



# Healthcare Supply Chain Equity

Prepared for HCAI HSDC Commission Meeting

Shaleta Dunn, VP, Supplier Diversity and Social Investment Impact  
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**vizient.**<sup>®</sup>

Our mission

We strengthen members' delivery of high-value care by aligning cost, quality and market performance.



# Connecting the nation's top providers

We serve more than half of the health care organizations in the United States

Scalable solutions for:

- large, integrated delivery networks
- academic medical centers
- community hospitals
- pediatric facilities
- non-acute care providers

18 of the Top 20

*U.S. News & World Report* best hospitals rely on Vizient capabilities in supply chain, pharmacy, operations and quality, and strategic growth to drive success.

98%

Academic medical centers in the U.S.

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>60%

Acute care hospitals in the U.S.

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>20%

Ambulatory market in the U.S.

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# Vizient's approach to supporting providers inclusive procurement practices and goals

# How we positively impact communities

## Member priorities

- Increase Tier I and Tier II spend with diverse suppliers
- Develop and implement healthcare supplier diversity best practices
- Economic impact as a result of contracting with local, diverse suppliers



## Supplier diversity mission

Support providers inclusion and utilization of diverse suppliers, resulting in economic development and healthier populations in all communities



**Our mission**  
To strengthen members' delivery of high-value care by aligning cost, quality and market performance

# Stakeholders

## Supporting Healthier Populations & Economic Empowerment



### Providers

Support members in achieving their Supplier Diversity goals through education, connection, consulting, and data



### Diverse Suppliers

Remove barriers to contracting with Vizient, provide capacity building, and champion growing spend



### Advocacy & Certification Orgs

National and regional memberships; partner to engage, grow, & contract with diverse suppliers



### Non-Diverse Suppliers

Track & monitor Tier II spend reporting; support supplier diversity programs; facilitate engagement of diverse suppliers



### Vizient

Guide and support enterprise to engage, contract, and develop diverse supplier contracting opportunities

# Program Overview

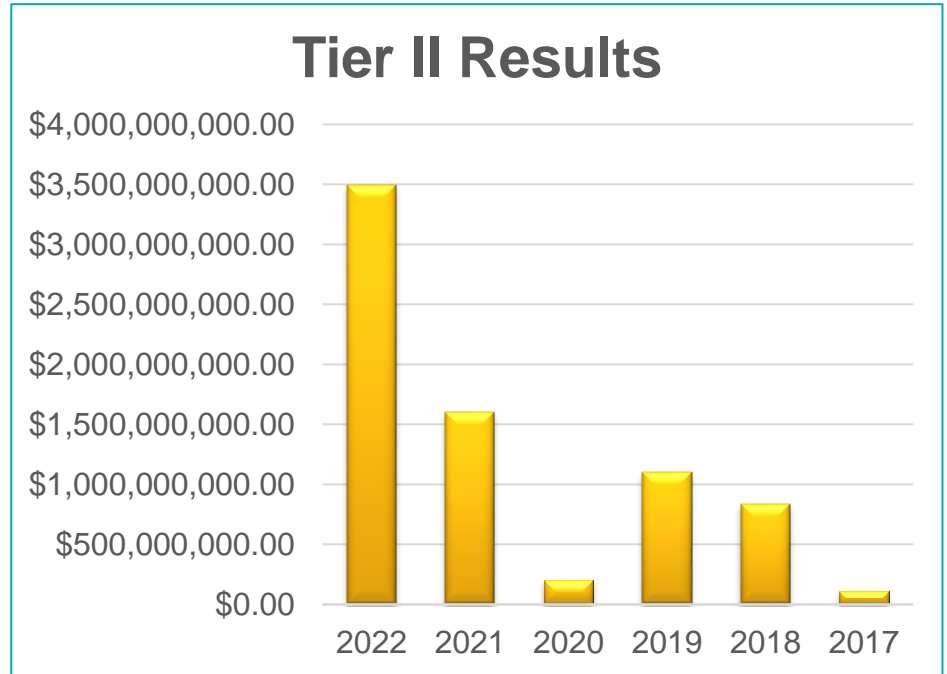


# Increasing Diversity & Transparency

## Mandatory Tier II Reporting

In August 2018, Vizient was the first Group Purchasing Organization (GPO) to **contractually require** all Tier I suppliers to report their **Tier II spend** with diverse suppliers, contractors and subcontractors quarterly.

This supports our providers to find suppliers that **meet their quality, cost and diversity criteria** — and to make more informed decisions based on the **net impact** of their sourcing decisions across these two layers of the supply chain.





# Growth & Development

Preparing and supporting providers, Prime suppliers, and diverse suppliers to deliver value in the healthcare industry through:

- Identifying and disseminating **best practices**
- **Mentor/protégé programs** in collaboration with providers, large suppliers and in Tier II initiatives
- Offering **educational tools**, guidance and support
- Input from **Supplier Diversity Advisory Council** (member focused)
- **Engagement** and **visibility** of diverse suppliers with provider supply chain decision makers



# Capacity Building

## Inner City Capital Connections (ICCC)

- Vizient is partnered with ICCC to **provide learning and potential access to capital** for diverse suppliers in 14 markets nationwide.
- Created to ensure **inner city businesses** achieve success, thrive and support their local economies. The ICCC model is based on **4 C's** – Capital, Connections, Capacity-Building, and Coaching.
- Through Vizient's partnership with ICCC, members have an opportunity to participate which helps with the **growth and development** of their business.



<https://reports.icic.org/impact-report-2022/>

# Community Contracting Program

## Investing in local markets and communities

Community Contracting Program facilitates **reinvesting** in the local economy using the power of purchasing within healthcare systems by **directing spend** to local, diverse suppliers who in turn hire from the community providing livable wages, insurance, and career paths. By **engaging all hospitals** in a region as well as large suppliers, who through Community Contracting Program contracts with local, diverse suppliers, creates a socially and economically **sustainable ecosystem** resulting in **healthier populations**.



# Stories of Impact

## Ethnic Care & Skin Care

Last year to help hospitals better welcome and care for **diverse patient populations**, Vizient launched a new **Ethnic Hair and Skin Care category** enabling members to select products designed for African American, Hispanic-American, Asian, and Native American patients.

When it came to contracting, we **engaged certified diverse suppliers** to manufacture and distribute this new line.

As a result, a **diverse supplier in California**, manufacturing ethnic skin and hair care products now has an opportunity to expand its business into the healthcare space.



# Stories of Impact

## Office Supplies

In 2019 Vizient's Supplier Diversity team collaborated with Purchase Services with a focus on **increasing supplier diversity opportunities and spend** within the Vizient services space.

When it came to contracting, we leveraged Vizient's GPO agreement with **a certified minority-owned supplier**.

As a result, through execution of the agreement and were able to **reduce costs up to 15%** on average. The diverse supplier was recognized as Supplier of the Year by Vizient and as then recognized as a high-performing business they were **named National Supplier of the Year** by a national diversity organization.



# Let's work together

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# vizient<sup>®</sup>

[SupplierDiversity@vizientinc.com](mailto:SupplierDiversity@vizientinc.com)

[CommunityContracting@vizientinc.com](mailto:CommunityContracting@vizientinc.com)

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