



INSPECTOR GENERAL REPORT

2011-04-0147

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 an Indiana Department of Transportation (INDOT) employee (Employee), whose daughter was an ineligible dependent based on her status as a student.¹

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 learned that Employee was unaware her daughter's course load

¹ 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.

had dropped below the requisite 12 credit hours required by SPD policy to be considered full-time. SPD determined Employee's daughter was ineligible from January 13, 2009 through August 24, 2009 and again from January 1, 2010 through December 31, 2010. SPD sent Employee a collection letter on December 29, 2010 requesting she repay the State in the amount of \$5,476.28 for medical and prescription claims of \$4921.03 and \$555.25, respectively, that were paid on her daughter's behalf. Employee received a written reprimand from INDOT and repaid the State in full.

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.

APPROVED BY:

/s/ David O. Thomas, Inspector General