



INSPECTOR GENERAL REPORT

2011-04-0178

September 17, 2012

SPD BENEFITS INVESTIGATIONS – NO CLAIMS

Inspector General Staff Attorney Jennifer Cooper, after an investigation by Special Agent Darrell D. Boehmer, reports as follows:

On May 6, 2011, the Office of the Inspector General (OIG) received information from the State Personnel Department (SPD) stating that a former state employee (Employee) possibly carried ineligible dependents on her state provided health insurance. The SPD requested the OIG's assistance in determining the dependents' eligibility.

The SPD conducted a Dependent Eligibility Verification Audit (Audit) using third party administrator Aon Consulting (Aon). On June 29, 2010, Aon sent Employee a letter requesting that she complete and return the enclosed Affidavit Signature Form and provide documentation for her husband and her children to verify their eligibility. A copy of birth certificates, the marriage certificate, and 2009 federal income tax return were required to complete the audit. Employee returned the Affidavit along with her marriage license, the birth certificates for her two children, and her 2009 income tax return form. Based on

the documentation provided, it was verified that two of her children were eligible dependents. However, no determination could be made as to Employee's husband's or stepchild's eligibility because her 2009 tax form was filed as head of household. Further requests for documentation were made, but Employee did not respond.

Special Agent Boehmer determined that Employee was divorced on February 18, 2011 and failed to remove her spouse and stepchild from her state provided health insurance within thirty (30) days of the divorce. Therefore, Employee carried ineligible dependents on her state provided health insurance, however, no claims were paid by the State on behalf of the ineligible dependents. A review of the insurance claims revealed that no claims had been filed on behalf of her stepchild or ex-spouse during the period when they were ineligible dependents. The former employee was terminated from state employment on March 23, 2011 for reasons not related to the Audit .

Dated this 17th day of September, 2012.

APPROVED BY:

/s/ David O. Thomas, Inspector General