

# Three Minute Read™

## Insights from the Healing American Healthcare Coalition™

Steward's stewardship questioned; CEO refuses Senate subpoena

September 2024-1



**From the Editor:** This issue's article summaries include mpox, vaccine, brain cancer and listeria updates, and more. Click on the headline for the full article. If you enjoy TMR, please upgrade to a paid subscription [here](#).



**TMR Topline** – HHS announced that Americans will be able to get up to four free [virus test kits](#) mailed to their homes starting in late September. The tests will detect current virus strains.



**TMR Topline** – The FDA has granted expanded approval to Emergent BioSolutions' smallpox vaccine for use in people at high risk of mpox infection. Emergent Bio's ACAM2000 vaccine cannot be administered to those with weakened immune systems, including people with HIV. The shot is given through a series of small pokes on the skin using a two-pronged needle. The company will donate 50,000 doses of the vaccine to the Democratic Republic of the Congo and neighboring countries.



**TMR Topline** – The WHO-commissioned review of 63 studies from 1994-2022, assessed by 11

investigators from 10 countries, found no increase in the incidence of brain cancers. The work assessed the effects of radiofrequency, used in mobile phones as well as TV, baby monitors and radar, and looked at cancers of the brain in adults and children, as well as cancer of the pituitary gland, salivary glands and leukemia.

**TMR's Take:** With the FDA approval, ACAM2000 joins Bavarian Nordic's Jynneos, which is given by injection, as an added line of defense against mpox. The WHO's retrospective review of 63 studies should silence the unsubstantiated rumors that mobile phones cause brain cancer.



**TMR Topline** – Boar's Head recalled 7 million pounds of deli meats produced at its Jarret, Virginia plant that had dozens of health and safety violations. As a result, more than 60 people were infected with listeria and hospitalized and 9 customers died from this infection. The US Department of Agriculture reported [numerous violations](#) at the plant from January 2022 through August 2024. Inspectors documented multiple instances of meat found on the floor and standing water containing a brown mud/dirt like substance. The machines used to make deli meat products had not been cleaned causing meat to build up on Boar's Head products. The number and breadth of the violations prompted food safety attorney Bill Marler to call the plant a "listeria factory. In the 30 years of doing food safety litigation, I have seen several hundred inspection reports. This group of 'non-compliance' reports are some of the worst that I have ever seen." Additionally, he said "the lack of resolution of these issues are likely criminal violations under the Federal Meat Inspection Act."

According to the CDC, those at the highest risk from listeria are "pregnant women and their newborns, adults aged 65 or older, and people with weakened immune systems. Infection during pregnancy results in fetal loss in

about 20% of cases and newborn death in about 3% of cases."



[Errors in Deloitte-Run Medicaid Systems Can Cost Millions and Take Years To Fix](#), by Samantha Liss & Rachana Pradhan, KFF Health News, 9/5/24

**TMR Topline** – Accounting and advisory firm Deloitte has contracts with 25 states for eligibility services that produce nearly 10% of its [\\$65 billion in global revenue](#). The agreements to design, develop, implement, or operate state-owned systems for Medicaid and other benefits (e.g., SNAP) are prone to errors that often take years to fix. While states wait for fixes from Deloitte, beneficiaries risk losing access to health care and food. States set aside funds each year to cover changes, but systems often require fixes beyond the budgeted funds. The article describes some of the problems in six states (Florida, Georgia, Kentucky, Michigan, Tennessee and Texas) resulting from a KFF Health News investigation.

**TMR's Take:** (Full disclosure - TMR's Editor was a healthcare consulting partner at Deloitte in the '80s). Healthcare – it's way too complicated! As a joint federal-state program, each state sets its own policies for enrollment, eligibility and coverage, so a fix needed in Florida likely differs from one needed in Michigan. Kudos to KFF Health News for its coverage of the [Medicaid unwinding](#) after the Public Health Emergency ended last year. The majority of Medicaid and CHIP enrollees terminated were cut because of procedural issues.



[Whistleblower tells Congress Steward Health Care CEO Ralph de la Torre bragged he could sway foreign officials with "brown bags" of cash](#),

by Michael Kaplan, Sheena Samu & Pat Milton, CBS News, 9/5/24

**TMR Topline** – Ram Tumuluri, a healthcare executive who worked with the Maltese government, wrote in a complaint to Congress alleging Steward Health Care CEO Ralph de la Torre and other Steward executives illegally conspired with foreign officials to secure a hospital contract abroad. A spokesperson for de la Torre called Tumuluri's allegations "preposterous." In July, [CBS News reported](#) federal prosecutors at the Boston US

Attorney's Office were investigating Steward on various allegations including fraud and violations of the Foreign Corrupt Practices Act. CBS News has been documenting how private equity and other investor groups [have siphoned hundreds of millions of dollars](#) from community hospitals with devastating public health consequences. For example, in 2021, Steward's owners paid themselves millions in dividends, the same year de la Torre acquired a 190-foot yacht estimated to be worth \$40 million. In the year before it declared bankruptcy, Steward also paid tens of millions of dollars to other companies where de la Torre held significant stakes.

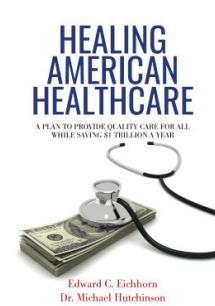


[Spotlight shines on Steward CEO](#)

[Dr. Ralph de la Torre](#), by Molly Gamble, Becker's Hospital Review, 9/3/24

**TMR Topline** – The *Boston Globe*'s investigative "Spotlight" team has published a 3,000-word [deep dive](#) on Steward's Chairman and CEO Ralph de la Torre, MD. For-profit Steward [originated](#) in Boston in 2010, expanded quickly to 33 hospitals across nine states, [filed for Chapter 11](#) bankruptcy protection on May 6 and placed its US hospitals [up for sale](#). Dr. de la Torre allegedly tapped into Steward's dwindling resources to fund personal endeavors. Among other issues, he allegedly diverted millions toward the construction of a new STEM and innovation center at the Greenhill School near Dallas that his children attended as students. In July, he was [subpoenaed](#) to testify before the Senate Health, Education, Labor, and Pensions Committee at a hearing Sept. 12. Dr. de la Torre is refusing to comply with the subpoena.

**TMR's Take:** The Medicaid unwinding mess and the lack of stewardship by misnamed Steward Health Care System should be clarion calls for streamlining and simplifying America's healthcare delivery system. It is far too complex, fragmented and ranks [last among high-income countries](#). TMR has a plan that

  
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