



INSPECTOR GENERAL REPORT

2011-02-0087

December 18, 2012

SPD AUDIT

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

On February 18, 2011, the Office of the Inspector General (“OIG”) received information from the State Personnel Department (“SPD”) stating that a former Department of Correction (“DOC”) employee possibly carried ineligible dependents on his state provided health insurance. The SPD requested the OIG’s assistance in determining the dependents’ eligibility.

The SPD conducted a dependent eligibility verification audit using third party administrator AON Consulting. On June 29, 2010, AON Consulting sent the DOC employee a letter requesting that he complete and return the enclosed Affidavit Signature Form and provide documentation for his four children to verify their eligibility. Copies of the children’s birth certificates were required to complete the audit. He did not respond to this request.

The former employee was given two additional extensions, but as of February 18, 2011, he had not responded to or complied with the audit. Before

requesting assistance, the SPD determined, via the Indiana State Department of Health (“ISDH”), that the former DOC employee was the father of two of the children. ISDH could not, however, verify the other two children’s eligibility.

Special Agent Boehmer contacted the former employee. He stated that two of the children were his sister’s children. Subsequently, Special Agent Boehmer contacted a SPD Benefits Specialist to determine the claims paid on the ineligible children. He was advised that no claims had been paid on the ineligible children.

Since it has been determined that two of the claimed dependents were eligible to be on the former employee’s state provided health insurance, no claims were paid on the two ineligible dependents, the state did not incur any additional cost and no fraud was discovered, this investigation is closed for lack of merit.

Dated this 18th day of December, 2012.

APPROVED BY:

/s/ David O. Thomas, Inspector General