Department of Health Care Access and Information
2020 West El Camino Avenue, Suite 800
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Hospital Supplier Diversity Commission (HSDC)
Draft Meeting Minutes
May 14, 2025

Members Attending: Baljeet Sangha, Pain and Rehabilitative Consultants Medical Group; Chico Manning, PIH Health; Scott Wilkerson, Chief Procurement Officer, Office of the President, University of California Health; Theresa A. Martinez, Community Connections, LLC; Tara Lynn Gray, California Office of the Small Business Advocate; Cecil Plummer, fastr.ai; Lilly Rocha, Latino Restaurant Association; Tracy Stanhoff, AD PRO, American Indian Chamber of Commerce of California

Presenters: Elizabeth Landsberg, Director, Department of Health Care Access and Information (HCAI); Tara Zimonjic, Chief Planning Officer, HCAI; Alma Lopez, Manager, Hospital Disclosures and Compliance Unit, HCAI; Baljeet Sangha, Pain and Rehabilitative Consultants Medical Group; Donna Ruff, President, Western Regional Minority Development Council (WRMSDC); Marquita Thomas, Founding President and CEO, California Rainbow Chamber; Dr. Pamela Williamson, President/CEO, Women's Business Enterprise Council-West (WBENC); Rebecca Aguilera-Gardiner, CEO, Veterans in Business Network (VIBN)

Public Attendance: 53

Agenda Item # 1: Welcome and Meeting Minutes

Baljeet Sangha, Commission Chair, welcomed commission members and members of the public to the HSDC meeting. He reviewed the meeting ground rules and agenda, acknowledged the Bagley Keene Open Meeting Act, and led a vote to approve the meeting minutes from November 6, 2024. He acknowledged that Ruksana Azhu Valappil resigned from the HSDC.

November 6, 2024, Meeting Minutes:

Motion made by: Commissioner Chico Manning
Motion seconded by: Commissioner Theresa Martinez
The vote passed with seven Ayes, zero Nays, and zero Abstentions. Scott Wilkerson was not apart of this vote, as he had not taken his oath of office yet.

No commission discussion.

No public comment.

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Agenda Item # 2: Oath of Office

Director Elizabeth Landsberg, HCAI, acknowledged that HCAI will be seeking representatives for the Group Purchasing Organizations (GPOs) and the Women Business Enterprise vacancies. Director Landsberg noted that Baljeet Sangha has transitioned to serving as the Chairperson of HSDC. She administered an oath to Scott Wilkerson, who will serve as a representative of the hospital industry.

No commission discussion.

No public comment.

Agenda Item # 3: Department Updates

Department updates highlighted HCAI's work on the Office of Health Care Affordability, Distressed Hospital Loan Program, Hospital Equity Measures Reporting Program, Healthcare Payments Data Program, and Behavioral Health Connect workforce initiative. The May Revise also proposes new requirements for pharmacy benefit managers to increase transparency and reduce drug costs.

Amid budget constraints and federal uncertainty, HCAI reaffirmed its unwavering commitment to advancing equity. The department will continue to monitor federal activities while advancing its mission.
No commission discussion.

Questions/Comments from the Public:

A public comment was made thanking the Director for affirming the HCAI and HSDC mission to stay on course with support from diverse suppliers.

Agenda Item # 4 Hospital Supplier Diversity (HSD) Reporting Program Update

Alma Lopez, Manager, HCAI, provided an update on HSD plan reporting. New regulations, effective January 1, 2024, reflect updates mandated by Assembly Bill 1392 and apply to the 2024 reporting period, with plans due by July 1. Hospitals may request a 30-day extension via the Hospital Disclosures and Compliance (HDC) system. Key changes include shifting from retrospective reports to forward looking plans, reworded questions, and the addition of new questions related to procurement goals, outreach efforts, and how hospitals implement HSDC recommendations.

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Alma emphasized the importance of ensuring that user accounts in the HDC system are up to date, particularly for those responsible for submitting plans. She reviewed available resources, including a comprehensive reporting manual, a new QuickStart Guide series, Excel upload templates, and FAQs. Alma also highlighted updated data tools, such as enhanced visualization dashboards that now allow multiyear filtering (2021–2023) and a pivot table to view supplier diversity spend trends from 2021 to 2023. All resources and data files are available on the HCAI website and open data portal. She encouraged hospitals to contact HCAI for support and noted a recent video walkthrough of the reporting process created in collaboration with the California Hospital Association (CHA).

Questions/Comments from the Commission:

Members underscored that diversity and inclusion efforts are essential for effective communication, outreach, and advocacy, and are imperative for advancing California's diverse communities, the state, and the U.S.

Members questioned how to discern true zero-spend reports from those that are blank. HCAI noted that zero (0) signifies zero spend, whereas a blank space means no data was reported.

Questions/Comments from the Public:

Public commenters noted that defining the impact of best practices is a good way for organizations to provide evidence necessary to support their respective leadership and these programs and efforts. A public comment was also made, emphasizing how sharing stories can be powerful and drive supplier diversity efforts forward. Public commenters noted that diversity is the spark for innovation and stressed the importance of collaboration across California's various supplier diversity efforts.

Agenda Item # 5 HSD Reporting Program Visualization Page Presentation

Alma Lopez, Manager, HCAI, presented a new visualization tool that was developed as part of an ongoing effort to create data products, increase value, and enhance the transparency and usefulness of information. The hospital's diverse procurement interactive series is offered solely for informational reasons and contains data reported on individual hospital supplier diversity plans. The visualization page provides data users with an accessible and interactive view of the hospital procurement data for the previous three reporting periods. The data is displayed using charts and graphs that may be filtered by hospital name, hospital type, geography, and whether the hospital requires businesses to be certified.

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Questions/Comments from the Commission:

Commission members engaged in a robust discussion on interpreting and contextualizing recent data on supplier diversity. A member sought clarification on a reported 25% increase in diverse spend between 2021 and 2023, compared to a marginal 0.1% increase in the overall procurement ratio. Staff clarified that increases in total procurement can obscure proportional gains in diverse spend, and reporting limitations may affect data accuracy. Members emphasized the importance of clearly communicating the meaning behind these figures, noting that hospitals may not have previously identified certain vendors as diverse, which could have affected past reporting.

Discussions also highlighted the growing familiarity of hospitals with reporting requirements, including categorizing vendors and understanding new questions that arise. Several members expressed interest in improving data transparency, including better defining "unknown minority" categories, aligning race and ethnicity data with national standards, and distinguishing between organic procurement growth and price driven increases. Suggestions included capturing additional metrics, such as the number of contracts awarded and supplier participation. Another comment suggested categorizing procurement types (e.g., construction, supplies, services) to provide more actionable insights. Members also discussed the importance of using data visualization to tell an accurate and accessible story without requiring hospitals to perform complex calculations. HCAI staff reiterated statutory and regulatory limitations on what data can be required but welcomed feedback for future considerations. A member highlighted the perception challenges hospitals may face when engaging with HCAI, noting the need to differentiate the commission's supportive role from other regulatory functions.

Questions/Comments from the Public:

Public comment reinforced the desire to capture the community level impact of procurement spend, such as job creation and workforce development. Another comment suggested categorizing procurement types (e.g., construction, supplies, services) to provide more actionable insights.

Agenda Item # 6: Vote on Draft Voluntary Guidelines

Tara Zimonjic, Chief Planning Officer, HCAI, outlined the structure of the voluntary guidelines under review, emphasizing that many of the organizational strategies and practices had been modified since the last discussion in November. She highlighted key updates, including the addition of references to existing supplier diversity policy models,

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benchmarking resources aligned with national standards, and more explicit guidance on procurement categorization. She noted the removal of one guideline. She also introduced new elements focused on data infrastructure for improved demographic tracking, as well as the inclusion of third party participation, such as GPOs and hospital associations.

She emphasized the guidelines as voluntary and adaptable, encouraging feedback to refine their applicability and effectiveness.

Questions/Comments from the Commission:

During the discussion, members explored how existing governing bodies within hospitals could strategically support the supplier diversity roadmap. One member emphasized that governing bodies have authority granted through bylaws and policies and stressed the importance of clarifying how supplier diversity fits within these existing structures rather than creating new governance layers. Another member agreed, noting that since governing bodies already appoint leadership, the focus should be on aligning supplier diversity efforts with the current governance framework. Members emphasized the importance of leaders overseeing diverse spend programs having apparent authority, adequate resources, and the ability to identify and address obstacles. Some members expressed concern that language suggesting governing boards are accountable to implement these guidelines might imply a mandatory requirement rather than voluntary aspirations. HCAI clarified that because these guidelines are voluntary, hospitals retain discretion to adopt or modify them based on their governance structures, making the current language appropriate.

The conversation then shifted to metrics and data collection, where members discussed a new guideline encouraging hospitals to enhance data infrastructure and analytics to capture more granular demographic information about suppliers, explicitly addressing the issue of “unknown minority” classifications. The guideline references nationally recognized standards for collecting and reporting race and ethnicity data to enhance the quality of reporting and support informed supplier diversity decisions. Members suggested minor wording changes to improve clarity.

Next, members addressed third party involvement in supplier diversity efforts and raised concerns about language that focused narrowly on GPOs. Members noted that not all GPOs actively promote diverse supplier participation, and that other entities, such as hospital associations, also play a significant role. The consensus was to broaden the language to include a broader range of third parties, such as hospital associations, to ensure inclusiveness and relevance without being overly specific. Members emphasized the importance of clarity to maintain the guideline’s intent while allowing flexibility.

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In the outreach and communications section, members discussed emphasizing prompt payments as a fair financial term to strengthen relationships with diverse suppliers. The HSDC considered whether to use “prompt payments” or “accelerated payment cycles,” with some preferring the latter to reflect intent to pay faster than standard terms without imposing rigid expectations that could pressure suppliers. Members agreed that the language should encourage hospitals to consider financial terms supporting diverse suppliers’ cash flow needs while balancing practical realities.

Members voted to table the issue and revisit it at the August meeting.

Questions/Comments from the Public:

One commenter urged the commission to revisit voluntary guideline #8, noting its lack of clarity, potentially causing confusion. Another public commenter highlighted hospitals challenges with guideline #8, citing proprietary medical products and AB 1392’s requirements. They asked whether the voluntary guidelines should be viewed as a supplement or an amplification of AB 1392, to which HCAI clarified that these voluntary guidelines are part of implementing that bill.

A member of the public also recommended that the commission consider the Global Diversity, Equity, and Inclusion Benchmarks (GDEIB), a comprehensive benchmark developed by 112 experts, as a helpful guidance resource.

A public member inquired about the Healthcare Anchor Network's (HAN) consideration of the guidebook. HCAI confirmed that there has been collaboration with HAN on these efforts.

Agenda Item # 7 Certification Presentation

Dr. Pamela Williamson President/CEO, Women’s Business Enterprise Council-West (WBENC), presented on certification background and noted that one of the most significant barriers to diverse procurement opportunities is the closed nature of many RFP processes, which she stated rely heavily on personal networks that tend to be homogeneous, often comprising of Caucasian individuals. She stated this dynamic makes it difficult for minorities, women, and LGBTQ businesses to compete effectively, as bonding and familiarity within those networks heavily influence decision making. She noted that certification serves as a critical tool for corporations to verify the actual ownership and control of businesses, preventing situations where companies claim minority or women owned status without meeting the relevant criteria. Dr. Williamson also highlighted that some businesses avoid certification because it does not align with

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their strategic goals or because the process requires assembling complex legal documents and a time investment.

Donna Ruff, President, Western Regional Minority Development Council (WRMSDC), added that many misconceptions exist about small, diverse businesses, such as doubts about their ability to scale or move quickly. However, these smaller companies tend to be more agile and innovative but face persistent barriers that corporations could help alleviate, for example, by reducing unnecessarily high bonding requirements or covering certification costs. She also pointed out that some larger minority owned businesses shy away from certification due to concerns about the invasiveness of providing financial information. In comparison, smaller companies often find certification costs prohibitive. She emphasized the importance of corporate support in offsetting those costs and encouraged firms to take advantage of such programs.

Marquita Thomas, Founding President and CEO, California Rainbow Chamber, shared that some businesses stop certification efforts because the process can be awkward or frustrating, particularly for LGBTQ applicants who must provide proof of status and are uncertain about whether supplier diversity initiatives are still active due to a lack of public commitments from government agencies. The lack of public commitment from government agencies has caused confusion and stalled progress among suppliers.

Rebecca Aguilera-Gardiner, CEO, Veterans in Business Network (VIBN), spoke specifically about veteran owned businesses, explaining that while veteran certification is free in California, obtaining it requires navigating the Veterans Affairs (VA) rating system, which many veterans avoid. She also noted the relatively low number of veterans who have received certification despite the large veteran business community and emphasized that certification alone is not enough; veterans must still compete aggressively to win contracts.

Donna Ruff noted that some companies do not pursue or complete certification, and larger minority owned companies often avoid certification because of concerns about sharing financial details. At the same time, smaller businesses cite cost and paperwork as barriers. Dr. Pamela Williamson reiterated that some companies do not fit certification into their strategic plans and that many lack the necessary documentation, which creates further challenges. Dr. Pamela Williamson emphasized that certification enables corporations to mitigate supply chain risks by verifying ownership and control.

Throughout the discussion, the panelists underscored that certification is not only about access but also a valuable audit tool for businesses to confirm their ownership structures. Donna Ruff and Marquita Thomas emphasized the importance of greater

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transparency and public commitment to supplier diversity efforts in rebuilding trust and encouraging more businesses to pursue certification.

Questions/Comments from the Commission:

A member noted that while some hospital systems strictly require certification from a recognized agency, others take a more flexible approach, accepting self-attestation or informal documentation as evidence. This raised questions about how organizations should shape their policies and whether they should adhere to a strict certification model or adopt a more inclusive process. Another member expanded on this by asking why some companies choose not to get certified and how large that group might be. The presenters noted that some businesses initiate the process but often stop due to challenges, which are not always related to cost. These observations led to a broader inquiry about how to support businesses through the certification process better, identify barriers, and ensure the process is accessible to those who are eligible.

No public comment.

Agenda Item # 8 Vacant Commission Positions

This agenda item was cancelled due to time constraints.

Agenda Item # 9 Next Meeting Topics

A member requested the opportunity to align voluntary guidelines with the roadmap since both are still in progress and could be more effective if approached together in future agendas. Another member sought clarification on continuing the conversation, which HCAI confirmed and encouraged through agenda representation. Members were invited to submit questions to staff for future meetings. HCAI expressed appreciation for the commissioners' engagement throughout the meeting.

One member highlighted the value of including diverse vendor success stories in upcoming sessions, emphasizing the power of storytelling to connect and inspire, and offered nominations to broaden representation.

Further comments reiterated the importance of maintaining a running list of previously proposed topics and initiatives.

The chair shared suggestions for future agenda considerations, including exploring meaningful metrics to track progress, the potential establishment of an ombudsperson or support role to guide organizations through complex processes, and ways to formally

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recognize entities that consistently engage with the Commission's efforts to reinforce positive outcomes. Additionally, there was a suggestion for identifying ways to support the ambulatory arms of hospital systems, which may offer more accessible entry points for diverse suppliers due to different regulatory environments. Finally, the chair noted recent outreach efforts with external groups, such as the California Hispanic Chamber of Commerce, as examples of expanding visibility and called for exploring similar opportunities to further the Commission's impact.

No public comment.

Agenda Item # 10 Public Comment

No public comment.

Agenda Item # 11 Adjournment

The meeting was adjourned at 1:43 p.m.