



*Office of the United States Attorney
District of Arizona*

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FORMER FUGITIVE SENTENCED TO PRISON FOR HEALTH CARE FRAUD

PHOENIX— Sheri Dawn Blackburn, 46, a former resident of Phoenix, was sentenced yesterday to 27 months in federal prison by U.S. District Judge Roslyn O. Silver. Blackburn was also ordered to pay restitution in the amount of \$88,441.30. On July 23, 2008 Blackburn, a fugitive for nearly five years, pleaded guilty to one count of Theft or Embezzlement in Connection with a Health Care Benefit Program. Blackburn had been indicted in August 2003 for one count of Theft in Connection with a Health Care Benefit Program and one count of False Statements Relating to Health Care Matters, but never appeared to answer these charges in court, and subsequently became a fugitive.

The case against Blackburn was based on an investigation by the U.S. Department of Labor's Employee Benefits Security Administration, which indicated that in 1998 Blackburn was hired by Eldorado Claim Services, a benefit claims processing company, to supervise health plan claims processing. In this position, Blackburn processed and paid medical claims for the health care plan sponsored by Knipp Bros., a commercial construction company that was located in Glendale, Ariz. While performing this work, Blackburn created a fictitious physician identity, Doctor Joseph Patrick, and paid claims to this fictitious individual for services that were never rendered. Blackburn then cashed a total of 14 checks that were issued to this fictitious identity, totaling \$88,441.30.

Following her failure to appear to answer the indictment, Blackburn evaded prosecution for almost five years. In March 2008, investigators with the Employee Benefits Security Administration located Blackburn in Iowa, and alerted the U.S. Marshals Service. Blackburn was apprehended in Eddyville, Iowa, and was subsequently extradited to Arizona, where she has remained in federal custody.

The investigation in this case was conducted by the Los Angeles Regional Office of the Employee Benefits Security Administration, U.S. Department of Labor. The prosecution was handled by Howard Sukenic, Assistant U.S. Attorney, District of Arizona, Phoenix.

CASE NUMBER: CR-03-838-PHX-ROS
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