



INSPECTOR GENERAL REPORT

2010-08-0215

September 17, 2012

SUMMARY OF SPD BENEFITS INVESTIGATIONS (30-DAY QUALIFYING EVENT DEADLINE)

Inspector General David O. Thomas reports after multiple investigations by OIG Special Agents and OIG Attorneys, as follows:

Reports involving case number 2010-08-0152 have been issued by the Office of the Inspector General (OIG) since December 14, 2011 to summarize its findings in cases arising out of a statewide audit of state employee benefits by the State Personnel Department (SPD). SPD contracted with AON to conduct this audit to confirm the eligibility of all dependents carried by state employees on their health insurance plans.

Pursuant to SPD policy, state employees have thirty (30) days to report a “qualifying event,” such as marriage, divorce or birth of a child, which affects the eligibility of a dependent to the employee’s health insurance plans. Six of the cases referred by SPD to the OIG for investigation involved state employees who failed to report a qualifying event within the 30 days prescribed by SPD policy; however, the employees updated the status of their dependents appropriately either during the next Open Enrollment period or at the time of the audit,

whichever came first.

In investigating these claims, OIG Special Agents did not find any evidence of fraud and found instead that the employees either 1) were unaware of the policy that required reporting within 30 days of the qualifying event, or 2) forgot to report the event. In all instances, though, the employees remedied this oversight the first opportunity they were put on notice during Open Enrollment or the audit that they needed to verify the eligibility of their dependents. This group of cases was presented to the Marion County Prosecuting Attorney's Office, but criminal prosecution was declined. We agreed with these dispositions because of the above circumstances. Of course, this prosecution decision may be re-evaluated if additional evidence is brought forward.

As with prior reports, each of these cases involved a different set of factual circumstances and a separate investigation; therefore, each case is individually reported with the relevant information regarding the employee's qualifying event.

Dated this 17th day of September, 2012.

/s/ David O. Thomas, Inspector General