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Department of Justice

U.S. Attorney's Office

Western District of Arkansas

FOR IMMEDIATE RELEASE

Tuesday, March 29, 2022

## Second Doctor Pleads Guilty to Workers' Comp Fraud Conspiracy

### Took Kickbacks from Rogers Company

FAYETTEVILLE - An Alexandria, La., physician pleaded guilty today to having conspired to violate three different federal statutes in connection with a scheme to defraud both federal and private workers' compensation insurers.

U.S. District Judge Timothy L. Brooks presided over the plea hearing, in which **Robert Clay Smith**, 60, waived indictment by a grand jury and pleaded guilty to a criminal information charging him with conspiracy to commit health care fraud, wire fraud, and illegal remunerations (taking kickbacks).

Court documents allege that the basic premise of the scheme, which ran from 2013 until 2017, was that individuals associated with a Rogers-based medical supply and billing company recruited **Smith** to dispense pain creams and patches to his workers' compensation patients by offering him a split of the profits. The Rogers company acted as the billing agent for **Smith**, handling all the paperwork and submitting the allegedly fraudulent 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 actually cost.

According to court documents, **Smith**, a Louisiana physician, made more than \$650,000 from the scheme. **Smith** admitted that in addition to receiving illegal kickbacks, he knew he did not have a license to dispense medications from his clinic, required under Louisiana law, and nonetheless bought topical medications from the Rogers company and dispensed them to his workers' compensation patients from his clinic.

**Smith** is the second physician to plead guilty in connection with the federal investigation. In July 2021, Dr. Robert Dale Bernauer Sr., another Louisiana doctor, pleaded guilty to conspiring with the same individuals, in a scheme similar to the one for which **Smith** has accepted responsibility. Additionally, in October 2021, the company's former billing director, Amanda Dawn Rains, pleaded guilty to participating in criminal conspiracies with the two doctors, and others.

As a result of his guilty plea, **Smith** may be sentenced to up to five years in prison. The court will determine his sentence at a later date, after reviewing a pre-sentence investigation report prepared by the U.S. Probation Office and considering the U.S. Sentencing Guidelines and other statutory factors.

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 are prosecuting the case for the United States.

**Topic(s):**  
Health Care Fraud

**Component(s):**  
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