



INSPECTOR GENERAL REPORT

2011-02-0073

September 16, 2011

SPD AUDIT INVESTIGATIONS #35

Inspector General Staff Attorney Kristi Shute, after an investigation by Special Agent Darrell Boehmer, 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 Department of Workforce Development (“DWD”) employee possibly carried a former spouse and ineligible dependents on his 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 DWD employee a letter requesting that he complete and return the enclosed Affidavit Signature Form and provide documentation for his spouse and children to verify their eligibility. Copies of both children’s birth certificates, full-time

student documentation for his son, his marriage license and a copy of the front page of his 2009 federal tax return showing his marital status as married were required to complete the audit. He did not respond to this request.

Due to the lack of response, the DWD employee was given two additional extensions. Before the final deadline expired, he submitted his signed Affidavit, marriage license, a copy of his children's birth certificates and a copy of a class schedule for his son. He did not, however, provide a copy of his 2009 federal tax return to confirm he was still married or enough documentation to verify his son as a full-time student. As of February 11, 2011, he had not completed the audit.

To verify eligibility, Special Agent Boehmer initially sent a subpoena to the university in question, asking for transcripts and the 2010 schedule for the former DWD employee's son. In addition, since the employee had lived in Lake County for several years, he contacted the Lake County Clerk's Office and was advised that the employee had not filed for divorce. He also sent a subpoena to the Indiana Department of Revenue for a copy of the former DWD employee's 2009 tax return. He learned that the former DWD employee had not filed a 2009 tax return. Finally, Special Agent Boehmer contacted the SPD and determined that there were no claims paid for the employee's son during the time in question.

Since there was no divorce recorded in Lake County, where the former employee lived for years, and his son did not have any claims paid during the time in question, 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. Therefore, this investigation is closed.

Dated this 16th day of September, 2011.

APPROVED BY:

/s/ David O. Thomas, Inspector General