

**IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA**

STREAMLINE HEALTHCARE
SOLUTIONS, LLC,

Plaintiff,

v.

CHRYSALIS HEALTH, INC.

Defendant.

CIVIL ACTION FILE
NO. _____

COMPLAINT

Plaintiff Streamline Healthcare Solutions, LLC (“Streamline”) brings this action for breach of contract and account stated against Chrysalis Health, Inc. (“Chrysalis”).

NATURE OF THE ACTION

1.

This case arises from Chrysalis’s unlawful repudiation of a multi-year software agreement with Plaintiff Streamline. Chrysalis has failed to comply with the contractual provisions for revocation of the contract and continues to evade its contractual payment obligations. Streamline is entitled to recover the undisputed accrued fees as well as all amounts Chrysalis owes across the contract’s term.

PARTIES, JURISDICTION AND VENUE

2.

Plaintiff Streamline is a limited liability company incorporated in Illinois.

3.

Defendant Chrysalis is a For Profit corporation incorporated in Florida. Chrysalis's principal place of business is 3800 W. Broward Blvd., Ste. 100, Fort Lauderdale, Florida 33312.

4.

Because Streamline is a limited liability company, its citizenship for diversity purposes is "determined by the citizenship of its members." *Rolling Greens MHP, LP v. Comcast SCH Holdings, LLC*, 374 F.3d 1020, 1022 (11th Cir. 2004). Streamline's members include David Ryland, who is a resident of Michigan, and Javed Husain, who is a resident of Illinois.

5.

Accordingly, this Court possesses subject matter jurisdiction over this dispute under 28 U.S.C. § 1332(a)(1). This is a dispute between Streamline (a citizen of Michigan and Illinois) and Chrysalis (a citizen of Florida), and the amount in controversy in this action exceeds the sum or value of \$75,000, exclusive of interest and costs.

6.

Chrysalis is subject to the personal jurisdiction and venue of this Court pursuant to 28 U.S.C. § 1391. Chrysalis may be served with process upon its registered agent, Eduardo Lacasa, 1507 Sunset Drive, Coral Gables, Florida 33143.

FACTS

7.

Plaintiff Streamline provides web-based enterprise software for healthcare organizations through its SmartCare application series.

8.

On December 11, 2020, Streamline and Chrysalis entered into a software licensing contract (“the Agreement”). The Agreement includes a master set of contract terms in a Software as a Services Agreement. The Agreement also contains a Maintenance Services Agreement, a Business Associate Agreement, a Hosting Services/Service Level Agreement, an Agreement to Access Custom Folder, and an Order Form. The Order Form included details about pricing, payment terms, and additional product descriptions. These documents are referred to collectively herein as the “Agreement,” and are attached hereto as Exhibit A.

9.

Under the Agreement, Chrysalis agreed to license Streamline’s enterprise software. Streamline agreed to implement its SmartCare Core application and

several related applications for Chrysalis's facilities, and to maintain, host and support the SmartCare applications for the life of the Agreement.

10.

In exchange, Chrysalis agreed to pay Streamline implementation fees followed by annual fees for the duration of the Agreement. The full value of the Agreement amounts over \$1.3 million in payments to Streamline by Chrysalis. *See* Exhibit A at 18.

11.

The Agreement defined an initial implementation period. Chrysalis agreed that Streamline would provide implementation and training services in exchange for fees as outlined in the Order Form. *See* Exhibit A at 3 ¶ 4.1.1. The parties agreed that any additional Customization or consulting services would be documented in a separate Standard of Work signed by both parties. *See id.* ¶ 4.1.2

12.

Chrysalis agreed to pay Streamline \$301,000 for implementation services. Per the terms of the Agreement, payment is due as outlined in the Payment Schedule of the Order Form. *See id.* ¶ 3.2. Subsection E of the Order Form includes milestones for eight implementation payments, including \$30,100 for Implementation Payment #3; \$30,100 for Implementation Payment #4; \$30,100 for

Implementation Payment #5; and \$15,050 for Implementation Payment #6. *See Id.* at 19.

13.

On February 3, 2021, Streamline invoiced Chrysalis \$30,100 for Implementation Payment #3. *See Exhibit C* at 4. On February 23, 2021, Streamline invoiced Chrysalis \$30,100 for Implementation Payment #4. *Id.* at 5. And on March 9, 2021, Streamline invoiced Chrysalis \$15,050 for Implementation Payment #6. *Id.* at 6.

14.

The Agreement provides that in the event of “any dispute with any invoice,” Chrysalis will notify Streamline within 15 days of the invoice date. *See Exhibit A* at 3 ¶ 3.4. Chrysalis did not dispute the invoices for Implementation Payment #3, Implementation Payment #4, or Implementation Payment #6 within 15 days of the invoice date.

15.

Chrysalis has not paid Streamline for Implementation Payment #3, Implementation Payment #4, nor Implementation Payment #6.

16.

Chrysalis also agreed to pay Streamline \$251,089 in annual subscription fees for the duration of the Agreement. *See Exhibit A* at 18.

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