

Agenda Item IV: Commission Recommendations

Lupe Alonzo Diaz, CEO, Physicians of California, HSDC Chair

Summary of May 1 Commission Discussion

Recommendations to Hospitals

- The need to more clearly discuss “executive leadership”
- Adding a preamble to the report to reiterate the need for Supplier Diversity to be owned by the highest parts of the organization
- Ensuring importance of information flowing to the right people within the hospital
- Understanding levels of accountability within the hospital
- Can hospitals support capacity building for diverse suppliers.
- How can hospitals encourage GPOs, distributors and manufacturers to support supplier diversity goals
- Hospitals should have more easily accessible information on what their procurement needs are








Recommendations to Other Entities in the Procurement Ecosystem

- Consider the role of distributors
- Changing “unique” to “distinct” in Recommendation 26
- Consider whether there is value in tracking the number of diverse vendors a GPO includes.

Support for Diverse Suppliers

- Importance of in- person events where there are actionable opportunities and minimum barriers to entry.
- Public resource to share various events and opportunities for contracting.
- Educational components to supporting understanding the health care supply chain
- Support with negotiations
- Support for B2B collaborations or joint ventures

Recommendations for HCAI Director

	13	HCAI should produce annual regular analyses, as defined by staff, with the data, which should include, but not limited to, analysis statewide, by region, and by hospital type; distribution of spend with diverse businesses; and spending comparisons and benchmarks.
	14	HCAI should publish on its website and distribute via HCAI communication channels, a list of hospitals required to report based on thresholds outlined in the statute for each annual reporting period and are required to submit supplier diversity reports to HCAI.
	15	HCAI should revise reporting regulations to require disaggregated reporting from hospitals, which could include categories of hospital spending, counts of diverse suppliers, supplier demographics by category, and allowing for reporting of intersectional identities for diverse supplier (e.g., suppliers that are both a minority and woman owned).
	16	HCAI should collaborate with other public supplier diversity transparency programs, including California Public Utilities Commission, California Department of Insurance, and California Secretary of State on lessons learned, best practices, challenges/obstacles to advance program goals.
	17	HCAI should ensure that reported data can be differentiated between \$0 spend and data that is not reported.
	18	HCAI should produce a reporting standard and evaluate hospitals with reports that contain all zeros to identify ways to encourage future diverse spend.
	19	HCAI should conduct at least one annual meeting at which hospitals will be invited to present their hospital supplier diversity initiatives. This is known as an “En Banc style” public meeting.

Discussion Questions

1. What is missing?
2. What needs to be adjusted?

Plan for Second HSDC Recommendation Report

