



INSPECTOR GENERAL REPORT

2011-04-0168

September 6, 2012

SPD DEPENDENT AUDIT INVESTIGATION

Inspector General Staff Attorney Todd Shumaker, after an investigation by Special Agent Chuck Coffin, 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 Natural Resources employee (Employee) whose children were ineligible dependents based on their status as students.¹

The OIG is charged by the Indiana Legislature 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 Chuck Coffin was assigned to investigate. Special Agent Coffin learned that Employee's daughter was an ineligible dependent as of

¹ At the time of the Audit, SPD policy allowed unmarried dependent children to remain eligible dependents on the State's benefits plans until the end of the calendar year in which they turned 23, provided they were full-time students enrolled in an educational institution. Unmarried dependent children who did not maintain full-time student status became ineligible at the end of the calendar year in which they turned 19.

January 1, 2010 but that no claims had been paid by the State on her behalf. Furthermore, Employee's son was also an ineligible dependent as of January 1, 2009, and the State paid dental claims on his behalf in the amount of \$327.20. SPD sent Employee a collection letter on April 18, 2011 to request he repay the State for the dental claims that were paid on his son's behalf. Employee repaid the State in full.

Finding no basis for criminal charges, Special Agent Coffin advises the investigation be closed at this time. Should additional evidence be brought forward, this case may be evaluated for further action. At this time and for these reasons, this case is closed.

Dated this 6th day of September, 2012.

APPROVED BY:

/s/ David O. Thomas, Inspector General