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Hospital Supplier Diversity Commission

November 16, 2021
DRAFT MEETING MINUTES

Members Attending: Lupe Alonzo-Diaz, Physicians for a Healthy California; Jennie E. Kim, Providence St. Joseph's; Baljeet Sangha, San Francisco Health Network, San Francisco Department of Public Health; Cameron M. Stewart, Alcam Medical; Tracy Stanhoff, AD PRO, American Indian Chamber of Commerce of CA; Ruksana Azhu Valappil, NEEV, Inc.; Jackson Dalton, Black Box Safety, Inc.; Cecil Plummer, Western Regional Minority Supplier Development Council; Tara Lynn Gray, CA Office of Small Business Advocate (CalOSBA); Theresa A. Martinez, Community Connections, LLC

Members not in attendance: Lilly Rocha, Latino Restaurant Association

Presenters: Elizabeth Landsberg, HCAI Director; Michael Valle, HCAI Chief Information Officer & Deputy Director; Sharon Takhar, Hospital Disclosures Unit Manager, HCAI; Denard Uy, Utilization and Disclosures Reporting Section Manager, HCAI; Ty Christensen, Health Program Audit Section Manager, HCAI; Michael Herrera, Supplier Diversity Manager, Cedars-Sinai; Tommy Smith, Economic Impact Manager, Kaiser Permanente

Public Attendance: 21

Agenda Item # 1 Welcome and Meeting Minutes

Commission Chair, Lupe Alonzo-Diaz, welcomed commission members and members of the public. She reviewed the meeting ground rules, agenda, and June 23, 2022 meeting minutes. She also led a vote by the commission to approve the meeting minutes.

Motion was made by Commissioner Jackson Dalton.

Motion was seconded by Commissioner Ruksana Azhu Valappil.

The meeting minutes were approved with no edits. There were no comments from commission members or members of the public.

Agenda Item # 2 Department Update

Elizabeth Landsberg, HCAI Director, provided an overview of recent updates relating to the Department including the transition of the department's name from Office of Statewide Health Planning and Development (OSHPD) the Department of Health Care Access and Information (HCAI) as well as the department's expansion of workforce development programs including program goals, the integration of the State Office of Rural Health, and the Child and Youth Behavioral Health Initiative.

Michael Valle, Chief Information Officer and Deputy Director, provided an overview of the Information Services Division's role in data and analytics, excitement for the supplier diversity data analysis, and anticipated presentations for the day. He also provided an update on the follow-up item regarding the collection of contact information of hospital buyers and noted that it was posted on the HCAI website per the Commission's request.

Questions/Comment from the Commission:

No questions or comments.

There was no public comment.

Agenda Item # 3 HSD Reporting Program Update

Ty Christensen, Health Program Audit Section Manager, introduced HCAI's new management team for the Hospital Supplier Diversity (HSD) Reporting Program including Denard Uy, Utilization and Disclosures Reporting Section Manager, and Sharon Takhar, Hospital Disclosures Unit Manager. Sharon provided an update on the reporting program's implementation process including regulations and development of the online reporting system. She also provided a high-level data analysis of a representative sample of 120 first-year hospital supplier diversity reports.

Highlights of the first-year data analysis:

- 120 hospitals randomly selected for individual data analysis.
 - Approximately 90% of hospitals included a supplier diversity statement and outreach and communications statement.
 - Approximately 56% of hospitals require diverse suppliers to be certified.
 - Approximately 87% of hospitals provided a contact for diverse suppliers to reach out to within their organization. Contacts included: Hospital contact names and emails, Group Purchasing Organization's (GPO), or a hospital's supplier diversity website.
- 17 hospitals included in hospital system data analysis.
 - Approximately 59% of hospital systems require diverse suppliers to be certified.

Questions/Comments from the Commission:

Commission members made comments noting that data patterns, data trends, and aggregated data for both Small Business Enterprise (SBE) and minority type spend of

all submitted reports would be beneficial in future data analyses. Commission members also asked questions regarding certification, the definition of an individual report versus a system report, and the total amount of hospitals expected to report.

Public comment: The public provided comment on the submitted hospital supplier diversity reports highlighting the low percentage of minority spend across hospitals and the commentor expressed interest in aggregated minority spend data as a whole.

Agenda Item # 4 Existing Supplier Diversity Programs in Hospitals

Michael Herrera, Supplier Diversity Manager at Cedars-Sinai, provided a presentation that highlighted the strength that supplier diversity provides to communities and the economy, how their program aims to enable the growth and success of diverse owned businesses, details of establishing a supplier diversity foundation and six steps organizations can follow to work towards results.

Tommy Smith, Economic Impact Manager at Kaiser Permanente, provided a presentation that highlighted Kaiser's impact spending program, which focuses on environmental, economic, and social impacts, as well as Kaiser's journey to impact spending and the 10 elements that build a successful supplier diversity program. Tommy discussed the myths and misperceptions of supplier diversity while emphasizing the importance of leadership support in creating a successful program.

Questions/Comment from the Commission:

Commission members discussed the challenges of finding diverse suppliers for hospitals contracted with Group Purchasing Organizations (GPO's) as well as the importance of established percentages goals with prime contractors, leadership support, social determinants of health, goal setting, and community outreach and engagement. The commission also inquired on how contract opportunities are communicated to diverse suppliers from Cedars-Sinai and Kaiser Permanente.

Public comment: In reference to the presentations, the public expressed interest in the hospitals sharing Tier I suppliers that they currently contract with to support procurement efforts as well as HCAI's verification process of submitted hospital supplier diversity reports.

Agenda Item # 5 Draft Recommendations

Commission Chair Lupe Alonzo-Diaz provided an overview of the Hospital Supplier Diversity Commission and Reporting Program 2021-2022 timelines as well as a review of the recommendations development process which includes: preliminary discussions, draft of recommendations, voting of recommendations, and memorializing of

recommendations. She reviewed recommendations that had been brought up in past commission meetings as a sample.

The Commission participated in a discussion of draft recommendations on the best methods to increase supplier diversity within the hospital industry in the following three recommendation categories: Hospital Industry, HCAI Director, and Other which includes diverse suppliers, supplier councils, associations, and policy work.

Commission members discussed recommendations related to creating percentage goals and certification requirements for diverse suppliers, creating a webpage on the hospital's website for supplier diversity information and resources, as well as revising the reporting submission process, guidelines, and requirements which can include categories of hospital spending and counts of diverse suppliers.

The Commission voted to delegate HCAI program staff the authority to take the preliminary recommendations, along with other recommendations brought up in prior commission meetings, and create draft recommendations, in partnership with the Chair, that the commission will then vote and formalize at the spring commission meeting.

Motion was made by Commissioner Tara Lynn Gray.
Motion was seconded by Commissioner Theresa A. Martinez.

The motion was approved. There were no comments from commission members or members of the public.

Agenda Item # 6 Next Meeting Topics

Michael Valle, Chief Information Officer and Deputy Director, provided an overview of the next meeting schedule and anticipated next meeting topics. He also explained that Executive Order N-29-20, which allowed for virtual public meetings, is set to expire January 31, 2022, therefore, the next meeting may be an in-person meeting held indoors if the executive order is not extended beyond January 31, 2022.

Questions/Comments from the Commission:

No questions or comments.

There was no public comment.

Agenda Item # 7 Public Comment

There were no comments provided by the public.

Agenda Item # 8 Adjournment

The meeting adjourned at 3:46 p.m. The next meeting to be scheduled via Doodle Poll.