



INSPECTOR GENERAL REPORT

2011-01-0024

March 4, 2013

SPD DEPENDENT AUDIT INVESTIGATION

Inspector General Staff Attorney Todd Shumaker, after an investigation by Special Agent Darrell Boehmer, reports as follows:

Throughout 2011, the State Personnel Department (SPD) forwarded to the Office of Inspector General (OIG) a series of complaints alleging possible insurance fraud that arose out of a Dependent Eligibility Verification Audit (Audit) by SPD. Among those complaints was one against an Indiana Department of Correction (IDOC) employee (Employee) who enrolled his ex-wife and step-sons on his state-sponsored medical, dental, and vision plans following the finalization of his divorce.

The OIG is charged by the Indiana General Assembly to address fraud, waste, and abuse in state agencies. IC 4-2-7-2(b). In so doing, the OIG is instructed to supervise and coordinate investigations. IC 4-2-7-3(1).

OIG Special Agent Darrell Boehmer was assigned to investigate. In reviewing documents provided by SPD and conducting interviews, Special Agent Boehmer discovered the Employee and his ex-wife were divorced on August 7,

2009. Consistent with SPD policy, the Employee was obligated to report this divorce to SPD within 30 days in order to have his ex-wife and step-sons removed from coverage under his state benefits. The Employee failed to comply with this policy and instead re-enrolled his ex-wife and step-sons for coverage during the Open Enrollment period following the finalization of his divorce.

When the Employee was found to have enrolled ineligible dependents for coverage on the state plans, IDOC conducted a pre-deprivation meeting and issued the Employee a *30 Day Suspension Pending [sic] Dismissal*. His employment with the state was terminated on January 8, 2011. As of September 21, 2012 SPD had received payment in full from the Employee of \$2,300.17 for the claims the state paid on behalf of his ex-wife and step-sons.

Since the Employee re-enrolled his ex-wife and step-sons on his state-sponsored benefits plans during the Open Enrollment period following his divorce, Special Agent Boehmer presented the findings of his investigation to the Marion County Prosecutor's Office on January 15, 2013 for consideration of criminal charges of Insurance fraud. Criminal prosecution was declined, and the OIG agrees with this disposition. With no further action to be taken at this time, this case is closed.

APPROVED BY:

/s/ David O. Thomas, Inspector General