



INSPECTOR GENERAL REPORT

2011-01-0015

September 6, 2012

SPD DEPENDENT AUDIT INVESTIGATION

Inspector General Staff Attorney Todd Shumaker, after an investigation by Special Agent Mark Mitchell, 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 a former Indiana Department of Correction (IDOC) employee (Employee),¹ who failed to deliver to the Audit administrator documentation confirming the eligibility of his wife and son.

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 Mark Mitchell was assigned to investigate. Special Agent Mitchell received information from the Indiana Department of Revenue

¹ Employee's employment with IDOC was terminated on October 2, 2010. Benefits terminated on October 31, 2010 as a result of his termination from state employment.

showing Employee and his wife filed a joint tax return as a married couple in 2009, substantiating her eligibility. Special Agent Mitchell further obtained transcript and attendance records from Harrison College for Employee's son, which were forwarded to SPD for a determination of his eligibility based on his student status. SPD determined Employee's son was ineligible as of January 1, 2010 and sent a collection letter to Employee in the amount of \$251.56 for medical and dental claims of \$123.76 and \$127.80, respectively, that were paid on his son's behalf after his eligibility had expired.²

Employee told Special Agent Mitchell in an interview that he had contacted SPD's Benefits Hotline in early 2010 and spoken with an SPD representative about his son's status as a student. He indicated in that conversation that his son would be a full-time student again in the fall and was advised by the SPD representative that he should not change anything on his insurance policy since his son would be attending full-time in the fall. Employee also told Special Agent Mitchell that he could not obtain a transcript or attendance records for his son because he was not the primary caregiver.

Finding no basis for criminal charges, Special Agent Mitchell 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.

² 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.

APPROVED BY:

/s/ David O. Thomas, Inspector General