



THE UNITED STATES ATTORNEY'S OFFICE
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Department of Justice

U.S. Attorney's Office

Western District of Texas

FOR IMMEDIATE RELEASE

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Arkansas Man Sentenced to Prison and Ordered to Pay Almost \$6M in Restitution for His Role in TRICARE Fraud Scheme

WACO – An Arkansas man was sentenced today to 24 months in prison and ordered to pay \$5,918,446 in restitution for his role in a scheme to defraud TRICARE, a health care program of the U.S. Department of Defense.

According to court documents, Theodis Lamond Jefferson, 37, a former United States Army Service Member, received more than \$5.9 million from January 2015 to June 2015 from pharmacies and groups that provided and marketed compounded medications. Compounded medications are personalized dosages or formulas normally made for patients who cannot tolerate certain ingredients in commercially manufactured medications. Jefferson defrauded TRICARE by making and receiving unlawful payments for the prescription of compounded drugs to TRICARE beneficiaries. Jefferson paid bribes to prescribing physicians and kickbacks to TRICARE beneficiaries, who unlawfully enriched themselves from TRICARE reimbursements for covered compounded drugs.

On December 8, 2020, Jefferson pleaded guilty to one count of receipt of illegal payment and one count of payment of illegal fee.

"This defendant stole millions of dollars from a government healthcare program that supports our servicemembers and their families," said U.S. Attorney Ashley C. Hoff. "This sentence sends a strong message that those who use bribes and kickbacks to steal taxpayer dollars from important programs will be identified, investigated and prosecuted."

"The TRICARE Program is vital to the health and well-being of our warfighters, retirees, and their families," said Michael Mentavlos, Special Agent-in-Charge of the Department of Defense Inspector General Defense Criminal Investigative Service - Southwest Field Office. "Today's announcement underpins the steadfast commitment of DCIS and our investigative partners to

bring to justice those who look to enrich themselves by jeopardizing the healthcare of our warfighters and defrauding the American taxpayer.”

The U.S. Army Criminal Investigative Division investigated the case.

Assistant U.S. Attorney Gregory Gloff prosecuted the case.

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Topic(s):

Financial Fraud

Component(s):

USAO - Texas, Western

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