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# The Shadow Rulers of the VA

**How Marvel Entertainment chairman Ike Perlmutter and two other Mar-a-Lago cronies are secretly shaping the Trump administration's veterans policies.**

by [Isaac Arnsdorf](#)

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Then President-elect Donald Trump meets with Ike Perlmutter, chairman of Marvel Entertainment, center, and Reince Priebus at Mar-a-Lago in December 2016. (Ricky Carioti/The Washington Post via Getty Images)

## THE TRUMP ADMINISTRATION

The 45th President and His Administration

Last February, shortly after Peter O'Rourke became chief of staff for the Department of Veterans Affairs, he received an email from Bruce Moskowitz with his input on a new mental health initiative for the VA. "Received," O'Rourke replied. "I will begin a project plan and develop a timeline for action."

O'Rourke treated the email as an order, but Moskowitz is not his boss. In fact, he is not even a government official. Moskowitz is a Palm Beach doctor who helps wealthy people obtain high-service "concierge" medical care.

More to the point, he is one-third of an informal council that is exerting sweeping influence on the VA from Mar-a-Lago, President Donald Trump's private club in Palm Beach, Florida. The troika is led by Ike Perlmutter, the reclusive chairman of Marvel Entertainment, who is a longtime acquaintance of President Trump's. The third member is a lawyer named Marc Sherman. None of them has ever served in the U.S. military or government.

Yet from a thousand miles away, they have leaned on VA officials and steered policies affecting millions of Americans. They have remained hidden except to a few VA insiders, who have come to call them "the Mar-a-Lago Crowd."

Perlmutter, Moskowitz and Sherman declined to be interviewed and fielded questions through a crisis-communications consultant. In a statement, they downplayed their influence, insisting that nobody is obligated to act on their counsel. "At all times, we offered our help and advice on a voluntary basis, seeking nothing at all in return," they said. "While we were always willing to share our thoughts, we did not make or implement any type of policy, possess any authority over agency decisions, or direct government officials to take any actions... To the extent anyone thought our role was anything other than that, we don't believe it was the result of anything we said or did."

VA spokesman Curt Cashour did not answer specific questions but said a "broad range of input from individuals both inside and outside VA has helped us immensely over the last year and a half." White House spokeswoman Lindsay Walters also did not answer specific questions and said Perlmutter, Sherman and Moskowitz "have no direct influence over the Department of Veterans Affairs."

But hundreds of documents obtained through the Freedom of Information Act and interviews with former administration officials tell a different story — of a previously unknown triumvirate that hovered over public servants without any transparency, accountability or oversight. The Mar-a-Lago Crowd spoke with VA officials daily, the documents show, reviewing all manner of policy and personnel decisions. They prodded the VA to start new programs, and officials travelled to Mar-a-Lago at taxpayer expense to hear their views. "Everyone has to go down and kiss the ring," a former administration official said.

If the bureaucracy resists the trio's wishes, Perlmutter has a powerful ally: The President of the United States. Trump and Perlmutter regularly talk on the phone and dine together when the president visits Mar-a-Lago. "On any veterans issue, the first person

the president calls is Ike,” another former official said. Former administration officials say that VA leaders who were at odds with the Mar-A-Lago Crowd were pushed out or passed over. Included, those officials say, were the secretary (whose ethical lapses also played a role), deputy secretary, chief of staff, acting under secretary for health, deputy under secretary for health, chief information officer, and the director of electronic health records modernization.

At times, Perlmutter, Moskowitz and Sherman have created headaches for VA officials because of their failure to follow government rules and processes. In other cases, they used their influence in ways that could benefit their private interests. They say they never sought or received any financial gain for their advice to the VA.

The arrangement is without parallel in modern presidential history. The Federal Advisory Committee Act of 1972 provides a mechanism for agencies to consult panels of outside advisers, but such committees are subject to cost controls, public disclosure and government oversight. Other presidents have relied on [unofficial “kitchen cabinets,”](#) but never before have outside advisers been so specifically assigned to one agency. During the transition, Trump handed out advisory roles to [several rich associates](#), but they’ve all since faded away. The Mar-a-Lago Crowd, however, has deepened its involvement in the VA.

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Perlmutter, 75, is painstakingly private — he [reportedly](#) wore a glasses-and-mustache disguise to the 2008 premiere of “Iron Man.” One of the few public photographs of him was [snapped](#) on Dec. 28, 2016, through a window at Mar-a-Lago. Trump glares warily at the camera. Behind him, Perlmutter smiles knowingly, wearing sunglasses at night.

When Trump asked him for help putting a government together, Perlmutter offered to be an outside adviser, according to people familiar with the matter. Having fought for his native Israel in the 1967 war before he moved to the U.S. and became a citizen, Perlmutter chose veterans as his focus.

Perlmutter enlisted the assistance of his friends Sherman and Moskowitz. Moskowitz, 70, specializes in knowing the world’s top medical expert for any ailment and arranging appointments for clients. He has connections at the country’s top medical centers. Sherman, 63, has houses in West Palm Beach and suburban Baltimore and an office in Washington with the consulting firm Alvarez & Marsal. His legal work focuses on financial fraud, white collar investigations and damages disputes. His professional biography lists experience in eight industries, none of them related to health care or veterans.

Moskowitz and Sherman helped Perlmutter convene a council of health care executives on the day of the Trump-Perlmutter photograph, Dec. 28, 2016. Offering more private healthcare to vets was a signature promise of Trump’s campaign, but at that point he hadn’t decided who should lead an effort that would reverse the VA’s longstanding practices.

A new name surfaced in that meeting: David Shulkin, who'd led the VA's health care division since 2015. Perlmutter then recommended Shulkin to Trump, according to a person familiar with his thinking. (Shulkin did not respond to requests for comment.)

Once nominated, Shulkin flew to Mar-a-Lago in early February 2017 to meet with Perlmutter, Sherman and Moskowitz. In a follow-up email a few days later, Moskowitz elaborated on the terms of their relationship. "We do not need to meet in person monthly, but meet face to face only when necessary," he wrote. "We will set up phone conference calls at a convenient time."

Shulkin responded diplomatically. "I know how busy all of you are and having you be there in person, and so present, was truly a gift," he wrote. "I found the time we spent, the focus that came out of our discussions, and the time we had with the President very meaningful."

It wasn't long before the Mar-a-Lago Crowd wore out their welcome with Shulkin. They advised him on how to do his job even though they sometimes seemed to lack a basic understanding of it. Just after their first meeting, Moskowitz emailed Shulkin again to say, "Congratulations i[t] was unanimous." Shulkin corrected him: "Bruce- this was not the confirmation vote- it was a committee vote- we still need a floor vote."

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Perlmutter, Moskowitz and Sherman acted like board members pounding a CEO to turn around a struggling company, a former administration official said. In email after email, officials sought approval from the trio: for an agenda Shulkin was about to present to Trump for a research effort on suicide prevention and for a plan to recruit experts from academic medical centers. "Everything needs to be run by them," the first former official said, recalling the process. "They view themselves as making the decisions."

The Mar-a-Lago Crowd bombarded VA officials with demands, many of them inapt or unhelpful. On phone calls with VA officials, Perlmutter would bark at them to move faster, having no patience for bureaucratic explanations about why something has to be done a certain way or take a certain amount of time, former officials said. He issued orders in a thick, Israeli-accented English that can be hard to understand.

In one instance, Perlmutter alerted Shulkin to what he called "another real-life example of the issues our great veterans are suffering with when trying to work with the VA." The example came from Karen Donnelly, a real estate agent in Palm Beach who manages the tennis courts in the luxury community where Perlmutter lives. Donnelly's son was having trouble accessing his military medical records. After a month of dead ends, Donnelly said she saw Perlmutter on the tennis court and, knowing his connection to Trump, asked him for help. Perlmutter told her to email him the story because he's "trying to straighten things out" at the VA, she recalled. (Donnelly separately touched off a [nasty legal dispute](#) between Perlmutter and a neighbor, Canadian businessman Harold Peerenboom, who objected to her management of the tennis courts. In a lawsuit,

Peerenboom accused Perlmutter of mounting a vicious hate mail campaign against him, which Perlmutter's lawyer denied.)

Perlmutter forwarded Donnelly's email to Shulkin, Moskowitz and Sherman. "I know we are making very good progress, but this is an excellent reminder that we are also still very far away from achieving our goals," Perlmutter wrote.

Shulkin had to explain that they were looking in the wrong place: Since the problem was with military service records, it lay with the Defense Department, not the VA.

Perlmutter, Moskowitz and Sherman defended their intervention, saying, "These were the types of stories of agency dysfunction and individual suffering that drove us to offer our volunteer experience in the first place — veterans who had been left behind by their government. These individual cases helped raise broader issues for government officials in a position to make changes, sometimes leading to assistance for one veteran, sometimes to broader reforms within the system."

Right after meeting Shulkin, Moskowitz connected him with his friend Michael Zinner, director of the Miami Cancer Institute and a member of the American College of Surgeons' board of regents. (Zinner declined to comment.) The conversation led to a plan for the American College of Surgeons to evaluate the surgery programs at several VA hospitals. The plan came very close to a formal announcement and contract, internal emails show, but stalled after Shulkin was fired, according to the organization's director, David Hoyt.

Besides advocating for friends' interests, some of the Mar-a-Lago Crowd's interventions served their own purposes. Starting in February 2017, Perlmutter convened a series of conference calls with executives at Johnson & Johnson, leading to the development of a public awareness campaign about veteran suicide. They planned to promote the campaign by ringing the closing bell at the New York Stock Exchange around the time of Veterans Day.

The event also turned into a promotional opportunity for Perlmutter's company. Executives from Marvel and its parent company, Disney, joined Johnson & Johnson as sponsors of the Veterans Day event at the stock exchange. Shulkin rang the closing bell standing [near a preening and flexing Captain America](#), with Spider-Man waving from the trading pit, and Marvel swag was distributed to some of the attendees. "Generally the VA secretary or defense secretary don't shill for companies," the leader of a veterans advocacy group said.

The VA was aware of the ethical questions this event raised because of Shulkin's relationship with Perlmutter. An aide to Shulkin sought ethics advice from the agency's lawyers about the appearance. In an email, the aide noted, "the Secretary is friends with the President of Marvel Comics, Mr. Ike Perlmutter, but he will not be in attendance." The VA redacted the lawyer's answer, and the agency's spokesman would not say whether the ethics official approved Shulkin's participation in the event.

Perlmutter did not answer specific questions about this episode. His joint statement with Moskowitz and Sherman said, “None of us has gained any financial benefit from this volunteer effort, nor was that ever a consideration for us.”

Perlmutter also facilitated a series of conference calls with senior executives from Apple. VA officials were excited about working with the company, but it wasn’t immediately obvious what they had to collaborate on.

As it turned out, Moskowitz wanted Apple and the VA to develop an app for veterans to find nearby medical services. Who did he bring in to advise them on the project? His son, Aaron, who had built a similar app. The proposal made Apple and VA officials uncomfortable, according to two people familiar with the matter, but Moskowitz’s clout kept it alive for months. The VA finally killed the project because Moskowitz was the only one who supported it.

Moskowitz, in the joint statement, defended his son’s involvement, calling him a “technical expert” who participated in a single phone call alongside others. “Any development efforts, had they occurred, would not have involved Aaron or any of us. There was no product of Dr. Moskowitz’s or Aaron’s that was promoted or recommended in any way during the call,” the trio said. “Again, none of us, including Aaron, stood to receive any financial benefit from the matters discussed during the conversation — and any claims to the contrary are factually incorrect.”

Moskowitz had more success pushing a different pet cause. He has spent years trying to start a national registry for medical devices, allowing patients to be notified of product recalls. Moskowitz set up the Biomedical Research and Education Foundation to encourage medical institutions to keep track of devices for their patients to address what he views as a dangerous hole in oversight across the medical profession. At one point, the foundation built a registry to collect data from doctors and patients. Moskowitz chaired the board, and Perlmutter’s wife was also a member. Moskowitz’s son earned \$60,000 a year as the executive director, according to tax disclosures.

Moskowitz pushed the VA to pick up where he left off. He joined officials on weekly 7:30 a.m. conference calls in which officials discussed organizing a summit of experts on device registries and making a public commitment to creating one at the VA. In an email to Shulkin, the VA official in charge of the project referred to it as the “Bruce Moskowitz efforts.”

When the summit arrived, on June 4, Moskowitz and his son did not attend. It’s not clear what role they will have in setting up the VA’s registry going forward — their foundation has shut down, according to its website, and Moskowitz’s son said he’s no longer involved. But in his opening remarks at the summit, Peter O’Rourke, then the acting secretary, offered a special thanks to “Dr. Bruce Moskowitz and Aaron Moskowitz of the Biomedical Research and Education Foundation” as “driving forces” behind it.

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Over the course of 2017, there was [growing tension within the Trump administration](#) about how much the VA should rely on private medical care. During the campaign, Trump championed letting veterans see any doctor they choose, inside or outside the VA system. But Shulkin [warned](#) that such an approach was likely to result in poorer care at a higher cost. His preferred solution was integrating government-run VA care with a network of private providers.

In September 2017, the Mar-a-Lago Crowd weighed in on the side of expanding the use of the private sector. “We think that some of the VA hospitals are delivering some specialty healthcare when they shouldn’t and when referrals to private facilities or other VA centers would be a better option,” Perlmutter wrote in an email to Shulkin and other officials. “Our solution is to make use of academic medical centers and medical trade groups, both of whom have offered to send review teams to the VA hospitals to help this effort.”

In other words, they proposed inviting private health care executives to tell the VA which services they should outsource to private providers like themselves. It was precisely the kind of fox-in-the-henhouse scenario that the VA’s defenders had warned against for years. Shulkin delicately tried to hold off Perlmutter’s proposal, saying the VA was already developing an in-house method of comparing its services to the private sector.

Shulkin also clashed with the Mar-a-Lago Crowd over how to improve the VA’s electronic record-keeping software (the one episode involving the trio that has previously [surfaced, in a report by Politico](#)). The contract, with a company called Cerner, would cost more than \$10 billion and take a decade to implement. But Moskowitz had used a different Cerner product and didn’t like it. He complained that the software didn’t offer voice recognition, even though newer versions of Cerner’s product do. For months, the Mar-a-Lago Crowd pressured Shulkin to put the contract through additional vetting.

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## **The Trump Administration Goes to War — With Itself — Over the VA**

**Even before a searing report put the job of Secretary of Veterans Affairs David Shulkin at risk, some White House staffers were pushing a health care agenda at odds with his. The infighting has left vets frustrated, Congress confused — and a key piece of legislation stalemated.**

On Feb. 27, 2018, Shulkin flew to Mar-a-Lago — not to see Trump, who was back in Washington, but to meet with Perlmutter, Moskowitz and Sherman. The trip was supposed to close the deal on the Cerner contract, according to two people familiar with the meeting. By then, Shulkin's stature had been badly diminished by an ethics scandal, and he expected he didn't have much longer in the job, but he wanted to finish the Cerner deal first.

Shulkin brought O'Rourke, an ex-Trump campaign aide who stepped in as chief of staff after the ethics scandal led to the departure of Shulkin's top aide. O'Rourke took the opportunity to ally himself with the Mar-a-Lago Crowd. "It was an honor to meet you all yesterday," he wrote in a follow-up email. "I want to ensure that you have my VA and



personal contact information.” He then provided his personal cell phone number and email address. (Using personal email to conduct government business can flout federal records laws, as President Trump and his allies relentlessly noted in their attacks on Hillary Clinton during the 2016 campaign.) “Thank you for your support of the President, the VA, and me,” O’Rourke wrote. (O’Rourke didn’t answer requests for comment.)

Perlmutter welcomed the overture. “I feel confident that you will be a terrific asset moving forward to get things accomplished,” he replied.

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The Mar-a-Lago Crowd grew frustrated with Shulkin, feeling like he wasn’t listening to them, and Perlmutter came to regret recommending Shulkin to Trump in the first place, according to people familiar with his thinking. That aligned them with political appointees in the VA and the White House who started to view Shulkin as out of step with the president’s agenda.

One of these officials, senior adviser Camilo Sandoval, presented himself as Perlmutter’s eyes and ears within the agency, two former officials said. For instance, in an email obtained by ProPublica, Sandoval kept tabs on the Apple project and reported back to Moskowitz and Sherman. “I will update the tracker, and please do let me know if this helps answers [sic] questions around Apple’s efforts or if additional clarification is required,” he wrote. Sandoval, who didn’t answer requests for comment, knew Perlmutter because he worked on the campaign with Trump’s son-in-law, Jared Kushner, who is also close with Perlmutter.

In December, White House adviser Jake Leinenkugel sent Sandoval a [memo](#) outlining a plan to upend the department’s leadership. Leinenkugel would not say who asked him to write the memo. But it was clearly not intended for Sandoval alone, since it refers to him in the third person. Three people familiar with the situation said the memo was sent to Sandoval as a channel to Perlmutter. The spokeswoman for Perlmutter, Sherman and Moskowitz said they didn’t know about the memo.

The memo recommended easing Shulkin out and relying on Perlmutter for help replacing him. “Put [Shulkin] on notice to exit after major legislation and key POTUS VA initiatives in place,” the memo said. “Utilize outside team (Ike).” Although several factors contributed to Shulkin’s downfall, including the ethics scandal and differences with the White House over legislation on buying private health care, three former officials said it was his friction with the Mar-a-Lago Crowd over the Cerner contract that ultimately did him in.

Perlmutter, Moskowitz and Sherman dispute that contention. “Any decisions of the agency or the president,” they noted in their statement, “as well as the timing of any agency decisions, were independent of our contacts with the VA.”

But it wasn't just Shulkin — all the officials that the Leinenkugel memo singled out for removal are now gone, replaced with allies of Perlmutter, Sherman and Moskowitz. The memo suggested that Sandoval take charge of the Office of Information and Technology, overseeing the implementation of the Cerner contract; he got the job in April. The memo proposed removing Deputy Secretary Tom Bowman; he left in June, and the post hasn't been filled. The memo floated Richard Stone for under secretary for health; he got the job on an acting basis in July. Leinenkugel himself took charge of a commission on mental health (the same topic Moskowitz had emailed O'Rourke about). O'Rourke, having hit it off with the Mar-a-Lago Crowd, became acting secretary in May.

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Trump initially nominated White House doctor Ronny Jackson to replace Shulkin, with Pentagon official Robert Wilkie filling in on a temporary basis. On Wilkie's first day at the VA, Sherman was waiting for him in his office, according to a calendar record.

Within a few weeks, Wilkie made a pilgrimage to Mar-a-Lago. He tacked it onto a trip to his native North Carolina, and O'Rourke caught up with him in Palm Beach. They visited a VA hospital and rehab facility, then headed to Mar-a-Lago to meet with Perlmutter, Moskowitz and Sherman, according to agency records.

The Mar-a-Lago Crowd gave Wilkie and O'Rourke rave reviews. "I am sure that I speak for the group, that both you and Peter astounded all of us on how quickly and accurately you assessed the key problems and more importantly the solutions that will be needed to finally move the VA in the right direction," Moskowitz told Wilkie in a follow-up email.

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Perlmutter was similarly thrilled with the new regime. "For the first time in 1½ years we feel everyone is on the same page. Everybody 'gets it,'" he said in an email. "Again, please know we are available and want to help any possible way 24/7."

Wilkie replied that the honor was his. "Thank you again for taking time to see me," he wrote.

Soon after, Jackson's nomination imploded over allegations of misconduct as White House physician. (Jackson denied the allegations, and they're still being investigated.) At that point, Perlmutter's endorsement cleared the way for Trump to nominate Wilkie.

Wilkie, who was sworn in on July 30, now faces a choice between asserting his own authority over the VA or taking cues from the Mar-a-Lago Crowd. Wilkie [reportedly wants](#) to sideline O'Rourke and Sandoval and restock the agency leadership with his own people. But people familiar with the situation said the Mar-a-Lago Crowd's allies are pushing back on Wilkie's efforts to rein them in. As his predecessor learned the hard way, anyone who crosses the Mar-a-Lago Crowd does so at his own risk.



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