Department of Health Care Access and Information
2020 West El Camino Avenue, Suite 800
Sacramento, CA 95833
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Hospital Supplier Diversity Commission (HSDC)
Draft Meeting Minutes
November 5, 2025

Members Attending: Baljeet Sangha, Chief Executive Officer, Pain and Rehabilitative Consultants Medical Group, HSDC Chair; Chico Manning, System Vice President, Enterprise Supply Chain, PIH Health; Scott Wilkerson, Chief Procurement Officer, Office of the President, University of California (UC) Health; Cameron M. Stewart, Co-Founder, Alcam Medical; Erika Williams, Founder & CEO, Elevate Lyfe; Theresa A. Martinez, CEO & President, Community Connections, LLC; Jackson Dalton, President, Black Box Safety, Inc.; Lilly Rocha, Member, HONOR LGBT PAC, CEO & Executive Director, Latino Restaurant Association; Cecil Plummer, Principal, Cecil Plummer Consulting; Tara Lynn Gray, representative expert in the field of supplier diversity.

Members Not Attending: Tracy Stanhoff, President & Creative Director, AD PRO, President, American Indian Chamber of Commerce of CA.

Presenters: Elizabeth Landsberg, Director, Department of Health Care Access and Information (HCAI); Michael Valle, Deputy Director, HCAI; Elia Gallardo, JD, Chief Equity Officer, HCAI; Denard Uy, Utilization and Disclosures Reporting Section Manager, HCAI; Matthew Ortiz, Staff Services Manager III, HCAI; Morgan Clair, Staff Services Manager II; Baljeet Sangha, Pain and Rehabilitative Consultants Medical Group, HSDC Chair.

Public Attendance: 38

Agenda Item # 1: Welcome and Meeting Minutes

Baljeet Sangha, HSDC Chair, welcomed commission members and members of the public to the HSDC meeting. He reviewed the meeting ground rules and the meeting agenda, acknowledged the Bagley-Keene Open Meeting Act requirements, and led a vote to approve the meeting minutes from August 6, 2025.

August 6, 2025, Meeting Minutes:

Motion made by: Commissioner Theresa Martinez
Motion seconded by: Commissioner Scott Wilkerson

The vote passed with eight Ayes, zero Nays, and one Abstention.

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No commission discussion.

No public comment.

Agenda Item # 2: Oath of Office

Elizabeth Landsberg, Director, HCAI, conducted an oath of office for Erika Williams, who will be serving as a representative of a women business enterprise. Erika Williams introduced herself as President and CEO of Elevate Life, highlighting her experience in supplier development training for small businesses, and her passion for supporting small business growth in California's healthcare sector.

No commission discussion.

No public comment.

Agenda Item # 3: Department Updates

Elizabeth Landsberg, Director, HCAI, provided department-wide updates, including updates on recent legislative actions and new requirements for data exchange, fair billing, and prescription drug affordability, as well as the launch of the rural health transformation program and insulin affordability initiatives.

Questions/Comments from the Commission:

Commission members applauded HCAI for prioritizing affordable insulin and encouraged HCAI to investigate the developing nanotechnology for insulin that can be taken orally.

No public comment.

Agenda Item # 4 Deputy Director Updates

Michael Valle, Deputy Director, HCAI, welcomed Erika Williams to the Commission. He talked about 2024 reporting program data, first year submission plan reports, and the HSDC Bylaws to be introduced at this meeting.

Questions/Comments from the Commission:

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Commission members emphasized the exciting opportunities for discussion following the Hospital Supplier Diversity (HSD) Reporting Program Update presentation later during this meeting.

No public comment.

Agenda Item # 5 Hospital Supplier Diversity (HSD) Reporting Program Update

Denard Uy presented the 2024 HSD Reporting Program data, including procurement spending trends from 2022 to 2024, Assembly Bill (AB) 1392 data, and challenges in data accuracy and comparability.

HCAI explained the number of reports received. HCAI reviewed all submissions for completeness, accuracy, and outliers, and followed up with hospitals as needed to clarify responses or confirm significant year-over-year changes.

The presentation highlighted HCAI's statutory authority to collect and publicly post supplier diversity information. Standardized reporting regulations, implemented beginning with the 2022 report year, continue to allow for improved comparability across hospitals. HCAI also outlined the public data products developed from the reports, including a reporting webpage, downloadable datasets, pivot tables, and an interactive visualization tool, with the 2024 data scheduled to be released following the meeting.

Hospitals also reported for the first time new narrative requirements under AB 1392, including short- and long-term supplier diversity goals, engagement with diverse suppliers, processes to resolve participation barriers, descriptions of procurement practices, and implementation of Commission recommendations. Overall response rates to these new questions were positive, with many hospitals reporting established or developing goals, outreach and engagement strategies, and efforts to address barriers.

Trend analysis identified both increases and decreases across diverse business categories, with some notable shifts attributed to reporting consolidation, corrections of prior misreporting, verification challenges related to California-based vendor requirements, overall reductions in procurement activity, and the absence of one system-level report in the current year.

HCAI concluded by noting that supplier diversity reporting is a transparency-focused program intended to advance supplier diversity through public disclosure. AB 1392 also authorizes HCAI to provide technical assistance and engagement support to hospitals and suppliers, and staff indicated that development of this program is underway and may be brought back to the Commission for future discussion.

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Questions/Comments from the Commission:

Commission members discussed year-over-year data variability in HSD reporting, focusing on the impact of a large health system that did not submit a 2024 report after submitting in prior years. Members noted that excluding this outlier could yield a more accurate comparison and trend analysis. HCAI staff explained that the missing report accounted for a significant portion of the reported decrease in total and diverse spend, largely due to the system's inability to confirm whether vendors met California-based requirements, particularly for tier-two spending. While voluntary reporting and data limitations were acknowledged, members emphasized the importance of contextualizing these anomalies for public understanding and future analysis.

Commission members expressed appreciation for the increased availability and transparency of data, while also noting that greater access highlights data inconsistencies and prompts requests for deeper analysis. Several members advocated for disaggregating data by hospital characteristics, such as for-profit versus nonprofit status, academic medical centers (AMC's), geography, bed size, and ownership type, to better understand patterns and tailor support. Members also raised the possibility of normalizing spend data (e.g., per bed) to improve comparability across systems experiencing growth, consolidation, or inflation-related cost increases.

The discussion highlighted challenges related to defining reporting baselines, including the California-based requirement for diverse spend, the potential impact of diverse businesses relocating out of state, and whether observed declines reflect reporting issues rather than true reductions in engagement. Members also questioned how "in development" responses, particularly for policy statements and short-term goals, should be interpreted, noting that many hospitals appear to be actively working toward compliance and that future year-over-year tracking could reveal meaningful progress or stagnation. HCAI clarified that data collection is governed by the statutory requirements, and that any deviations or new reporting categories would necessitate formal rulemaking or legislative amendments.

Several members suggested clearer, more consistent definitions within the reporting framework, particularly regarding total procurement spend and whether pharmaceuticals are included, as differing interpretations could significantly affect reported outcomes. Suggestions included developing clearer FAQs or exploring a unified data model to ensure apples-to-apples comparisons while avoiding overly complex reporting requirements. Other Commission members cautioned against expanding data collection too broadly without careful consideration of scope and impact. HCAI staff clarified that HCAI can only take actions that are consistent with the statutory requirements of AB

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1392, and many of the Commission's suggestions would require further legal analysis and changes to the current regulations.

Commission members also explored opportunities to supplement state-collected data with insights from external certification or supplier diversity data providers, recognizing potential limitations but noting that such perspectives could add context on supplier types, service categories, and economic impact. Commission members discussed the potential value of understanding spend by service sector (e.g., goods versus professional services) to better assess local economic and workforce impacts, while acknowledging that statutory changes may be required to collect such information.

Commission members commended HCAI staff for proactive report review and follow-up with hospitals to confirm significant changes and prevent errors. HCAI staff clarified that while there is no formal threshold triggering outreach, staff apply professional judgment to identify anomalies and ensure data accuracy, with internal notes retained for continuity across reporting years. The commission emphasized the balance between refining data analysis, targeting limited resources effectively, and maintaining momentum toward meaningful supplier diversity outcomes.

Public Comment:

A member of the public asked for clarification on how the 2024 individual hospital reporting results – specifically the "yes," "no," and "in development" categories – were derived, and whether those determinations were taken directly from submitted annual hospital reports or calculated through another method. HCAI staff explained that the information was sourced from the submitted reports and reviewed by staff, noting that responses are narrative rather than simple yes-or-no selections. Staff described that determinations were made through review and professional judgment to assess whether responses reflected affirmative compliance, an indication of development, or a clear absence of the required elements, including instances where information was missing or marked as not applicable.

Agenda Item # 6: Targeted Outreach Strategy Development

Commissioners Jackson Dalton and Lilly Rocha led a discussion on operational challenges and best practices for connecting with disabled veteran business enterprises (DVBE) and LGBTQ businesses, sharing personal experiences, barriers to entry, and recommendations for improving supplier access and readiness.

Commissioner Dalton described challenges faced by DVBEs, including the dominance of prime vendors, difficulty accessing procurement opportunities, and the need for more

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inclusive contract structures. He highlighted successful models inclusion of veteran resellers and the importance of state-level goals for DVBEs.

Commissioner Rocha proposed a Supplier Navigator program to guide LGBTQ suppliers through procurement processes, reduce barriers, and launch pilot mentorship cohorts. She emphasized the need for clear pathways, readiness programs, and storytelling to highlight supplier success.

Questions/Comments from the Commission:

Commissioners recommended focusing on access, opportunity, and equity, developing key performance indicators to track supplier pool expansion, and considering pilot programs in specific service categories to incrementally build trust and readiness among diverse suppliers. Commissioners advised that mitigating risk be included as a form of outreach.

Public Comment:

Public commenters discussed the importance of transparency, relationship-building, and the need for hospitals to partner with advocacy organizations and chambers of commerce to identify and support qualified diverse suppliers. Suggestions included measuring supplier pool growth, incentivizing Tier 1 providers to engage Tier 2 suppliers, and leveraging external capacity-building resources.

Agenda Item # 7: Federal Landscape Briefing

Elia Gallardo, Chief Equity Officer, HCAI, provided an overview of recent federal executive orders related to supplier diversity and outlined plans for future meetings to analyze the potential impact on hospital procurement practices.

Questions/Comments from the Commission:

Commission members inquired about how the targeted outreach will affect diverse community groups to which HCAI noted that if businesses engage in comprehensive outreach, then targeted outreach is generally permitted under California law. Commission members inquired about the expected impacts from the Governor's Executive Order 1622, and HCAI responded by noting that further research is needed before a response can be made.

No public comment.

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Agenda Item # 8 HSDC Bylaws Review

Morgan Clair, Staff Services Manager II, and Matt Ortiz, Staff Services Manager III, presented the proposed Commission Bylaws and operational procedures, detailing member responsibilities, term lengths, and meeting protocols, followed by discussion and unanimous approval by the Commissioners after addressing questions about vacancies and representation.

Questions/Comments from the Commission:

Commissioners discussed including a requirement in the Bylaws to fill vacant seats under a timeline, with staff recommending against imposing strict time limits for filling vacancies and agreeing to improve transparency about recruitment efforts.

No public comment.

Motion made by: Commissioner Tara Lynn Gray
Motion seconded by: Commissioner Theresa Martinez

Following Commission discussion and public comment, the vote passed to approve the document with nine Ayes, zero Nays, and zero Abstentions.

Agenda Item # 9 Next Meeting Topics

Baljeet Sangha reviewed the running list of future meeting topics, including ongoing tracker updates, external event participation, supplier diversity clearinghouse, vendor presentations, and strategies to address both supply and demand sides of hospital procurement.

Questions/Comments from the Commission:

Commissioners proposed additional vendor stories and urgent focus on small business opportunities. Several commission members emphasized the need to address the demand side of procurement, proposing analysis and thought leadership on how hospitals can integrate inclusive practices into everyday business processes.

No public comment.

Agenda Item # 10 Public Comment

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No public comment.

Agenda Item # 11 Adjournment

The meeting was adjourned at 1:27 p.m.