

Department of Justice
U.S. Attorney's Office
Western District of Arkansas

FOR IMMEDIATE RELEASE

Thursday, February 16, 2023

Louisiana Doctor Sentenced to Four Years in Prison, Ordered to Pay More Than \$800,000 to Victims in Workers' Comp Fraud Conspiracy

FAYETTEVILLE — **Robert Clay Smith**, age 61, an Alexandria, La., physician was sentenced yesterday to 48 months in prison, followed by three years of supervised release, and ordered to pay more than \$800,000 to workers' compensation insurers, for his role in a conspiracy to commit wire fraud, health care fraud, and violations of federal anti-kickback laws. U.S. District Judge Timothy L. Brooks presided over the sentencing hearing in Fayetteville, Arkansas.

According to court documents, from 2013 until 2017, **Smith** conspired with a Rogers-based company to dispense pain creams and patches to his workers' compensation patients, for which he received a split of the profits. The company acted as the billing agent for **Smith**, handling all the paperwork and submitting the claims to both the U.S. Department of Labor, Office of Workers' Compensation Programs, which covers all federal employees, and to private insurers as well. In exchange, Smith admitted, the company paid him 50 to 55 percent of the profits collected from successfully billing insurers, at markups of 15 to 20 times what the medications cost.

In addition to receiving illegal kickbacks, **Smith** did not have a license to dispense medications from his clinic, required under Louisiana law, but nonetheless dispensed the medications to his workers' compensation patients from his clinic.

Smith's role in the scheme was found to have caused \$1,476,383.47 in losses to workers' compensation insurers, and Smith was ordered to repay \$827,083.40 to identified victims.

U.S. Attorney David Clay Fowlkes of the Western District of Arkansas made the announcement.

The case is being investigated by the Department of Defense, Defense Criminal Investigative Service, the Department of Labor Office of Inspector General, the Department of Veterans Affairs Office of Inspector General, and the U.S. Postal Service Office of Inspector General, with the assistance of the Louisiana Department of Justice, the Louisiana State Board of Medical Examiners, and the Louisiana Board of Pharmacy.

Assistant U.S. Attorneys Hunter Bridges and Steven Mohlhenrich prosecuted the case for the United States.

Topic(s):
Health Care Fraud

Component(s):
[USAO - Arkansas, Western](#)

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