

Hospital Supplier Diversity In California News

The Department of Health Care Access and Information is pleased to share this latest update on the Hospital Supplier Diversity Program. This release includes new supplier diversity tables and visualizations designed to provide greater transparency into participation trends across the supplier community.

Following the Hospital Supplier Diversity Commission (HSDC) November meeting, HCAI conducted additional analyses to examine how outcomes vary across key organizational characteristics. The updated data covers the 2022 through 2024 report periods and includes:

- Diverse procurement by hospital ownership type (e.g., Private Corporation, Public Entity, and Nonprofit Organization)
- Comparisons by rural vs. urban designation
- Hospital size based on license bed count

Snapshot Highlights

The charts and accompanying tables show reported diverse spending shifts from 2022 through 2024 report periods. The number of reporting hospitals are shown in parenthesis in the tables.

Chart 1 Highlight:

The chart and table highlights year-over-year changes in total diverse spending amounts and facility counts across three hospital ownership types: Public, Investor Owned, and Non-profit from 2022 through 2024.

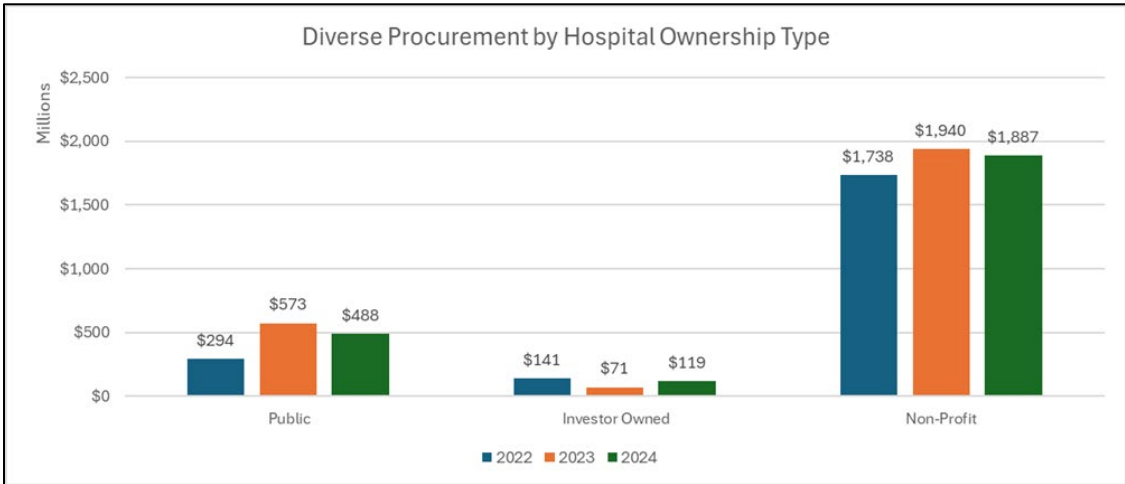
Non-profit hospitals consistently represent the largest amount of diverse spending, remaining close to or above \$1.8 billion annually, with only minor variations in facility counts (ranging from 192 facilities to 197 facilities).

Public hospitals displays the most notable shifts. In 2022, they reported approximately \$293.9 million, however, this amount nearly doubled in 2023 to \$573.1 million despite the number of facilities remaining steady at 55. In 2024, the reported diverse spending decreased to \$487.9 million, but the number of reporting facilities increased to 71.

Investor-owned hospitals show significant year-to-year variability in total diverse spending. In 2022, reported diverse spending totaled \$141.2 million, declined sharply in 2023 to about \$70.7 million, and increased back up in 2024 to about \$119.0 million. Facility counts stayed relatively stable, ranging from 110 to 121.

Non-profit hospitals remain the dominant contributors in total amount of diverse spending, both Public and Investor-owned categories show meaningful shifts over time, suggesting changes in activity levels, reporting, or investment patterns across the three-year span.

- Chart 1. Total Diverse Procurement by Hospital Ownership Type***



- Table 1. Total Diverse Procurement by Hospital Ownership Type***

Year	Public	Investor Owned	Non-Profit
2022	\$ 293,935,751 (55)	\$ 141,249,279 (121)	\$ 1,737,579,971 (197)
2023	\$ 573,101,117 (55)	\$ 70,661,446 (119)	\$ 1,939,770,984 (197)
2024	\$ 487,883,673 (71)	\$ 118,976,756 (110)	\$ 1,887,288,904 (192)

Chart 2 Highlights:

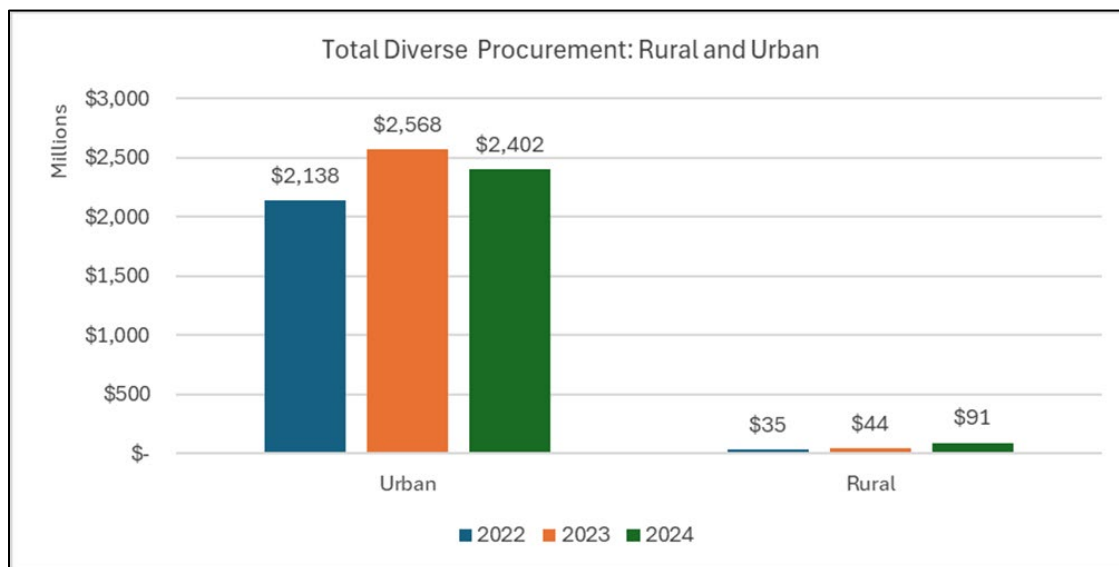
The chart and table illustrate notable differences in total diverse spending and facility counts between Urban and Rural designated hospitals from 2022 through 2024, showing both year-to-year changes and widening gaps in overall scale.

Urban hospitals account for the majority of total amount of diverse spending, consistently reporting over \$2.1 billion each year. Diverse spending increases from \$2.14 billion in 2022 to a peak of \$2.57 billion in 2023, then drops to \$2.40 billion in 2024. The number of Urban designated hospitals remain relatively stable over the period, ranging from 319 to 322.

Rural hospitals report much smaller total diverse spending, but show notable growth over time. Diverse spending increase from \$34.5 million in 2022 to \$44.2 million in 2023, followed by a sharp rise to \$90.7 million in 2024, more than doubling the prior year's total—while the facility count remains stable at 51 and 52. This suggests a substantial rise in total diverse spending across a consistent number of Rural designated hospitals.

Urban designated hospitals continue to drive nearly all of reported total diverse spending dollars statewide, the notable spike in Rural designated hospitals' diverse spending in 2024 suggests a shift during that period.

- **Chart 2. Total Diverse Procurement: Rural vs. Urban****



- **Table 2. Total Diverse Procurement: Rural vs. Urban****

Year	Urban	Rural
2022	\$ 2,138,248,917 (322)	\$ 34,516,084 (51)
2023	\$ 2,568,474,664 (319)	\$ 44,166,606 (52)
2024	\$ 2,401,876,008 (321)	\$ 90,727,478 (51)

Chart 3 Highlights:

The chart and table compare total diverse spending and facility counts across four hospital bed-size categories: ≤100 beds, 101–200 beds, 201–300 beds, and more than 300 beds from 2022 through 2024. The data illustrates both stability and notable shifts across size groups.

Hospitals with more than 300 beds consistently generate the highest total diverse spending, from \$733.5 million in 2022 to over \$1.16 billion in 2023, and increasing again in 2024 to \$1.18 billion. Although the number of facilities in this category remains relatively steady (105–107), these hospitals contributes the largest share of diverse spending each year.

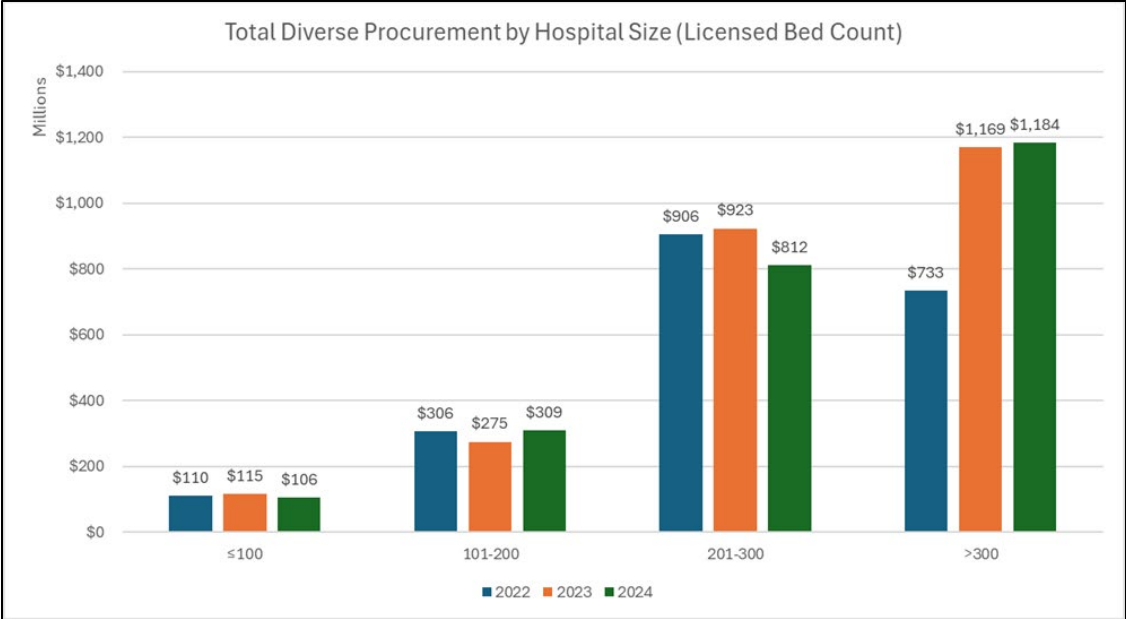
Hospitals in the 201–300 bed range also report substantial total diverse spending, exceeding \$900 million in 2022 and 2023 before declining to about \$812 million in 2024. Facility counts decrease slightly over time, from 66 facilities in 2022 to 61 in 2024.

Hospitals with 101–200 beds show relatively stable trend in both diverse spending and facility counts. Total diverse spending fluctuates moderately from \$274.9 million to \$309.2 million, while hospital counts increase from 111 to 118 over the three-year period.

The ≤100 bed category shows the least variability in facility count, with 84–89 hospitals. Total diverse spending remains consistent between \$105 million and \$115 million.

The data indicates that larger hospitals (particularly those with more than 300 beds) contribute the largest share of total diverse spending, while smaller hospitals maintain relatively stable participation with modest year-to-year shifts.

- *Chart 3. Total Diverse Procurement by Hospital Size (Licensed Bed Count)*



- **Table 3. Total Diverse Procurement by Hospital Size (Licensed Bed Count)**

Year	≤100	101-200	201-300	>300
2022	\$ 110,195,248 (89)	\$ 306,169,182 (111)	\$ 906,115,476 (66)	\$ 733,488,386 (107)
2023	\$ 115,477,884 (84)	\$ 274,862,685 (115)	\$ 923,278,471 (66)	\$ 1,169,436,186 (106)
2024	\$ 105,716,024 (89)	\$ 309,160,101 (118)	\$ 812,153,375 (61)	\$ 1,184,396,114 (105)

**Based on CDPH's License Information*

***Urban and Rural designation based on Medical Service Study Area (MSSA) Designation*

Note: All data are aggregated and reviewed to ensure consistency with reporting and privacy standards.

The full set of Hospital Supplier Diversity Data Products is available on the HCAI website and includes interactive dashboards, historical trend files, downloadable data tables (CSV/Excel) and Pivot Tables, and methodology, assumptions, and data definitions.

- [Supplier Diversity in California Hospital Procurement, 2022 - 2024](#)
- [California Health and Human Services Open Data Portal: Hospital Supplier Diversity Plans](#)
- [HCAI's Hospital Supplier Diversity Commission](#)
- [HCAI's HSD Reporting Program Page](#) (for technical documentation and definitions)

We encourage you to review the updated materials and share feedback as we continue to refine and expand supplier diversity reporting.

If you have any questions or comments, please contact us at supplier.diversity@hcai.ca.gov.