



INSPECTOR GENERAL REPORT

2011-04-0145

March 1, 2013

SPD DEPENDENT AUDIT INVESTIGATION

Inspector General Staff Attorney Todd Shumaker, after an investigation by Special Agent Darrell Boehmer, 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 Family & Social Services Administration employee (Employee) who enrolled her ex-husband on her state-sponsored medical, dental, and vision plans following the finalization of her divorce.

The OIG is charged by the Indiana General Assembly 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 Darrell Boehmer was assigned to investigate. In reviewing documents provided by SPD and conducting interviews, Special Agent Boehmer discovered the Employee and her ex-husband were divorced on April

15, 2009. Consistent with SPD policy, the Employee was obligated to report this divorce to SPD within 30 days in order to have her ex-husband removed from coverage under her benefits. The Employee failed to comply with this policy and instead re-enrolled her ex-husband for coverage during the Open Enrollment period following the finalization of her divorce.

FSSA conducted a pre-deprivation meeting with the Employee at which time the Employee explained that she had continued to carry her ex-husband on her state benefits plans in compliance with the divorce decree.¹ The Employee received a letter of reprimand from FSSA, and the Employee repaid SPD in full in the amount of \$130.00 for the claims the state paid on behalf of her ex-husband.

Since the Employee re-enrolled her ex-husband on her state-sponsored benefits plans during the Open Enrollment period following her divorce, Special Agent Boehmer presented the findings of his investigation to the Marion County Prosecutor's Office on January 30, 2013 for consideration of criminal charges of Insurance fraud. Criminal prosecution was declined and we agree with this disposition with the full restitution being made. This investigation is accordingly closed.

APPROVED BY:

/s/ David O. Thomas, Inspector General

¹ SPD does not recognize determinations by a court that obligate state employees to carry otherwise ineligible dependents on their state benefits plans.