

Agenda Item 6: Targeted Outreach Strategy Development

Presenter and/or Facilitator Information: Lilly Rocha, Member, HONOR LGBT PAC, CEO & Director, Latino Restaurant Association; Jackson Dalton, President, Black Box Safety, Inc.(or designee).

Barriers to Entry in Healthcare Procurement

- Product distribution in California healthcare dominated by prime vendors (e.g. McKesson, Cardinal).
- Diverse Suppliers (SDBs) struggle to get access.
- Healthcare providers struggle to identify qualified diverse suppliers.
- State hospitals and government facilities utilize the SB/DVBE option by getting price quotes from two certified firms .



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Unique Hurdles Faced

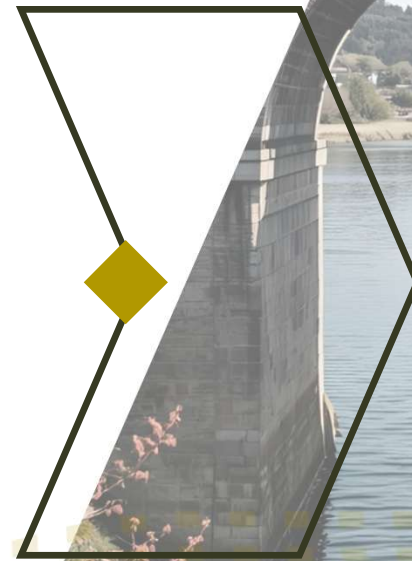
- Difficulty getting a seat at the procurement table.
- Prime vendors have little incentive to partner with disadvantaged businesses.

e.g. McKesson and 3M eliminating small business channel partners in California.



Communication Gaps

- Conversations begin at supplier diversity events.
- Don't necessarily translate into actual procurement decisions.
- Disconnect between supplier diversity teams and procurement decision-makers.
- Result: missed opportunities and wasted time for diverse suppliers.





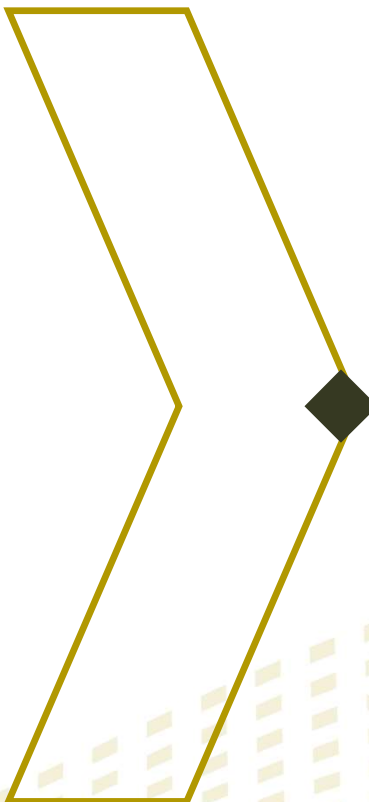
Support Needed

- Meaningful corporate policy change is critical.
- Review procurement scopes and requirements to ensure that they do not unintentionally exclude or disadvantage diverse or veteran-owned suppliers.
- Build structured pathways for inclusion.



Impact of Policy Change

- Healthcare systems stratify and **bolster** supply chains.
- Determine **feasibility and value** of diverse suppliers in procurement.
- Outcome: **resilient and equitable** supply chain.





Thank You



Commission Member Discussion

Public Comment