

How Much Prison Time Is Elizabeth Holmes Facing for Theranos Fraud?

By Emma Mayer • On 11/17/22 at 2:54 PM EST

Friday is judgment day for former Theranos CEO Elizabeth Holmes, who defrauded investors and put patients at risk with phony blood-testing technology, and prosecutors are seeking 15 years in prison.

Earlier this year, Holmes was found guilty of four counts of investor fraud and conspiracy after a jury decided she intentionally misled investors about the efficacy of her tech startup's blood-testing equipment, which promised diagnoses and treatments for patients from a single drop of blood.

The technology never delivered, giving patients false diagnoses and leading many to seek inaccurate treatments. In 2018, the Silicon Valley tech company was shut down by federal regulators.



Above, former Theranos CEO Elizabeth Holmes goes through a security checkpoint as she arrives at a federal court on September 1 in San Jose, California. Holmes will be sentenced on Friday following a conviction on four counts of investor fraud and conspiracy. Justin Sullivan/Getty Images

Holmes, 38, was the subject of an [HBO](#) documentary and a [Hulu series, *Dropout*](#), that chronicled her company's spectacular rise and fall. Now, she could face 15 years in prison, as the federal government has recommended. That is short of the 20-year maximum sentence and far more than what Holmes' legal team has sought: no more than 18 months, preferably in home confinement, according to the Associated Press.

Holmes' lawyers have argued that she deserves leniency because she is a "well-meaning entrepreneur" and now a mother, with her second child on the way.

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Prosecutors also want her to pay \$804 million in restitution, which would go toward the nearly \$1 billion that Holmes raised in investments from such high-profile business names as software tycoon Larry Ellison, publishing mogul Rupert Murdoch and [Walmart's](#) Walton family.

Lara Yeretsian, the principal attorney at Yeretsian Law in Glendale, California, told *Newsweek* that Holmes will most likely receive a sentence of five to nine years.

"The judge will most likely sentence her to a prison term close to the nine years recommended by the probation department," said Yeretsian, a defense attorney. "Any longer sentence would have a chilling effect on innovation and innovators."

She continued: "Holmes did not set out to commit fraud when she first started her company. She had good intentions, but her plan never materialized. Despite the devastating loss of \$804 million alleged, she has [strong arguments in support of leniency](#), including lack of priors; hundreds of support letters, including a letter from a former Theranos board member; the motherhood sympathy card; and massive potential for positive work in the future."

Yeretsian said the major question is: What does society gain by locking her up for 15 years? "The punitive aspect is palpable even in just a few years, especially for a mother who's expecting her second child," she said. "In this case, societal interests are better served with a short sentence."

Letters of support for Holmes were sent to U.S. District Judge Edward Davila from her family, Senator Cory Booker, former Centers for Disease Control and Prevention Director William Foege and others who vouched for her in support of a lighter sentence.

"While Liz is incredibly hopeful, I realize she is terribly scared," wrote Holmes' current partner, Billy Evans, in his letter to the judge. "This process is a string of unlikely events that lawyers, advisors and board members all told her would never come to be."

In his letter, Booker, a Democratic senator from New Jersey, wrote, "I firmly believe in the possibility of rehabilitation and in the power of redemption for anyone. And I believe that Ms. Holmes has within her a sincere desire to help others, to be of meaningful service, and possesses the capacity to redeem herself."

Earlier this year, Holmes' ex-partner [Sunny Balwani, a former top executive at Theranos, was found guilty](#) of 12 counts of fraud. He is due to be sentenced in early December.

Newsweek reached out to Holmes' attorneys for comment.