

Scrusby, ex-Alabama Gov. guilty in corruption case

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By Verna Gates

BIRMINGHAM, Alabama (Reuters) - HealthSouth Corp. founder and ex-CEO Richard Scrusby and former Alabama Gov. Don Siegelman were convicted on federal bribery and mail fraud charges on Thursday, and could face up to 20 years in prison.

Scrusby, who was acquitted in a massive U.S. accounting fraud case involving HealthSouth a year and a day earlier, was found guilty on six charges of bribery, conspiracy and mail fraud by a federal jury in Montgomery, Alabama.

Siegelman, governor of Alabama from 1999 to 2003, was also convicted on charges of bribery, conspiracy and mail fraud.

"We were really shocked," Chip Hill, former campaign manager and spokesperson for Siegelman, told local television. "We feel they will be overturned on appeal."

Two co-defendants, former Siegelman aides Mack Roberts and Paul Hamrick, were acquitted.

After 28 days of testimony and 11 days of deliberation, the jury found Scrusby guilty of giving Siegelman \$500,000 in exchange for a seat on a hospital governing board. Siegelman was convicted on charges including accepting a motorcycle as a gift.

The two men face up to 20 years in prison and a fine of up to \$250,000 for the conspiracy charges and mail fraud. Siegelman faces an additional 10 years in prison and a \$250,000 fine for bribery.

Scrusby, 53, avoided prison time last year after being found not guilty of directing a \$2.7 billion accounting scam at HealthSouth, the medical rehabilitation chain that he founded.

Siegelman, 60, ran for Alabama governor during the corruption trial, claiming the proceeding was a political ploy. He lost in the June primary to Lt. Gov. Lucy Baxley.

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