 2, that was part of the pull.
7 There is a lot of documents. I remember people
8 were reading --

9 Q Going through documents, right?

10 A Yes.

11 Q And so did they talk to you about the
12 documents that they were pulling?

13 A Yeah, some did, yeah. Yeah.

14 Q And weren't some of the request -- I
15 mean, part of this was about their requesting any
16 communications from you to any of the bidders, CNSI
17 in particular, right?

18 A They requested again the meetings, the
19 correspondence and -- e-mail correspondence,
20 documents, meetings, those were the things --

21 Q Right. And in any event, they had found
22 some where you had officially communicated with
23 either Adnan, or whoever it was, some of the people
24 within CNSI?

25 A Yes.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q Is that correct?

2 A There was a -- I mean, the total
3 documents I remember being quite voluminous, and
4 then there were all kind of different things. Some
5 of them were not for me, of course. There were a
6 majority that were just the business of doing an
7 MMIS procurement.

8 Q Right. So there were a lot of other
9 things, but you do remember the specific -- them
10 specifically pulling some documents regarding
11 your -- any contacts you might have had with CNSI?

12 A Yeah. That is what they were -- they
13 were looking for -- I can't remember if it was just
14 CNSI or if it was me and all vendors, or if it was
15 the whole department at CNSI, but it was -- a ton
16 of documents were --

17 Q But the documents that they found
18 regarding you specifically and CNSI and your
19 contact, it was not really that many, right?

20 A With me and CNSI?

21 Q Yes. They didn't pull -- they didn't
22 pull all of your cell phone records and find a
23 thousand or how many ever text messages, right?

24 A Yeah, they did not.

25 Q All right. So they did not know about

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 that at the time, right?

2 A There were text messages just to my state
3 phone and phone calls that were pulled, I recall.
4 Again, I'm not sure to whom they went or who on the
5 incoming, but that -- I can't remember even on the
6 phone side if the state phone -- but I remember all
7 the documents within our I.T. systems were pulled.

8 Q But they didn't get all of the
9 communications between yourself and Creighton
10 Carroll or Adnan?

11 A Not on my old phone, no.

12 Q Yeah. Okay. So they didn't have
13 everything. So let me ask you this. At this
14 meeting, did somebody in that meeting -- do you
15 recall if J.T. Lane -- wasn't he like your chief of
16 staff or your --

17 A Chief of staff, yeah.

18 Q All right. So would that have been
19 something he would have been involved in? We have
20 several e-mails that show that he was very involved
21 in this chain and in particular PR type things.
22 Would that be reasonable that he would have been
23 there? Did you ever consult with J.T. Lane
24 specifically about the document production?

25 A Oh, yeah, I asked him to coordinate -- he

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 was the chief of staff, so we would have gone to
2 I.T. and to the various divisions to make sure that
3 all the documents were pulled.

4 Q What about Lisa Faust; was she involved
5 in this thing?

6 A She was the head of the communications
7 bureau, so I'm sure she was putting information
8 together as well.

9 Q All right. So did they come in, did they
10 sit down with you or ask you, in any shape, form or
11 fashion, Hey, Bruce, is this all communications you
12 had with these people? We need to know.

13 A I don't remember what the questions were.
14 I remember going through documents.

15 Q So you don't remember them asking you --
16 anybody asking you, Hey, Bruce, is this it?

17 A I don't remember that.

18 Q You don't remember somebody say, Look, if
19 you talked about football, baseball, we don't care,
20 if you talked about going to lunch, how the kids
21 are, we need to know all of your communications?

22 A I don't --

23 Q You don't remember them asking you that?

24 A No. I remember just producing, like I
25 said, a ton of documents. We went through the

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 documents.

2 Q Okay. And so if witnesses that were
3 there would have said that they did, in fact,
4 question you about that, they would be inaccurate,
5 they would not be telling the truth, that they
6 didn't confront you?

7 A Either better recall than me about
8 something three years ago, or were maybe asking a
9 different question, but I just don't recall -- no
10 one asked me for phone records from my old phone.

11 Q They didn't ask you for phone records;
12 but did you tell them, Oh, by the way, look, I have
13 got all these other communications on my other
14 phone that y'all need to know about?

15 A I did not.

16 Q Did you tell them that?

17 A No. That, I'm pretty sure I did not.

18 Q Okay. Well, I guess that begs the
19 question -- I have heard you say like about ten
20 times that every DHH meeting you would walk in and
21 say, Look, guys, I worked for CNSI; I just want
22 everybody to know I worked for CNSI.

23 A Yes.

24 Q You did that; you made that a point?

25 A All the time.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q So why would you not go, Look, guys, this
2 is -- here are the other communications I have had.
3 Why didn't you do that, if you are -- if you are
4 trying to fully disclose everything, and in
5 particular to the people that are on your side,
6 those are your PR people -- you are still the boss
7 at that time, right? So you didn't think that it
8 was necessary to tell them that?

9 A (No response.)

10 Q And it's your testimony that you did not
11 lie to them about that either, that they asked you
12 about it, and you said, This is it. The
13 communications you have, that's all the contact I
14 had. That's you're testimony?

15 A I don't recall somebody asking, Is there
16 more on your other phone; and me saying no. I just
17 remember us going through all the documents that we
18 had in front of us.

19 Q How could you not remember that? How
20 could you not remember that specific piece?

21 A I -- I don't remember if somebody said,
22 Is this everything, or do you have any records on
23 your phone? If somebody asked me, do you have
24 records on your phone, I would say yes.

25 Q How is that different from, Is this

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 everything?

2 A Again, I don't remember anybody saying,
3 Is this everything, or is this all the documents,
4 do you have anything on your laptop, or is there
5 more in --

6 Q Now, I'm not talking about all the other
7 documents. I'm talking about -- I want to be clear
8 that you are clear on this question, because I
9 don't -- I want to make sure we are absolutely
10 clear. I am talking about -- specifically about
11 communications with either, you know, CNSI,
12 Creighton Carroll or Adnan Ahmed at first. You
13 didn't tell them about those additional
14 communications?

15 A I did not.

16 Q Now, how about -- did you talk about
17 communications with lobbyist for CNSI? And was
18 that Alton Ashy, by the way?

19 A It was.

20 Q Okay.

21 A Again, I don't recall if we talked about
22 it specifically. I don't recall if there were
23 e-mails from him to either me or to other people on
24 the team. But if there were, then they are
25 captured in the document request.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q Okay. But you didn't tell them anything
2 outside of the document request?

3 A No.

4 Q You didn't --

5 A No. Again anything else would have come
6 from my old phone.

7 Q You know, I guess I have a question about
8 PR people, because I worked in an office that has a
9 PR person and -- wouldn't you find it kind of
10 strange that your PR person wouldn't ask you that
11 question? You're about to go back in a senate
12 hearing.

13 A I mean, we don't have a PR person, but --

14 Q Lisa Faust is your communication --

15 A Communications.

16 Q And so that's PR; what is the difference?
17 Because I'm going to tell you all of the e-mails,
18 that I have seen back and forth and which I have,
19 which e-mails you are cc'd on, clearly indicate
20 that y'all were very concerned about what had
21 happened at the senate hearing.

22 A Oh yeah.

23 Q You know?

24 A It was a serious situation.

25 Q And it was something that affected you

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 seriously, because I got one to your -- I
2 suppose -- Cindy, I suppose that is to your wife,
3 about how the day went, you know, it's a natural
4 thing. You weren't really happy about it, right?

5 A Not at all.

6 Q Were you excited about going back the
7 second time?

8 A Not at all.

9 Q But did you want to be prepared for that?

10 A Yes.

11 Q And in the deposition that you gave that
12 was -- there was -- in fact, there was a series of
13 talking points that were prepared?

14 A Yes.

15 Q Specifically referencing your contact
16 with Adnan Ahmed and CNSI, and you had prepared
17 answers for that.

18 A We went through all of the documents that
19 we had and all of the processes that we took in
20 looking at the RFP, putting it together, doing the
21 evaluation and the response.

22 Q So I am going to ask you pointblank. I
23 mean, essentially you made the decision not to
24 disclose those things because nobody else asked for
25 them, right, because -- and you thought you were

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 going to slip through the second senate hearing
2 because they were not going to pull those phone
3 conversations?

4 A I don't think I was going to slip
5 through, but the first part of your question, yes.

6 Q Okay.

7 A That was probably, by the way, the most
8 succinct way of putting it, and it's not flattering
9 for me, but it's accurate.

10 Q I want to ask you on -- we -- you had
11 talked about some phone records -- look, have
12 you -- I just want to ask you this, so we can kind
13 of move through this a little quicker. Have you
14 had a chance to go back and, like, look at your
15 actual phone records during that time period? You
16 have a lawyer. I'd assume you own the phones and
17 you kind of had to review them, right?

18 A Yeah. We've looked at -- we have looked
19 at the records. We, in fact -- just yesterday, I
20 looked at just one of the dates.

21 Q All right. I want to take your attention
22 back -- I mean, I've got the records, and I can
23 show them to you. But I think you are going to
24 know what I'm referring to, but I will reference
25 the date for some of the calls. And if for some

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 reason you don't understand, just stop me. Okay.

2 A Okay.

3 Q The date that I'm looking at is
4 January 10 of 2011, and there's a series of calls
5 and that would have been either the day on or
6 before -- was that when addendum #2 was announced?

7 A Is that -- I think so.

8 Q So I want to ask you about the calls, and
9 I was just trying to give you a general reference.
10 I see some calls from Bruce Greenstein's work cell
11 back and forth between you and Timmy Teepell, you
12 know, in the afternoon on that day. And what
13 was -- what did Timmy have to do with -- was he
14 with Division of Administration or the governor's
15 office at that time?

16 A At that time I think he was the chief of
17 staff for the governor.

18 Q All right. And so do you recall --
19 because there are several calls going back and
20 forth, and this is kind of -- that was sort of a
21 pivotal day for this big contract. Do you recall
22 what he was talking to you about?

23 A I have no idea.

24 Q Was he talking to you about that
25 amendment or this particular contract?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ad-00e765782088

1 A Probably not. This is kind of a
2 technical -- you know, technical thing. Budget,
3 what we were doing, leading up to session, yeah.

4 Q What -- what involvement did Mr. Teepell
5 have in this process; what information did he have
6 about the DHH contract?

7 A I think maybe none or very little.

8 Q Did you talk to him about it?

9 A Uh --

10 Q It's a big contract.

11 A Yeah, I mean, we probably did briefings
12 just about the process, how it was going.

13 Q Because I think that maybe even Mr. Ahmed
14 said in the paper that he had gone over to the
15 Governor's mansion to talk to him, right?

16 A Yeah, I mean, I think --

17 Q Were you aware of that? Were you aware
18 of that?

19 A I heard about it afterwards, if not
20 before.

21 Q I'm just trying to get a sense as to how
22 how much involvement people within the Governor's
23 office might have had.

24 A Yeah, not -- in terms of the processing,
25 not -- it was -- there were big budget issues,

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 seems like the last three or four years, we have
2 had serious budget issues, but that was a very
3 tight year.

4 Q I see -- I also see like on January 7th
5 of 2011 and January 6th of 2011 a series of
6 calls -- and these are texts, and you stated you
7 texted and called -- you text more often than you
8 call.

9 A Yeah.

10 Q You're a serial texter, right?

11 A I guess so.

12 Q So you -- these would have been,
13 January 6, 2011, to and from Alton Ashy, among
14 others. I want to ask you, were any of those
15 conversations about -- I mean, was he trying to
16 push this amendment for CNSI, this Addendum #2?

17 A I remember --

18 Q I mean, he is getting paid as their
19 lobbyist.

20 A Yeah, I mean he should have been. That's
21 what he would be thinking about, but he had a lot
22 of other business at DHH as well.

23 Q Like what other things was he working on,
24 to your recollection that -- at that time?

25 A The certain disabled -- developmental

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 disability programs, and so budget issues are
2 important to those programs as well.

3 Q Okay. While we are on Addendum #2 -- and
4 you talked about this in your deposition. You
5 talked about how your goal was to foster more
6 competition and how that was to that end, and
7 therefore, perfectly legitimate. But in terms of
8 CNSI's position at the time, you knew that in order
9 for them to be able to bid that this amendment had
10 to go through. They couldn't do it the other way.
11 In fact, they told you that. You admitted that in
12 your deposition on Page 203.

13 A As the prime.

14 Q As the prime.

15 A Yes.

16 Q So what you're saying is, you are saying
17 that within a month -- because let's see that's
18 January 7th that they -- within a month -- because
19 the bid proposal was February the 17th that -- I'm
20 just looking for the deposition here -- that they
21 would have been able to redo this thing?

22 A I'm not sure --

23 Q I'm trying to get a picture of the
24 significance of -- this prime subcontractor thing,
25 wouldn't you agree, this is not a small deal. This

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 is not a small insignificant requirement?

2 A No. I mean, the requirement -- the
3 question here -- so -- look at this.

4 Q Yeah.

5 A If I could just look at it real quick.
6 It says -- what was in the -- in the bid said, The
7 proposer shall be responsible for all contractor
8 requirements defined in the SFP throughout the term
9 of the contract; however, the department encourages
10 the proposer to form partnerships with entities
11 that are business leaders in their industry.
12 Proposers responding to the SFP shall have --
13 expected to have extensive current experience as a
14 fiscal agent or an intermediary for Medicaid or
15 similarly large healthcare claims processing
16 entity.

17 The response from DHH was, It is the
18 department's intent that the proposer, the entity's
19 name in which the proposal is submitted, would be
20 the one expected to have the experience as
21 identified in section -- the thing that they are
22 referring to here -- in preparing its proposal, the
23 response should be to the solicitation for
24 proposals. Proposals are prohibited from requiring
25 any proposed subcontractor or vendor to agree not

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 to allow the vendors name would be included,
2 subcontract or vendor, in the other proposals
3 submit by any other proposer in response to this
4 solicitation.

5 Q And so you're -- and based on your
6 previous testimony -- because I kind of heard this
7 before, is that that's not clear enough, that
8 that's not a no.

9 A Right.

10 Q It sounds a lot like a "no" to me, and in
11 fact, it was enough of a "no" for Adnan Ahmed and
12 Creighton Carroll to call up and go, Hey, if we
13 can't -- we can't bid, we are done, if we don't get
14 this amendment, we are done. I mean, that is what
15 they told you, right?

16 A So that in the next sent- -- the next set
17 of questions, there is -- the text, there's a
18 question, and their response was, there will be no
19 change to this requirement. So that's what "no"
20 is. The first one still was ambiguous.

21 Q Well, why didn't they just -- if they
22 needed more clarification, why didn't they just
23 submit it in writing again, because that's the
24 process they are supposed to do?

25 A They should have.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q They should have, but you know, they
2 didn't and -- and why didn't they?

3 A I don't know.

4 Q Because they didn't get the answer they
5 wanted there, and they wanted to go to you so they
6 could get a different answer?

7 A That may be.

8 Q Are you aware that they constantly threw
9 it around that they had influence on the ninth
10 floor, and this is how they were going to get the
11 contract?

12 A No.

13 Q Okay. You talked about how Addendum #2
14 was put out there, and you did that so you could
15 foster competition. Do you recall Addendum #3 and
16 Addendum #4?

17 A No.

18 Q Okay. Well, let me refresh your memory
19 because I have it right here. By the way,
20 regardless of what that amendment said, are you
21 saying that they didn't tell -- they did not tell
22 you -- because I want to clarify that -- that
23 either Creighton or Adnan, or whoever it was that
24 talked to you that day, didn't say, If we don't
25 have this amendment, if you don't do this for us,

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 we can't bid?

2 A My recollection is that they were going
3 to have to bid the other way around with their sub
4 as the prime.

5 Q Okay. And they didn't tell you they
6 weren't going to be able to accomplish it that way,
7 right?

8 A That's not --

9 Q That's not just a matter of cutting and
10 pasting on the documents; that a little bigger
11 deal. It's a very substantial deal?

12 A Yeah, yeah.

13 Q It requires a lot of things, in fact.
14 There's a lot of things that go into that, right?
15 I mean, that's not an insignificant thing. That's
16 not me just going up and saying, Hey, will you guys
17 switch? There's a lot of considerations that go
18 into that?

19 A Yes, it's the corporate entity that's in
20 the prime and -- yeah.

21 Q Right. Okay. One second. Let me get
22 there -- I want to ask you about Addendum 3 -- here
23 we go. I got it.

24 I'm going the show you this. I'm going
25 to read it to you first, because I don't have a

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 copy for everybody. I'm going to show it to you if
2 you need extra clarification. And this is from
3 Mary Simpson, Vice President of Government
4 Healthcare Solutions at ACS. It's dated February 2
5 of 2011. Okay? And this is to -- this is from
6 Mary Simpson to Felicia Sonnier. You know who
7 Felicia is, right?

8 A She is the head of contracting.

9 Q Okay. The subject is MMIS replacement
10 and FI services, solicitation number, and it's got
11 a number behind it, so -- and dealing with this
12 contract. Is says, "Ms. Sonnier, as vendors begin
13 the final stages of proposal and pricing
14 development, it is imperative that we have a
15 complete understanding of the SFP requirements and
16 cost and parameters. As you are aware, the updates
17 published in Addendums 3 and 4 included significant
18 increases to the SFP scope of work, introduced many
19 changes to the costing sheets, including
20 adjustment-to-volume projections that have a direct
21 impact of vendors' operational staffing and cost
22 models. Given the magnitude of these recent
23 changes, we respectfully request an extension of
24 the proposal date due and confirmation of any
25 additional addendums that will be issued for the

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 MMIS replacement and FI services" -- solicitation
2 number. "Thank you for your consideration and
3 prompt response to this inquiry."

4 Then there's a forward on the same day at
5 11:01 from Felicia Sonnier to Donna Bruson, cc'ing
6 Janet Miller and Sonya Pullen (phonetic), it's got
7 "high importance" on it, which then goes to -- from
8 Donna Brunson to Lori Tichner, 11:03, a few minutes
9 later -- you with me so far? Okay. "Hope you get
10 this on your Blackberry, thought Janet would want
11 to see it ASAP, in quotes. Another request for
12 extension of the deadline for proposals, quote.

13 And then from Lori to Donna, 11:57, so
14 about 52 minutes later, it says, "Bruce said no,"
15 N-O, big letters.

16 Is that clear enough for you? You can
17 take a look at it if you want. John may have it
18 over there; I'm not sure. You may have that.

19 A Okay.

20 Q All right. So does that refresh your
21 memory? Did you have a meeting with her?

22 A I don't recall this one at all.

23 Q So you didn't say, No? You didn't allow
24 them to extend the deadline; do you remember that?
25 Do you remember --

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A I don't remember.

2 Q -- what your thoughts would have been on
3 that?

4 A Not at all. I don't remember the
5 request. I don't remember asking it to be extended
6 or not extended. I don't remember the advice that
7 Donna and Felicia or Lori or anybody would have
8 given me.

9 Q Well -- but Janet said that Bruce said
10 no. She didn't say my recommendation is no. She
11 said this is what Bruce said.

12 A Right.

13 Q Would you have any reason to doubt that
14 she would have accurately relayed what you said?

15 A Yeah -- and I'm sure that she knows what
16 I said.

17 Q No. I'm just asking.

18 A I don't know if she -- first of all, I
19 don't remember the whole thing.

20 Q All right.

21 A I speculate that she came to me and said
22 you know, we don't want to get behind in schedule,
23 we gave everybody enough time, this is -- you know
24 this has happened before. I just don't remember
25 it.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q Okay. I was just curious, because, I
2 mean, you had said that the other amendment was
3 designed to help foster competition so that you
4 could have as many bidders as possible. And here
5 you have somebody making a request for additional
6 time so that they could submit the best bid to
7 Louisiana; and you said no. I don't -- I'm just
8 trying to give you an opportunity. I just don't
9 understand how that really jives, those two things
10 jive with each other?

11 A I mean -- I don't remember offering more
12 scope during the RFP process -- days that the bids
13 were out, I just don't recall.

14 Q And speaking of the scope that you
15 offered and involvement in the process, I just want
16 to try to get it clear, because -- on the one hand,
17 you weren't involved; on the other hand, you know
18 you were. I've got e-mails. Isn't it true that
19 you had your hands in this thing. I mean, you were
20 not on the scoring teams, right? We have
21 established that.

22 A Absolutely.

23 Q You said that all throughout your
24 deposition. You weren't on the scoring or
25 evaluation team. But you were the boss, right?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A Yes.

2 Q Okay. And so you obviously had -- you
3 obviously had influence and control over some of
4 the things that were going on, right?

5 A Over the RFP process.

6 Q Over the RFP process. And then after the
7 RFP was issued, there were other things that you
8 were involved in, in terms of the actual
9 implementation of the contract, right? Did you
10 tell -- and I'll be fair about this. You can
11 clarify whatever way you want. I mean, did you
12 tell those guys, I ain't dealing with none of that
13 stuff on that contract, y'all got everything?

14 A After the confirmation, I wanted as much
15 distance as possible.

16 Q Did you maintain that distance?

17 A When things started to, you know, need
18 help, and I got regular updates, but -- I kept a
19 great distance from that point on.

20 Q Well -- and I specifically want to ask
21 you about these bond requirements. Let me first --
22 because I read your deposition testimony regarding
23 the bond. You know what a bond is?

24 A Sure.

25 Q And you know what a bond is, not like

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 somebody going to jail but a bond -- it's the same
2 thing, a bond in context of one of these jobs,
3 right?

4 A Yes, you put it up, and if you do
5 something wrong, you get access to the bond.

6 Q Right.

7 A -- the customers --

8 Q And you became aware at some point that
9 CNSI couldn't make their bond; is that correct?

10 A I heard -- yeah, I heard that either they
11 couldn't do it all at once or they couldn't do the
12 total amount, but I heard it was not a slam-dunk.

13 Q When did you hear that? Let's talk about
14 it in the context of, you know, the RFP. Was --
15 obviously, it's after they had won the bid. Are
16 you talking about you heard about it, like, years
17 later, or while they -- the contract was --

18 A I heard about it during the contract
19 negotiations.

20 Q Okay.

21 A And then I heard a lot about it more
22 recently.

23 Q Okay. Well, because I was -- your
24 deposition testimony is a little unclear in a
25 couple of places. See about this. So at first in

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 your deposition -- I'm going to get you -- I have a
2 copy up here. Make sure -- because I'm trying to
3 figure it out. Did you insert yourself into the
4 bond process at any time?

5 A No.

6 Q Okay. And so -- because they asked you
7 at the deposition -- and I'm going to reask you.
8 It's page 280. It says, "Did you have discussion
9 with Steve Russo, in which it was discussed whether
10 you could wait until the contract was signed to
11 call for the bond to be posted?"

12 A I don't remember a conversation like
13 that.

14 Q Do you understand the significance of
15 doing something like that? Let's talk about that.
16 In other words, you got -- you said you were aware
17 that the company was having trouble with its bond.

18 A Yeah. This would have explained
19 something like that as well.

20 Q Yeah, but I mean it's pretty basic.
21 You're either -- I mean, you can do that -- even
22 street people understand that if you don't make the
23 bond, if you don't do what you are supposed to do,
24 they call in the bond, right?

25 A Yeah. Yeah.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q But in -- with these companies, the bond
2 is the security. It's not much, but if something
3 goes wrong, you can call on the bond. Okay? So in
4 order to get a bond, though, you've got to put up
5 money or assets or whatever. That is still very
6 basic, right?

7 A Uh-huh.

8 Q Okay. That's not something that Steve
9 Russo needs to explain to you, right?

10 A No.

11 Q Okay. So you, as secretary of DHH, you
12 hear that this company, who has at the time a \$189
13 million contract, which they attempted to increase
14 to another 40 to 50 million dollars -- but at the
15 time it was that amount, so it was very large, that
16 they are having trouble making a \$6 million bond.
17 What is going through your mind at that point?

18 A They need to get their act together.

19 Q I mean, aren't there some big huge red
20 warning bells. You know, you've just said that you
21 wanted the best product for the state, but you
22 know, what -- and that these are the most
23 innovative and the best thing for the people of
24 Louisiana and, you know, all that stuff. Now
25 you've got a company that can't even make a bond, a

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 \$6 million bond on a 189-million-dollar job. Did
2 that cause you concern?

3 A When I heard that, I thought that was an
4 issue.

5 Q Okay. And so your testimony is that you
6 did not -- you didn't even discuss with Steve Russo
7 the possibility of having them wait -- wait this
8 thing out until the contract was signed to call for
9 the bond to be posted?

10 A I definitely remember wanting to not be
11 involved in the contract negotiations.

12 Q Okay. But now -- and let me make sure
13 I'm clarifying and that we are clear on this
14 process when we say "the contract to be signed".
15 So there is a period of the awarding of the bid,
16 and then you have to go through the negotiations
17 and then the contract is signed. And do you recall
18 how long that took between that period?

19 A I don't remember.

20 Q It was several months, wasn't it? I
21 mean, normally these things get signed, they get
22 negotiated, you get it done. But this one took an
23 extended period of time. And you would remember
24 that, right, if it took longer than normal?

25 A I remember it took a long time. I just

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 don't remember the amount of time.

2 Q And one of the reasons it took such a
3 long time was because they couldn't come up with a
4 bond, and that was one of the requirements?

5 A I don't know exactly why it took so long,
6 but --

7 Q Did those guys come in and -- did Adnan
8 and those guys come up to the ninth floor and
9 actively -- or whatever floor you are on -- and
10 actively lobby you to get you to try to remove this
11 bond requirement?

12 A Not me. I was --

13 Q Who would they have lobbied then?

14 A I think they were meeting with the whole
15 team from DHH, who they were negotiating the
16 contract with.

17 Q So they never came -- they never would
18 have come to you directly -- I guess, that is kind
19 of confusing to me because the one time that we
20 know that -- that we didn't -- they didn't get the
21 answer they wanted, they came to you, and you gave
22 them the answer they wanted.

23 A Actually --

24 Q So why would that not enable them to do
25 that?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A After the senate hearing, I just -- it
2 was just such a distraction. It was so -- I just
3 didn't want to be involved with that.

4 Q Wait a minute, after the senate hearing
5 you did not meet with Adnan or Creighton or any of
6 the CNSI principals in your office on the ninth
7 floor?

8 A I may have, and we had update meetings at
9 different times, but during that contract
10 negotiation, I --

11 Q Okay. I understand contract. I'm
12 talking about after the fact. After the fact, now
13 you are meeting with these guys, these principals
14 are coming up to your office pretty regularly,
15 right?

16 A I don't know about regularly, but yes
17 they went to the office.

18 Q They were there?

19 A Yeah.

20 Q All right. So -- and this would have
21 been the bond. This was between the awarding and
22 the signing, so why would they not have come to you
23 to try to get you -- I mean, I don't know why this
24 wouldn't make sense?

25 A Yeah, I mean maybe they wanted to, but

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Steve Russo and the rest of the MMIS team were
2 negotiating the contract.

3 Q Did you -- I'm going to ask you this
4 other question here. It is the same Page 280 of
5 this deposition. Did you indicate to Mr. Russo
6 that if time could be -- if the time could be
7 delayed for CNSI to post the bond, that CNSI could
8 then go to it lenders, once the contract was
9 signed, and make arrangements with them to free up
10 funds for the bond?

11 A I don't remember that.

12 Q Okay. But he would be the one to know,
13 right, so we should probably ask him?

14 A Who is that?

15 Q Steve Russo, right?

16 A Yeah.

17 Q Yeah, we should definitely ask him. Do
18 you have problem with us asking him these things?

19 A I think we had this discussion about
20 attorney/client privilege.

21 Q Well, you can tell us here if that's
22 something you want to do. I mean, that is
23 certainly your right. I mean, we want to get to
24 the truth and --

25 A Nothing to hide. I would love for y'all

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 to do talk with him. I want to talk with him, and
2 DHH wouldn't allow me to talk with by own attorney.

3 Q So you --

4 A I should have a chance to chat with him
5 before. And that seems reasonable.

6 Q Did you pay him out of your own pocket?
7 Why is he your lawyer? I don't understand that.

8 A That's --

9 Q Is he your personal lawyer? Did he
10 represent you in any criminal proceedings or
11 anything like that?

12 A He represented the secretary in many
13 proceedings, that, he reiterated many, many times.

14 Q Department of Health and Hospitals?

15 A Yeah.

16 Q And he reiterated what? I'm sorry?

17 A That he was my attorney, and we have
18 attorney/client privilege.

19 Q That he was your personal lawyer and that
20 you had attorney/client privilege?

21 A I don't know if he used the word
22 "personal", but he would always say that he was my
23 lawyer, and we have attorney/client privilege.

24 Q You -- as secretary of DHH, you are
25 saying it is you personally, that whatever you say

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 to him is privileged, right?

2 A Uh-huh.

3 Q And so I'm taking it by your discussion
4 that, regardless of the discussions with DHH or
5 what they would and would not let them do, you
6 are -- you're not going to waive his -- any of
7 those potential privileges that you have -- because
8 I don't believe you have them. But assuming that
9 you do, you are not going to waive any of those and
10 allow us to come in and talk to him without having
11 to go through all of that; this is correct?

12 A I don't know -- go through all that -- I
13 just want to be able to talk with him.

14 Q Well, they ain't going to let you talk
15 with him.

16 A Well --

17 Q But we need to get to the truth. And if
18 you don't have anything to hide, I don't understand
19 why we just couldn't bring him in here?

20 A I don't understand why I can't talk to
21 the guy who I worked with --

22 Q It's not my call. Let me explain to you
23 why he doesn't want to talk to you, because there's
24 all these things in your deposition where you have
25 said that people said something or they didn't say

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 something -- and I will tell you right now, it is
2 directly contradicted by what those people have
3 said; and I will tell you that right now. So I
4 don't -- I can't blame somebody for not wanting to
5 sit in the room with you, and then you come in and
6 saying, Well, he said this now, or you don't recall
7 what was said. So -- but that's not my deal. I
8 don't know Steve Russo. I don't have anything to
9 gain or loose from this whole thing. What we are
10 trying to do is, we are trying to get at the truth.
11 So, you know, if you are not going to let us talk
12 to him without us having to go through the process,
13 which is to go into court, you know, spend several
14 months litigating this thing -- and that's fine.
15 But I just wanted to make sure that that was your
16 stance here today. It's your right, you know,
17 and -- but what you are saying is is that Steve
18 would be the one to talk to about this, right?

19 A For the bond issue?

20 Q Yeah.

21 A Yeah.

22 Q Because in fact, in several of your
23 responses in your deposition, it kind of seems like
24 you are leaning on Steve to say, you know, well
25 Steve told me to do this. Right? I mean --

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A Yeah. Yeah, he was attorney for the
2 department. He was my attorney.

3 Q He had other jobs too within the
4 department, didn't he?

5 A Yes.

6 Q Didn't he have additional responsibility?

7 A He ran a division, but he was executive
8 counsel; that is his first title.

9 Q Right, but then he did -- now, when he
10 ran the division, he was doing things related to
11 this contract in his capacity running the division,
12 right?

13 A Yes, this time when he ran -- our program
14 integrity and -- and I think what we call the
15 standards. It's the nursing home inspection
16 bureau. I can't remember the name of it.

17 Q Okay. Did you discuss with Russo that
18 letter of recommendation we were talking about?

19 A I don't remember if -- him or Jerry --
20 likely, Steve was involved with most discussions.

21 Q Okay. The discussions that you don't
22 remember, correct? Because you said you don't
23 really remember having discussions or the context
24 of the discussion?

25 A He was involved with -- again, he was

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 involved with most discussions, yeah.

2 Q Okay. I'm almost done. I appreciate you
3 being patient with me. I know you are probably
4 hungry now. We have -- a couple of e-mails. Here
5 we go. Sorry. I have got an e-mail -- I can let
6 you see it, but it's really short, sort of a
7 tangential thing, but there is from -- let's see,
8 it's November 13, 2012 at 6:40 p.m., and it is from
9 Angel Davis to you, Bruce Greenstein. It says
10 let's catch up soon. It says, Bruce, call me when
11 you have a minute to catch up. She gives you her
12 number. I'm just curious. What was her -- does
13 she have -- I know she kind of left early. What
14 was her involvement with this particular RFP or
15 RFI; did she have any involvement in the process?

16 A No. I would see her around town once in
17 a while.

18 Q Okay. So do you recall what this
19 communication was about; was it about --

20 A Just to catch up.

21 Q Okay. All right. I think we have gotten
22 through -- I ran across one that was interesting.
23 I got -- I will show you this one. You may be able
24 to actually do that from where you are standing.

25 This is from somebody named Frank

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Collins, to Frank Collins. It's Wednesday June 8,
2 2011, 12:38. It has a news alert. It's an AP
3 story. DHH Chief former employer taped for \$34
4 million contract. I take it you have read that
5 article before.

6 A Probably at the time.

7 Q Yeah. Yes, but any way, it talked about
8 CNSI getting the bid. And then above that, it's
9 from Bruce@la.gov. It is to Cindy B.
10 Greenstein@hotmail.com. Is that your wife, I take
11 it?

12 A Yes, that's my wife.

13 Q And then you said, Very tough day; and
14 then there's a response saying, you know just
15 basically kind of a pat-on-the-back-deal, but who
16 is Frank Collins. What is this?

17 A He worked in the Governor's office, and
18 he -- he did some kind of communications. He sent
19 out alerts to -- well, a lot of employees. I don't
20 know what the list looked like. But you know, if
21 there was a bill in the legislature, if there was a
22 storm and bridges were closing, hurricane, that
23 sort of thing.

24 Q Okay. All right. Well, I didn't see how
25 you would have gotten that and then transferred it.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 I didn't understand. It says "From" and "To", and
2 then all of a sudden you're on top of that?

3 A Yeah. So it's a blind e-mail list.

4 Q All right. All right. Fair enough.
5 Yeah. Okay. I have got an e-mail that is from
6 Calder Lynch -- do to you know who Calder Lynch is?

7 A Yes.

8 Q -- to Bruce Greenstein, yourself. And it
9 was sent Saturday, September 18, 2010 at like 10:00
10 at night. And at first it was from you to -- the
11 original message was from you to J.T. Lane,
12 Christine Peck and Calder Lynch. Subject line is,
13 "do you know". And it says Alton Ashy, period, let
14 me know what you think. A company I know wants to
15 hire him. So what company was that?

16 A It was probably CNSI.

17 Q Okay. All right. And then Calder says
18 Okay, his son is one of the kids I took to a
19 conference in North Carolina for debate. So -- now
20 it appears that -- separate e-mail, Calder -- at
21 9:57, so he sends you a separate e-mail response
22 that says, Not that it's terribly helpful or
23 relevant, but we can speak offline. Did you speak
24 to him offline about that.

25 A I can't recall. You know, I easily could

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 have.

2 Q Well, so. All right. What would -- what
3 was the substance? Why are you asking what people
4 think about Alton Ashy?

5 A Just to know if he's a good guy, if he is
6 a good lobbyist.

7 Q How did you come to -- but I mean, how
8 did you come to get involved with recommending a
9 lobbyist on CNSI's behalf. I don't understand how
10 all that went down.

11 A Somebody might have asked me what did I
12 think of him, and I didn't know. I knew one
13 lobbyist when I got here, or shortly after I got
14 here.

15 Q But the somebody in this case -- correct
16 me if I'm wrong -- would have been a company I know
17 wants to hire -- would have been CNSI, right?

18 A Probably yeah.

19 Q Okay. Okay, I think that is -- that is
20 it. I'm going to kind of gather my papers and
21 then -- this Grand Jury has been working on this
22 for a long time. They probably have a few
23 questions for you, so I'm going to let them kind of
24 go in order this way. Or y'all can chime -- which
25 way do y'all want go? That way? Go ahead.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 GRAND JUROR: (Gentleman)

2 Not at this time.

3 GRAND JUROR: (Lady)

4 It's not really a question. I just think
5 that I would have a problem with you not
6 wanting us to talk to the attorney. Is there
7 a reason? Are you trying to hide something.

8 MR. GREENSTEIN:

9 No. Can I have a minute to just talk to
10 my attorney, because I'd rather y'all talk to
11 every person that has ever worked in the
12 department, because it just makes it easier to
13 get to the bottom of this and understand.

14 UNIDENTIFIED SPEAKER:

15 I know that the rules of evidence, I'm
16 not allowed to say anything. That's why --

17 MR. GREENSTEIN:

18 Can we go --

19 MR. CALDWELL:

20 You can chat outside, if you want.

21 (A recess was taken)

22 PROCEEDINGS RESUME

23 A All right. So on advice of my counsel, I
24 would love for Steve to come and talk to you guys,
25 and I know Mr. Caldwell has not put a roadblock to

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 it, but DHH has. My attorney would love to talk
2 with him along with DHH lawyers. This is a very
3 one-sided process where DHH has access to a lot of
4 things. We would like to ask them a couple of
5 questions as well. We could do it together. My
6 attorney says they are in that process right now.
7 So we'd love for it to be worked out and bring it
8 here as soon as possible.

9 BY MR. CALDWELL:

10 Q Okay. The last time we got ready for him
11 to come in, and then y'all pulled up like the day
12 before, and I had everybody here and ready to go
13 and we had taken off of work and all of that stuff.
14 So I just don't want to have to go through that
15 again with these folks.

16 A I mean, he basically -- when we worked
17 together, he said you should never waive your
18 attorney/client privilege. We had like a man's --
19 gentlemen's handshake on that. So again, I would
20 love for him to come out and talk -- I would just
21 love for -- even for John to be able to ask him
22 some questions. It just seems like the lowest part
23 of being fair. I don't know -- DHH has been very
24 very not wanting me to talk to anyone, and it is
25 tough to prepare to come -- three years ago, three

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 plus years ago, lots of things have gone on. I
2 probably worked from 10 to 11, 12 hours a day all
3 those days, constant meetings, obvious a lot of
4 text messages. I just want to be most
5 well-prepared. Steve -- Steve is a great guy.
6 He's a great attorney, he's got a great track
7 record of winning for the department whoever we had
8 to go against. We had, you know, lots of issues.
9 So I would love for that to happen. And if there
10 is any way we can kind of work that out more
11 quickly, I'd be happy to do that.

12 Q Okay. Well, that's a "no" unless it's a
13 "yes", is what -- is it short version of it?

14 A Yeah.

15 Q Okay. All right.

16 EXAMINATION

17 BY GRAND JUROR: (Lady)

18 Q Another thing which is concerning me is
19 at what point -- I just want clarity on it -- that
20 a red flag went up in your mind or your head that
21 there was a problem with this contract?

22 A In terms of performance, well, so the
23 EV&V was not delivered, then they delivered on the
24 next piece, which was called provider enrollment.
25 They wanted to do this thing called -- I forget the

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 term -- ETO, EBO, or something. Basically, it was
2 to take over the Molina system. They thought that
3 they would be great at it. I told them no way. So
4 I mean, from -- I don't know -- maybe a year or so
5 into it, there was -- and I don't think it's a
6 total failure. I think they definitely missed, and
7 I was -- like we quoted before, I was pretty upset
8 about that. And then the next thing that they did,
9 they were doing pretty well.

10 Q Okay. So was there any point that you
11 wanted to say enough is enough, y'all are not
12 complying, let's reconsider or go to someone else?

13 A We didn't get to that point.

14 Q Okay, because the problem I have is that,
15 like he said before, you are a smart man and you
16 have made business transactions, you have purchased
17 houses, and the way that they go is, you put up a
18 deposit. If you are unable to make the deposit,
19 then the deal is off because we can't go forward
20 with that if you are unable to come up with that
21 money, how can you come up with the rest of the
22 money? So at that point, you should have just put
23 a halt to it.

24 A Hindsight is 20/20. I mean, all of this
25 would be better if it never happened. The -- the

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 contract negotiation again was -- the team was
2 working on that; they did that. They came to what
3 they thought was a good solution, and I don't think
4 that was any of the reason for anything that
5 happened down the line.

6 Q I understand about the team, but -- had
7 the bottom line to it. And when they came to you
8 and said, "They are not complying with this
9 contract, they are unable to come up with the
10 money, what should we do?" They asked you. What
11 did you do when they asked you what should we do?

12 A I don't think that -- I don't think that
13 is how it went in terms of the bond or the contract
14 negotiations. There is -- I don't know -- there
15 was a lot of issues that happened in the contract
16 negotiations between scope and time and money and
17 all of that. So they never came to me with a, you
18 know, go/no-go decision. I don't know what I would
19 have said if -- if it came to that, but that didn't
20 occur.

21 Q I can't believe that, but okay.

22 A Well, I'm not -- well, I mean, what do
23 you mean?

24 Q I'm just saying at some point that you
25 would have had to intervene because there was a

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 problem with the contract.

2 A I mean, the team worked it out. I'm not
3 sure the methods that they used, but they
4 definitely got to a solution. I don't think it was
5 a -- again, I don't think it rose to the level
6 where they had to go to the secretary and say, you
7 know, go/no-go, because of this.

8 BY GRAND JUROR: (Gentleman)

9 Q But don't you have the bottom line? You
10 mean --

11 A Sure. At the end of the day, yeah. At
12 the end of day the buck stops here.

13 Q That's what she's trying to say.

14 A Yeah, yeah. We just didn't get to that
15 point.

16 BY GRAND JUROR: (Lady)

17 Q Well, they had another bump in the road
18 with the extension. I mean I know a little bit
19 about contracts, and if you got a problem with the
20 deposit, you got a problem with the extension,
21 there's a problem somewhere. So someone should
22 have said, Hey --

23 A Yeah, yeah, yeah, yeah. In the -- so for
24 MMISs around the country, when I worked in New
25 England, I remember one of the states I worked

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 with, which was New Hampshire, signed a contract in
2 2004, and by 2011 it had not been -- not been
3 executed. Another -- so that that company won a
4 few more bids using the same system, and there were
5 massive delays. And states get into a situation
6 where if they wait a little longer, they think they
7 can fix it. And so that's what most states do.

8 Q Okay.

9 BY GRAND JUROR: (Lady)

10 Q This is really not a question, but to say
11 you don't recall a lot of stuff, you sure do
12 remember the jobs and stuff that you have and had
13 or the dates that certain things -- just like what
14 you said that you remember the date. When he asked
15 you something, all of a sudden, you didn't recall
16 it.

17 A I mean, I remember --

18 Q Your memory kind of like blurred on
19 certain things?

20 A Blurry on a lot of things that are, you
21 know, very specific. I can remember -- you know,
22 it's not uncommon. My grandmother was able to
23 remember some things very very specifically and
24 maybe couldn't remember something the next day. I
25 I'm pretty good about remembering most things, but

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 when there is a huge volume of any one thing, then
2 I can't be specific with any of those particular
3 things. Large things definitely, sometime budget
4 issues, but again, I mean, it's just a huge volume
5 of things that we did that were all around the same
6 time, all around the same thing.

7 GRAND JUROR:

8 I don't have any questions.

9 EXAMINATION

10 BY MR. CALDWELL:

11 Q Were you, by the way, aware that at the
12 time that CNSI submitted their bid that they were
13 under an active federal investigation.

14 A No, it's not -- I read that in some of
15 the documentation before.

16 Q Do you feel like, as secretary at the
17 time, that would been important for you to know?

18 A I mean, yeah. I mean between this --
19 between the -- this is the bank document. Between
20 this and that, I mean, they were --

21 Q Because the RFP did require them to
22 disclose there financial condition accurately. I
23 know we were --

24 A Yeah, I recall something like that.

25 Q It's a requirement of the RFP. And I

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 think what Mr. Wilson was getting at was that,
2 isn't that something that if somebody is going to
3 accurately disclose their condition -- you are
4 going to have a company that is going to go
5 belly-up after they get the job. I mean -- whether
6 you think that's relevant or not, it's relevant
7 because you should know so you can make your own
8 evaluation, right?

9 A See, the thing that you just said, I
10 completely agree. This should have been in there.
11 The active federal investigation, when I read about
12 that before -- I don't know where -- some documents
13 were released, you know, that John gave to me, I
14 was incredibly surprised by that.

15 Q Yes, they were embezzling from their own
16 company, is what they were doing. So that --

17 A I didn't know that part.

18 Q Yeah. Well, that is what is in the FBI
19 reports, and they also threatened to kill two of
20 the witnesses, the accountant and the lawyer that
21 worked there at the time. Those are in the FBI
22 documents that are now public record.

23 A That's a big issue.

24 Q Yeah. I was just making sure, and they
25 didn't -- you obviously didn't know about that at

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 the time they submitted this bid proposal?

2 A Right. No. I mean, again I learned
3 it -- again whenever the documents were released.

4 Q All right.

5 EXAMINATION

6 BY GRAND JUROR: (Lady)

7 Q Sir, I was just reviewing your resume',
8 and I'm very impressed, and it's obvious that you
9 are a very strategic person. My question to you
10 is: During all of this, when did you quit being
11 strategic? Because you can't remember anything.

12 A I can't remember -- no -- I never try to
13 stop being strategic. We just had a lot of things
14 going on at the same time. Again, I just watched
15 the first senate hearing, and all along the way
16 everybody was saying, Oh, well, we will see you
17 tonight for senate finance hearing. I didn't
18 remember that there was a senate finance hearing on
19 that particular day, but I remember some of these
20 would go, you know, late until the night, until 9,
21 10, 11:00. I was just trying to juggle a lot,
22 trying to remember the things. Some of the things
23 that they had asked, I answered very specifically.
24 I was trying to do the best job that I could. I
25 didn't think that this was even something that was

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 such a big deal, because we answered all of the
2 questions about the process that was a big deal.
3 And so I mean that's --

4 Q I have a question for you. You made a
5 statement, when you were asked about CNSI not
6 disclosing their financial situation; you said that
7 you felt that that was material information, and
8 they didn't disclose that. So why were not the
9 contacts and the phone calls that you had with Mr.
10 Ahmed and Mr. Carroll not material information that
11 you should have divulged?

12 A That's a good question. Personal phone
13 calls about, you know, social and personal matters,
14 you know, it just -- I didn't think that that's
15 what --

16 Q But they weren't obvious personal phone
17 calls, sir.

18 A Ninety-nine percent.

19 Q That one percent would have made a grave
20 difference, sir. And I heard you say one thing
21 about it's natural to want to help family and
22 friends and even your congregation. So I'm
23 assuming you're a Christian, right?

24 A I'm Jewish actually.

25 Q Okay. And you believe in, you know,

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 right and wrong?

2 A (Inaudible).

3 Q Do you believe there are different levels
4 of right and wrong? I mean in God's eyes do think
5 lying is any different from murder, or does he
6 consider sin sin?

7 A That's a big question.

8 Q So, you know, omission and commission, is
9 there different levels to you in that?

10 A Lying and murder I think is different, by
11 the way, just --

12 Q Yes, but sin is sin?

13 A Yeah. I mean, lying is a sin, yeah.

14 Q So omission and commission, is that two
15 different levels to you?

16 A Getting back to my testimony, I was
17 trying to answer the questions that I was asked.
18 It was a -- it was a very hot, you know, exchange
19 and I wasn't thinking about my personal social
20 calls and so forth. I didn't think about or
21 remember a call about Addendum 2, you know
22 clarification. It wasn't on my mind. It wasn't
23 like I was trying to hide it; I just wasn't
24 thinking about it.

25 Q Okay. I've got one more question. I

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 just wanted to make sure -- again with reference to
2 conversations that you had, I just wanted to make
3 sure that those conversations that you had were
4 strictly strictly personal?

5 A Again, I can't remember exactly the
6 nature of all of the conversations.

7 Q And one thing you mentioned, you said
8 that, when you were giving example of government
9 and judges and fundraising, you said fundraising
10 was done all the time. Is that what you consider
11 in your mind you were doing to help your former
12 employer --

13 A Not at all.

14 Q -- was fundraising?

15 A No, not at all.

16 Q There was no money exchanges between you
17 and your former employer?

18 A No, no, no, no.

19 Q When the list comes out with -- from the
20 banks from offshore companies and foreign companies
21 next year, your name is not going to be on the
22 list?

23 A Absolutely not. I will make my own bank
24 records available. I took a pay cut when I came
25 here. I believe in public service. I never took

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 any money from anyone; I wouldn't. That is very
2 basic, and I understand -- again this stuff,
3 getting a request to get some clarification, I
4 didn't see that it was wrong, and I didn't feel
5 like me talking about it, not talking about it, was
6 wrong. I think we did the right thing. I really
7 feel good about the process. I would never take a
8 bribe. I got calls all the time about getting
9 help.

10 Q I have a question. Excuse me. You said
11 that you wanted to open up the playing field for
12 more companies.

13 A Yes.

14 Q Who all else came in after you did what
15 you did in that addendum change?

16 A We had -- that was the fourth company.
17 Before we changed the RFP the first time, we had
18 two -- again, you can't know until people --
19 companies submit bids, but when we first wrote it,
20 only two would have qualified. We made a change,
21 and then ACS was able to bid, and then we made the
22 other change, Addendum 2, and CNSI was able to bid
23 the way they wanted to bid. So we would have --
24 and it turns out that Molina, their bid wasn't
25 qualified, so it would have been only one bidder at

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 the end of the day unless we made changes is.

2 Q Okay.

3 BY GRAND JUROR: (Lady)

4 Q What is your current job status? Like
5 what are you doing right now?

6 A Since you read my resume', I wondering if
7 maybe if I could interview for a job. I'm just
8 doing some consulting. I don't have a -- I don't
9 have a real job right now.

10 Q Okay.

11 (Inaudible discussion.)

12 BY GRAND JUROR: (Lady)

13 Q Mr. Greenstein?

14 A Greenstein.

15 Q -- a conflict of interest, as a outsider
16 or just common person, wouldn't you agree that any
17 person on the evaluation team that had -- that
18 was involved -- that was employed by CNSI, wouldn't
19 you -- if they were on the evaluation team, would
20 you have a problem with that?

21 A Yeah. I mean, the process is that we
22 would have probably removed them.

23 Q Okay. So in your position, based on your
24 position with DHH, wouldn't you have reason to
25 believe that at some time in that process that you

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 would have had to have some kind of involvement?

2 A No, not at all.

3 Q Being the secretary, you wouldn't have --
4 they wouldn't come to you for any involvement --

5 A No, no, no. The process -- I mean, this
6 is a process for RFPs in general. We just did this
7 with Medicaid health plans with Behavioral Health.
8 We selected a vendor to take over a mental health
9 hospital. Those -- the processes -- so in this
10 case, there were 60 or 61 people -- I have read
11 documents that have either one -- eleven teams, and
12 I don't know who they are; I don't know who chose
13 them. I don't know if they were in the DHH
14 building. They could have been in the
15 DOH building. They could have been at the Hilton
16 or Marriott. I don't know what the bids looked
17 like. I just know that somebody walked in my
18 office at the end of this process and told me who
19 won. And there was not -- I mean, I knew that
20 this -- it was going to get attention. I was not
21 really very pleased.

22 Q You just said something -- now that you
23 just made that statement, your previous statement
24 to -- in reply to her question, you just said that
25 the second change you made allowed CNSI to bid the

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 way they wanted to bid.

2 A Yes.

3 Q That raised a red flag with me just now.

4 A See, that's not --

5 Q Why would you make that statement, they
6 were able to bid the way that they wanted to bid?

7 A Well, they were able to bid.

8 Q Okay. Based on those communications, the
9 chart that you were shown with all of calls --

10 A Yes.

11 Q -- Creighton Carroll, the common person
12 would look at that, review that information, and
13 being in your position, wouldn't you think at some
14 point in time, you being friends with him,
15 having -- whether it's good friends or just on a
16 social basis, being if your position, once you got
17 that position, you don't think any time in the
18 conversation it would have come up that he was
19 interested in -- his company was interested in the
20 contract?

21 A I think I knew that.

22 Q Okay. And you still had these
23 communications as many --

24 A Yes.

25 Q -- as we've seen?

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A Yeah, a lot of text messages and phone
2 calls.

3 BY GRAND JUROR: (Lady)

4 Q Which makes it look so suspicious, like
5 you knew what was going on?

6 A I think it was at the deposition,
7 somewhere I said that I wish that I just -- I can't
8 remember if it was thrown down my phone or throw it
9 in the river and just got rid it. Yeah, I look --

10 Q Or you could have just stopped --

11 A I know, I know, I know.

12 Q -- before you got started?

13 A Yes. Yes, you're right. I wish that I
14 had not had my phone, period. I'd just use my
15 state phone and not taken phone calls and -- again
16 hindsight is 20/20, it raises the appearance of
17 suspicion. I feel sick thinking about it. I
18 should -- I wasn't prohibited from doing it, but I
19 would have been better off without doing it.

20 Q Uh-huh. You are kind of guilty by
21 association.

22 A I'm certainly in the depositions that
23 I -- the deposition that I was in I was made to
24 feel that way, yes.

25 Q Okay. I have a list of questions, so

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 take my time going through them.

2 A Please do.

3 Q Back to Addendum #2, you say you know
4 your team were intelligent people, so I'm wondering
5 how can you be so adamant about -- you seem to be
6 adamant about when you were faced with maybe
7 questions about the addendum. Why not just trust
8 the evaluation team? You think they're
9 intelligent. Why not trust their judgment and just
10 let the clips fall where they may.

11 A Well, I mean, there is an e-mail chain.
12 I asked them to take another look at it. I told
13 them that I'd like more competition, and so then
14 the team took that issue -- and there's an e-mail
15 chain -- if you haven't seen, I brought a copy of
16 it. They talked about --

17 Is it okay if I read from the e-mail?

18 UNIDENTIFIED SPEAKER:

19 Sure.

20 A (Continuing) I will tell you which one
21 it is so that we all have a copy of it. So it's --
22 Lori Tichner -- I guess we'll start at the
23 beginning. So -- so it's from Lori Tichner to
24 Alicia Sonnier with Janet Miller and Don Gregory.
25 -- (indecipherable) -- said he had a conversation

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 with Secretary Greenstein and has some questions
2 that are requested to get with you.

3 So there are three questions about --
4 about the FI/FA experience, and she says it looks
5 like -- this is question 11 -- allow another round
6 of questions, which allow basically all the vendors
7 five days to submit their follow-up questions, and
8 individual two-hour sessions, Q-and-A sessions with
9 vendor's folks, submitted letter of intent.
10 Basically to allow them more opportunity to get
11 clarification, because there wasn't -- there was
12 still questions, I gather. So they came back, what
13 time would you want to have the Q-and-A session.
14 My understanding, the Q-and-A session to be done at
15 ASAP -- Don, jump in if I'm correct -- the
16 secretary did not say. He only said he wants us to
17 be transparent, open and for us to get the very
18 best system in the end. He was clear that he wants
19 to offer individual two hour Q-and-A sessions to
20 those who have expressed an interest in bidding. I
21 assume he will want to participate in those
22 sessions.

23 I did not participate in those sessions.
24 It has been my understanding that we could respond
25 verbally, but unless the responses are in writing

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 and posted for all to review -- which they were --
2 this was one of the reasons we didn't want -- not
3 want to waste time with vendors for a pre-bidders
4 conference. So there are still questions there.
5 So once I asked them to take a look at it, the team
6 looked at it again, very competent team. And
7 they -- again, all I asked was take a look at it
8 and be open and transparent. And they did all of
9 that.

10 BY GRAND JUROR: (Lady)

11 Q Okay. It seems --

12 A Again, there is nothing to hide on this.
13 I didn't make the final decision. There is a whole
14 bunch of e-mail chains where it goes to DOA, and
15 somebody takes a look at it, You guys okay with it,
16 good work; and it gets posted. And then the other
17 vendors have a chance to look at it and they can
18 protest at that time; and none of the other vendors
19 protested. My suspicion is, you look at it like,
20 all right, it makes sense, because protesting to
21 say that you want less competition would be
22 awkward.

23 Q Okay. It seems like some more
24 involvement on your part happened within here and
25 some more influence, because you seem to be adamant

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 on the fact that some discrimination issue would
2 have come up on the part of CNSI. So I'm wondering
3 how can you be so adamant and have that forethought
4 to think that, well, if you don't do -- if you
5 don't push this Addendum #2 that they would come
6 back and say --

7 A I don't know if they would have come
8 back, but --

9 Q -- they were being discriminated against.

10 A My -- John and I have had this
11 conversation many times, you know, Why did you do
12 it? And you have to wonder, well, if I don't do
13 what we have done for other vendors, is that fair
14 to CNSI because I worked for them? And so again,
15 giving them open competition seems like a
16 reasonable thing to do. And I didn't have to --
17 the rest of the team thought it was good idea, too.
18 I didn't have to force anybody to lobby or
19 campaign. It makes sense. Everyone looked at it;
20 they did it. It was a good idea. And again, this
21 is a good policy issue. This is a good thing. If
22 this happened, let's say, for the hospitals to take
23 over, you know, Earl K. Long, if we wrote it in
24 such a way that only, let's say, Ochsner or Baton
25 Rouge General -- and then the Lake wanted to come

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 in and say we have a separate children's hospital.
2 So sure, submit a bid and let's just take the best
3 hospitals to do the work.

4 Q Okay. So you were asked at the beginning
5 of the testimony who was the smaller player, like
6 the smallest in the game, and you stated CNSI,
7 right?

8 A I'm pretty sure CNSI.

9 Q So basically --

10 A Molina -- I don't really know the size of
11 in Molina, but I would think that CNSI is either
12 the same size or smaller than Molina. I don't have
13 numbers, but I suspect CNSI.

14 Q Okay. And you also stated that you
15 thought CNSI had a -- what was -- state of the art
16 technology?

17 A They do. Several of the vendors have
18 state of the art technology. CNSI does -- other
19 people have told me that, as well. And for the
20 piece that is the technology, doing the programming
21 and coding, that is not where you need a big
22 company. You need a big company to process claims,
23 and that's who they partnered with.

24 Q Okay. So you can reasonably -- with this
25 contract, you would reasonably have believed that

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 the smallest player in the game could have
2 delivered on contracts so large?

3 A I think so, sure.

4 Q That's without knowing that it was in
5 bankruptcy, thought, right?

6 A Yeah, I didn't know that they were in
7 default.

8 Q Because had you known that --

9 A And I didn't know --

10 Q -- then you wouldn't say that right?

11 A I would say, you've got some explaining
12 to do because between the bank and FBI thing -- I
13 didn't know about that.

14 Q I've got just two more questions. I
15 think we have all -- I think I speak for the
16 majority of the panel. We all have a kind of
17 concern about your recollection -- recollection.

18 A Recollection.

19 Q -- of a lot of the details. I'm just
20 wonder, when you talk about Alton Ashy, you
21 remembered a whole lot of the things that he was
22 working on, and you can't remember specific details
23 of your own meetings and conversations that you
24 had?

25 A We had tons of meetings. And since this

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 time, we have had conversations, again, John has
2 asked me lots of questions.

3 Q But didn't somebody on the outside that
4 you shouldn't -- thinking from prior questions --
5 you didn't have that much contact with, and you
6 asked about his -- you wanted to know what kind of
7 person he was, so how would you know all the
8 details he was working on?

9 A I just know he worked on group homes,
10 because I actually don't -- the group homes that he
11 work on stick in my mind; they were maybe not the
12 best ones.

13 Q But your own meetings and conversations,
14 things that were important to the project, the
15 contract, you can't remember?

16 A I remember tons of things.

17 Q Okay. And the last question, when you
18 were asked to resign from DHH, you were not
19 provided a reason or details or why they were
20 asking you to resign?

21 A Paul Rainwater told me it was time. I
22 mean, it was all a consequence of this, and so I
23 knew what was going on, but I never -- DOA never
24 asked me -- we worked side-by-side with people --

25 Q But they didn't give you specific reasons

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

CONFIDENTIAL EBR GRAND JURY

6/3/2014

Page 185

1 for asking you to resign?

2 A No. When DOA produced a letter -- letter
3 or note -- sometime that says the reason why the
4 contract was -- whatever -- ended with CNSI, it
5 wasn't until weeks later that a letter came out
6 from DOA. And it was the first time I saw it. I
7 wasn't allowed to talked to anybody at DOA and DHH
8 after that, so.

9 Q So to this date, you don't know why you
10 were asked to resign?

11 A Well, because of all this.

12 Q What was the -- mandating you -- they
13 didn't give you specific reasons?

14 A No.

15 Q You said "because of all this".

16 A No. I asked many times and never got a
17 an answer. Was it --

18 Q It was not specifically --

19 GRAND JUROR: (Lady)

20 They just give you a box and told you
21 that was it?

22 MR. GREENSTEIN:

23 I'm sorry?

24 GRAND JUROR: (Lady)

25 They just told you -- like they just gave

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 you a box and told you that was it?

2 MR. GREENSTEIN:

3 Actually, it was worse than that. I
4 wasn't in the office.

5 GRAND JUROR: (Lady)

6 You got fired on your day off? Wow.

7 MR. GREENSTEIN:

8 And they wouldn't let me back in the
9 building. They sent a intern to my house to
10 pick under the laptop.

11 GRAND JUROR: (Lady)

12 I think I would have questions on it,
13 why.

14 GRAND JUROR: (Lady)

15 I would have questioned a lot.

16 MR. GREENSTEIN:

17 So I mean -- listen, we were a year
18 later, I think I was asked, again somewhere
19 before May 1st. I was devastated. DOA
20 canceled their contract. I never heard that.
21 I got a call from Paul Rainwater, I think it
22 was Paul or Christi. Somebody call me and
23 said, We are canceling the CNSI contract.
24 Okay. Do you need me to do anything? No,
25 they got it taken care of. And then, I don't

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 know how much later it was, maybe a week or
2 two later -- they asked me what do I want to
3 do. We were getting ready for session. I
4 said, I mean, let's do a big investigation.
5 Let's get this out in the open. And they
6 said, All right, well, we'll see what we are
7 going to do. And then -- again, I don't
8 remember the date, but I do remember -- it
9 was -- so I got a call, and I wanted to stay
10 on the job, and I wanted everything to be
11 reviewed. I got a call -- it was such a
12 terrible day -- say, you know, it's time; you
13 need to resign, something to that effect.

14 And so I remember having to put together
15 my resignation letter, never having had a
16 chance to talk to my team, DHH. We had been
17 through so much together. We -- I mean, I
18 know it's not part of this discussion, but so
19 much in health care changed during the time,
20 and so many people that I got to work with at
21 DOA at DHH working side-by-side, saved so many
22 of the cuts that were done. We had health
23 plans, we were providing so much more managed
24 -- mental health for people. Birth outcomes,
25 we have just won the award from the March of

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Dimes. It was called the Presidential
2 Leadership award. It was a big thing because
3 we were so much improved in birth outcomes.

4 So after that I couldn't see people from
5 DHH; I couldn't talk to them. DOA didn't talk
6 to me. I didn't know what was going on. I
7 talked to Paul Rainwater a couple of times
8 after that. He said he doesn't know anything
9 about what's going on, doesn't really --
10 hasn't heard much. And then that was it.

11 BY GRAND JUROR: (Lady)

12 Q So you state it was because of what was
13 going on?

14 A Yeah, I mean, it's all related to this.

15 Q That's basically what you -- your
16 personal thoughts of why you were asked to resign?

17 A Yeah. I don't think it was -- I don't
18 think at any time I thought that, you know, did I
19 do a bad job, did I miss a meeting with the
20 governor. It was all --

21 Q Okay. So if it was because of the
22 contract, what you believe -- what specific parts
23 of the contract, or whatever, what did you think
24 was the issue?

25 A So in the DO- --

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q Do you think -- I'm asking, do you think,
2 well, maybe they asking me to resign because I
3 didn't manage the contract right --

4 A No.

5 Q -- or the negotiations weren't handled
6 properly?

7 A That, I wasn't sure. I wasn't sure if
8 they thought the evaluation was tainted, if --
9 contacts, relationship, something in that ballpark.
10 And so obviously we have seen a lot, a lot, of
11 documents, and so so much of it focuses on
12 contacts, phone calls and text messages. But in
13 terms of the decision-making and management of the
14 contract, no.

15 Q So in hindsight now, do you think your
16 communications was the reason you were asked to
17 resign?

18 A Yes. Yes. And again, if I could just
19 have thrown away my phone and just not taken the
20 phone calls.

21 Q Okay. That's it.

22 A That is a lesson that I will live with
23 for pretty much every.

24 BY GRAND JUROR: (Male)

25 Q I had a question. When the contract was

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765762088

1 awarded back in June of '11, and then it was signed
2 and implemented and got going, they were working
3 and changing it -- (indecipherable), but by -- so
4 this was like right at a year ago, a little over
5 year ago, last March. How long before -- I mean,
6 do you think that things were going to work out
7 with this contract or --

8 A Yes, I thought things had improved and
9 were working, you know, from where we were at.

10 Q The reason I was asking is because, you
11 know, they said they had this letter of
12 recommendation, Arkansas, back in February, middle
13 of February, and like three or four weeks later the
14 whole thing is in the can.

15 A Well, no, the whole thing wasn't in the
16 can.

17 Q Well, I --

18 A This particular part did not go well,
19 but -- as it was reported to me -- we did these
20 meetings with this -- the entity is called IV&V,
21 Independent -- something -- verification and
22 validation, maybe. It's a contractor that we hire
23 to oversee the contractor and the state. They sort
24 of work as the piece that brings everything
25 together. And over time, I had asked them to give

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 me updates and just put all issues in red, green
2 and yellow, just so I know where we are at. So
3 over time they got to, you know, more green, so it
4 seemed like things were on the right track.

5 BY UNIDENTIFIED SPEAKER: (Gentleman)

6 Q In this industry or this contract, is
7 there no one company that you can point to and say
8 that's the best company? That's the company that I
9 want to run this state. It's not like buying a
10 car, like you can buy a Kia or you can buy a
11 Cadillac or you can buy a Mercedes Benz?

12 A Yeah -- no -- it is like buying a car
13 because there's not that many.

14 Q Okay.

15 A All of the big ones have had major
16 problems. I just was reading a newsletter
17 yesterday that ACS won the state of New York.
18 That's a huge contract. And I remember CSC had it
19 before. It was in the newsletter. When I was in
20 Boston, I remember that was a company that had a
21 lot of problems. So companies have problems, but
22 then they, you know, stick with it in their state
23 and they do better. All these states were a
24 tradeoff with each other. You know, the one state
25 loses -- or one vendor loses and the other one

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 picks it up, and then another state, that same
2 vendor, who just won, might lose there, and that
3 same one could come in and pick it up. So there is
4 only a handful. Accenture just entered the
5 market, so it's the first time in a long time that
6 a company started, so hopefully over time there is
7 more competition.

8 When I got to DHH, I was of the opinion
9 that we shouldn't even do a big MMIS. I was
10 interested in -- this gets back to what I did in
11 the federal government. These things were very
12 expensive and every state wants their own. It
13 would be like having pickup trucks saying that the
14 Ford F150 is not good enough. I need something
15 that's like a Ford F-157; it can't be like the
16 others and it's got good enough. So every state
17 gets their own. The federal government pays
18 90 percent of the total cost. So states are not as
19 price-sensitive. If they had to pay everything
20 themselves, states would look for better value.
21 And instead what happens is, the federal
22 government, you know, which is part of this process
23 with us, they approve all the pre-RFP, the RFP, the
24 award, the ongoing. They promote having a
25 different system in every state with just a few

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 vendors, and it's an inefficient process and it's
2 very expensive. I like the idea that a whole bunch
3 of states use one system, and they just modify it a
4 little bit for the rules that a state has. But
5 that is not the direction that --

6 Q My point is that, you know, if I want a
7 certain product and I know that I'm the new
8 secretary, and this \$200 million contract is the
9 biggest in the state right now, and this is going
10 to be my first project, and I want what's best for
11 the State of Louisiana, I'm going to do my homework
12 to find out what the best company is. And I
13 understand we are under the a bid process, but I'm
14 going to find out what I know about each four of
15 these companies, or however many companies are
16 going to bid, and I'm going to have my own opinion
17 on what I think is the best or what would be the
18 best for this state. Did you do that?

19 A I knew the vendors pretty well, and I
20 knew the one company that I was going to be -- you
21 know if they won, I was going to be, you know,
22 pretty excited.

23 Q And who was that?

24 A HP.

25 Q Okay.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 A I had worked with them when I was at
2 Microsoft.

3 Q Okay. So you had three already in the
4 hopper, and your team has done two years of
5 extensive work to put this RFP together, and when
6 you come in, the one company that you like the most
7 is in that three. Why do you feel that you have to
8 open up competition to allow someone else in who is
9 not in your top category?

10 A Well, I mean because I don't want to be
11 the one choosing the vendor.

12 Q But it's already done. You don't even
13 have to do anything. It's done. Two years of work
14 is done. You don't have to say a word.

15 A Remember, but the two years of work would
16 have produced one vendor, so up until --

17 Q There was two.

18 A Well, but one didn't qualify, so it would
19 have been one at the end of day.

20 Q And who was it?

21 A Interestingly, that would have been, I
22 think, HP.

23 Q HP, which is who you want?

24 A And so maybe we would have been here for
25 just a different vendor.

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Q How can you be here for a different
2 vendor when you didn't have anything to do with it.
3 It's a bid. It's a bid.

4 A Yes.

5 Q It goes in. If there's only one company
6 that bids and all the other ones can't bid, guess
7 what, that one company gets the bid?

8 A And --

9 Q Nobody says, Oh, Mr. Greenstein, this is
10 your fault; nobody said that. Nobody says this is
11 the State of Louisiana's fault for getting one bid.

12 A Actually, the feds might have rejected
13 it, but I don't know --

14 Q That's up to the them. That's up to the
15 process.

16 A You raise a good point. That is a good
17 point. I don't think I would have been proud of a
18 being part of a procurement that only produces a
19 bid, though.

20 Q But it would have been the best for the
21 state.

22 A I don't know that. They have had -- they
23 have had -- all of them had problems.

24 Q Everybody has problems, but --

25 A I don't know if they were also very

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 expensive, but again that -- again, feds pay 90
2 percent.

3 Q Okay. Fine. All right. Let me ask you
4 one more question. As far as -- just like you
5 said, you did your homework and you thought you
6 would like HP. Why didn't you do your homework on
7 CNSI? Why did you not know that they were in
8 financial trouble?

9 A I wouldn't have known that on any of
10 them. That's not something --

11 Q Why didn't we know as a process?

12 A I'm sure -- I hope --

13 Q How did they get to through the
14 evaluation process without us knowing that?

15 A I don't know. I had nothing to do with
16 that. And I'm sure this is part of what y'all are
17 looking at, and you should look at it very
18 seriously. I mean there is nothing -- I had
19 nothing to do with it. I'm happy that you guys are
20 going after it. Again, same thing with the FBI
21 thing, I didn't know about that. I feel like
22 maybe, you know, it would have been nice for some
23 to tell me.

24 Q Okay. In this whole process, no one in
25 your department raised a red flag? No one said,

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 Mr. Greenstein, I don't agree with this? No one
2 said, I think the RFP process, as it is, is good.
3 Did that happen; did anyone raise a red flag; did
4 anybody say, I don't think we should do this?

5 A No.

6 Q No one did?

7 A I mean, there were times that I actually
8 said that maybe we should just not do this. And
9 others felt like we were pretty-well invested.

10 Q Do you know that people lost their jobs?

11 A I know I did.

12 Q I mean, people before this process
13 finished, that people lost their jobs because they
14 didn't agree with what happened in this process?

15 A No, I don't know that.

16 Q And I just -- if you said everything was
17 good and everything, all the processes were squeaky
18 clean and everything benefited the state, if that's
19 the case, how come you lost your job?

20 A I'm finding out.

21 Q I mean, if everything is -- I mean, we
22 wouldn't be here if everything was squeaky clean
23 and everything was great.

24 Thank you.

25

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 BY GRAND JUROR: (Lady)

2 Q I have one other question. In going
3 through listening to everybody's questions and
4 everything -- and I just want to give you the
5 opportunity since you do know that you are a target
6 of this investigation -- knowing that and that
7 things to come, is there any document that you can
8 provide for us that could help you in this
9 situation or since you tried to alleviate yourself
10 from being the target, is there someone that we
11 didn't know of that you haven't mentioned that we
12 need to be looking at closer?

13 A Gosh, we've reviewed a lot of material
14 here. I think you've looked at the e-mails that we
15 talked about, but there are --

16 MR. MCLINDON:

17 David, I can either go outside or I can
18 just tell them -- I'd like to consult with by
19 client.

20 MR. CALDWELL:

21 Sure. Why don't you take him outside
22 real quick?

23 (A recess was taken.)

24 MR. GREENSTEIN:

25 There are three things. The first is

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

1 from the RFP where it talks about the use of
2 subcontractors and proposers may answer --
3 (indecipherable) -- subcontractor --

4 The next is the e-mail exchange that I
5 talked about, very specifically when Don
6 Gregory says that he -- just quoting the
7 e-mail -- he only said he wants to be
8 transparent, open, and for us to get the very
9 best system at the end.

10 And then this is from DOA on the, again,
11 Addendum #2, she said good job so.

12 BY GRAND JUROR: (Lady)

13 Q Are those copies that we can keep?

14 A Yeah, yeah, yeah sure thing.

15 MR. CALDWELL:

16 Okay. Thanks. We will take a look at
17 those to the extent we don't already have
18 them.

19 BY GRAND JUROR: (Lady)

20 Q Sir, I just have two questions. How are
21 you being transparent when you can't recall
22 anything?

23 A I'm trying to answer every question I can
24 the best that I can. I can't remember everything.
25 I can make every piece of information that I have

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

CONFIDENTIAL EBR GRAND JURY

6/3/2014

Page 200

1 available. Again, sometimes if I were able to work
2 with the people that I had spent all the time with,
3 asking for people's of memory as well, I could come
4 up with better answers, but I haven't had access to
5 talk to anyone.

6 Q Okay. And secondly, when you sit down
7 with your children and you explain your part in
8 Louisiana history, what will you tell them?

9 A Well, we haven't had a discussion like
10 that. They are still pretty young. I haven't
11 really thought about how I'm going to characterize
12 it. I'm still trying to explain that we're not
13 going to see LSU football.

14 Q Are you going to recall the truth and
15 tell them that?

16 A I'm going to recall the best I can, yeah.
17 MR. CALDWELL:

18 Okay. Thank you for coming. And it has
19 been a while.

20 Thank you Mr. McLindon. We appreciate
21 it.

22 (END OF PROCEEDINGS)
23
24
25

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088

REPORTER'S CERTIFICATE

This Certificate is valid only for a transcript accompanied by my original signature and original required seal on this page.

I, Dez O'Rourke, Certified Court Reporter, Certificate No. 80070 for the State of Louisiana, do hereby certify that the foregoing proceedings were transcribed by me from digital audio files, that I was not present at the proceedings, that the transcript is a true and correct transcript to the best of my ability and understanding; that this transcript has been prepared in compliance with transcript format guidelines required by statute, that I have acted in compliance with the prohibition on contractual relationships, as defined by the Louisiana Code of Civil Procedure Article 1434 and in the rules and advisory opinions of the board; that I am not related to counsel or to the parties herein, nor am I interested in the outcome of this matter.

SIGNED: OCTOBER 20, 2014

DEZ O'ROURKE CCR

COURT REPORTERS OF LOUISIANA, LLC

PH: 225-201-9650 www.courtreportersla.com FAX: 225-201-9651

827b6eda-30fb-49e6-b2ab-36e765782088