

Office of Inspector General City of Jacksonville, Florida



Management Review Review of Over-age Dependent Benefits 2025-0005

April 8, 2025

Matthew J. Lascell
Inspector General

Executive Summary

In January 2025, the Office of Inspector General (OIG) initiated a review to determine whether anyone inappropriately received over-age dependent benefits through the City of Jacksonville's (COJ) Group Health Plan. The OIG's review focused on individuals who had Over-age Dependent Affidavits submitted on their behalf between January 1, 2021, and January 1, 2025. Based on this review, the OIG determined that six individuals may have inappropriately received benefits.

This information was provided to the State of Florida Bureau of Insurance Fraud (Bureau of Insurance Fraud) for their review. The Bureau of Insurance Fraud subsequently declined to open a criminal investigation and recommended the OIG handle this matter. The OIG initiated a separate investigation regarding three of the six over-age dependents.

In addition, the OIG recommended the COJ Employee Benefits Division (Employee Benefits) review the remaining three over-age dependents' eligibility and determine whether they should seek repayment for any ineligible over-age dependent.

Background

Per §627.6562, Florida Statutes, COJ offers group health participants¹ the option to cover their children between the ages of 26 and 30 years old. This is administered through Employee Benefits. Employees are required to annually submit an Over-age Dependent Affidavit where they certify that the over-age dependent meets the following eligibility criteria:

- (1) They are unmarried; and
- (2) They have no dependents of their own; and
- (3) They are not provided with coverage or covered under any other group or individual benefit plan; and
- (4) They are entitled to benefits under Title XVIII of the Social Security Act; and
- (5) They are a resident of Florida or a full or part-time student.

During a portion of the timeframe reviewed by the OIG, over-age dependents were also required to be financially dependent upon the employee for financial support. However, this financial dependency requirement appeared to have been removed around June 2023.

In addition, the Over-age Dependent Affidavit notifies the employee of their responsibility to advise Employee Benefits within thirty days if their dependent's status changes.

¹ In addition to COJ employees, First Coast Workforce Development Consortium, Jacksonville Housing, and Northeast Florida Regional Council employees participate in the COJ Group Health Plan.

Issue

Did any individuals inappropriately receive over-age dependent benefits?

Findings

Employee Benefits Records

According to records provided by Employee Benefits, from January 1, 2021, through January 1, 2025, 131 Over-age Dependent Affidavits were submitted to Employee Benefits, however, some individuals were reported as over-age dependents for multiple years.

OIG Review of Over-age Dependent Eligibility

The OIG reviewed 98² Over-age Dependent Affidavits to determine whether any individuals may have inappropriately received benefits. After reviewing the relevant Over-age Dependent Affidavits and documentation provided to Employee Benefits by employees (e.g., university/college transcripts and/or copies of Florida Driver's Licenses), the OIG searched public records and commercial databases for information, such as marriage licenses, out-of-state licenses (occupational or otherwise), and family court case filings, that would indicate an over-age dependent was ineligible to receive benefits.

The OIG review revealed that six over-age dependents may not have been eligible to receive benefits before an Over-age Dependent Affidavit was filed or they became ineligible during the year and timely notification was not provided to Employee Benefits.

Three over-age dependents potentially resided out of state for several months and were not reported as students at an out-of-state college or university. One of these over-age dependents was removed after the relevant employee contacted Employee Benefits and provided an updated affidavit that their over-age dependent was no longer eligible. The other two over-age dependents were removed during the following annual COJ enrollment period.

During the timeframe over-age dependents were required to be financially dependent on employees, two over-age dependents were claimed to have been financially dependent on employees, but each owned a residence where they received a property tax homestead exemption. One of these two over-age dependents purchased their residence a little over a year before the employee claimed in an Over-age Dependent Affidavit, they were financially dependent on the employee. The other over-age dependent already owned two properties, with one property purchased approximately four months before the relevant employee claimed in an Over-age Dependent Affidavit, they were financially dependent upon the employee.

The last over-age dependent got married during the time they were classified as an over-age dependent. However, the employee failed to notify Employee Services until over 60 days after (according to their marriage license) the over-age dependent was married.

² This random sample size was calculated using a 95% confidence level with a 5% margin of error.

As a result of this review, the OIG has opened a separate investigation regarding three of the six over-age dependents.

The OIG declined to open an investigation regarding the other three over-age dependents. Two of the relevant employees are no longer employed by COJ and the other incident involved a minimal timeframe where the employee failed to notify Employee Benefits of a change in their over-age dependent's status. However, the OIG recommended Employee Benefits review these three over-age dependents' eligibility, determine whether they should seek repayment for any ineligible over-age dependent, and take any personnel action deemed appropriate.

Interviews

Mary DiPerna, Chief of Employee Benefits, COJ

DiPerna has been employed with COJ since 2003 and began serving in her current position in 2018.

DiPerna did not remember when the financial dependency requirement for an over-age dependent was removed, but she thought it may have been around June 2023. According to DiPerna, the financial dependency requirement was removed so Employee Benefits' requirements would match those established in §627.6562, Florida Statutes. There was no specific definition or measurement for an over-age dependent to be considered financially dependent. Employee Benefits relied upon the relevant employee's statement that their over-age dependent was financially dependent upon them (the employee).

DiPerna was informed about the two over-age dependents who purchased property before the employees declared them financially dependent. DiPerna said it did not seem that either over-age dependent was financially dependent. If Employee Benefits had been made aware, they would have required the relevant employees to prove that these over-age dependents were financially dependent.

According to DiPerna, Employee Benefits also relied on employees to advise when the over-age dependent was no longer a Florida resident. DiPerna said Employee Benefits did not have any specific criteria that defined when an over-age dependent was considered to no longer reside in Florida. When DiPerna was advised about one over-age dependent who completed their degree program at an out-of-state university and was suspected of having then remained in that state, she said, "To me, if you no longer qualify as a student and you've graduated and you're living out of state, you're no longer a resident of Florida."

DiPerna explained that Employee Benefits would conduct a "post-audit" if they observed "something blatantly wrong" by contacting the relevant employee for an explanation.

She did not think Employee Benefits ever received information about COJ Group Health Plan over-age dependents fraudulently receiving benefits.

Recommended Corrective Actions

The OIG recommends Employee Benefits:

1. Review the referred over-age dependents' eligibility, determine whether any repayment is necessary, and take any personnel action deemed appropriate.
2. Create specific criteria to define when an over-age dependent would be considered an out-of-state resident and ineligible for continued coverage as an over-age dependent.

Management's Response

The OIG provided Employee Benefits an opportunity to submit a written response to the findings in this investigative report within ten (10) business days. Their response (redacted as it contains protected health information) is attached to this report.

Inspector General Standards

This report/review has been conducted in accordance with the ASSOCIATION OF INSPECTORS GENERAL Principles and Quality Standards for Investigations.

"Enhancing Public Trust in Government Through Independent and Responsible Oversight"



Donna Deegan, Mayor

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April 4, 2025

Brandon King, Investigator
Office of Inspector General
231 East Forsyth Street, Suite 470
Jacksonville, FL 32202

Re: 2025-00005 Draft Report

Dear Mr. King,

Thank you for the opportunity to respond to the draft report 2025-00005. We have reviewed your findings and below is our response for each item in finding 1.

1. [REDACTED] retired in January 2022 and is no longer employed by the City of Jacksonville. I requested a review of [REDACTED]'s claims and Florida Blue did not show any claims from April 2021 – September 2021. [REDACTED] was removed from the plan in September 2021. Given these facts we will not be pursuing any actions against [REDACTED].
2. [REDACTED] – [REDACTED] is still actively employed by the City of Jacksonville. I requested a review of [REDACTED]'s claims from November 9, 2024 – January 31, 2025, and Florida Blue did show the following paid claims.

November 2024	\$135.01
December 2024	\$24.13
January 2025	\$0

[REDACTED] contacted Employee Benefits mid-January to inform us [REDACTED] was just recently enrolled in [REDACTED] employer health insurance, and [REDACTED] needed to remove [REDACTED] was removed from coverage January 31, 2025. We do not believe there was intent to defraud, the employee was only late reporting for one month, and the claims are negligible, given these facts we will not be pursuing any actions against [REDACTED].

3. [REDACTED] – Deceased as of November 30, 2023.

For item 2 we will be adding wording to our affidavit that states, "An overage dependent would be considered an out of state resident and ineligible for continued coverage as an over age dependent if they do not permanently move back to the State of Florida within 60 days of their graduation date from college."

Sincerely,

Mary DiPerna, MAcc, CEBS
Chief, Employee Benefits Division
City of Jacksonville