



INSPECTOR GENERAL REPORT

2011-02-0071

March 25, 2011

SPD AUDIT INVESTIGATION #34

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

On February 11, 2011, the Office of the Inspector General (“OIG”) received information from the State Personnel Department (“SPD”) stating that a former Family and Social Services Administration (“FSSA”) employee possibly carried a former spouse and ineligible dependents on her state provided health insurance. The SPD requested the OIG’s assistance in determining the spouse’s and dependents’ eligibility.

The SPD conducted a dependent eligibility verification audit using third party administrator AON Consulting. On June 29, 2010, AON Consulting sent the former FSSA employee a letter requesting that she complete and return the enclosed Affidavit Signature Form and provide documentation for her spouse and three dependent children to verify their eligibility. Copies of the children’s birth certificates, a copy of her marriage license and a copy of the front page of her 2009 federal tax return showing her marital status as married were required to

complete the audit.

On July 30, 2010, the former employee submitted her signed Affidavit, birth certificates for all three children and her husband, her marriage license, a copy of her husband's W-2 and a copy of her W-2. The documentation she provided verified the children's eligibility. She did not, however, include a copy of her 2009 federal tax return to confirm her husband's eligibility. She was given two additional extensions. As of February 11, 2011, the former employee had not provided the remaining documentation, therefore not complying with the audit.

To determine the husband's eligibility, Special Agent Mitchell sent a subpoena to the Indiana Department of Revenue requesting original or legible copies of the husband's 2008 and 2009 income tax returns. The OIG received the 2008 and 2009 tax returns which showed that the former employee and husband filed jointly as a married couple.

Since it has been determined that the claimed spouse and dependents were eligible to be on the former employee's state provided health insurance and no fraud was discovered, this investigation is closed.

Dated this 25th day of March, 2011.

APPROVED BY:

/s/ David O. Thomas, Inspector General