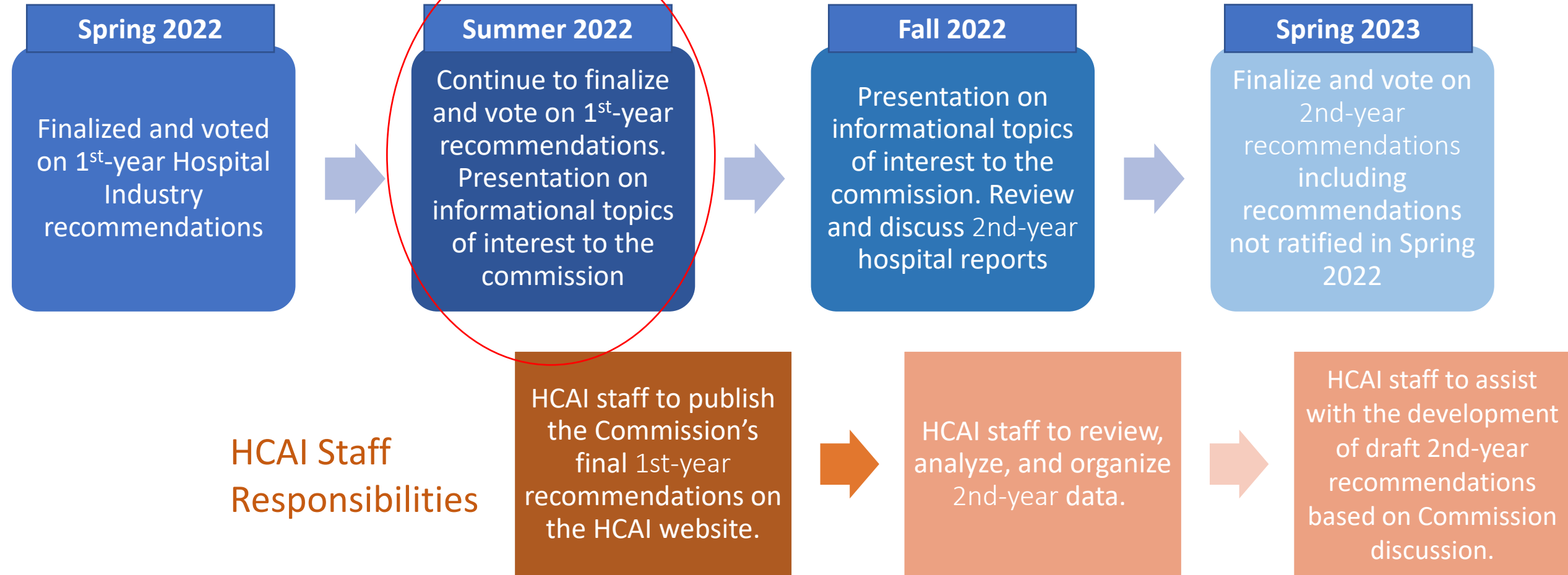


Recommendations Development Process

Next Steps for the Recommendations

Meeting Timeline & Topics



Finalizing Recommendations

Progress To Date:

- HCAI staff were delegated by the commission to draft proposed recommendation language on the commission's behalf.
- HCAI Staff then reviewed the commission's notes and issues raised and worked with the Chair to craft those notes and issues into proposed draft recommendations.
- Staff shared the drafted recommendations with commissioners for their initial review and any suggested amendments.
 - Recommendations that were reviewed by commissioners and either had suggested amendments or required further discussion will be deliberated and voted on today.
- Commissioners voted on recommendations, R1-R9 and R19 at the May 3 HSDC meeting.
- Commissioners voted on recommendations R10-R14 and R20-R23 at the August 16 HSDC meeting.

Finalizing Recommendations

at today's Commission meeting

- The Commission will discuss recommendations R15-R18 with associated amendments suggested by members.
- Each recommendation and associated amendments will be individually reviewed and discussed.
- There will be an opportunity for public comment prior to the vote of each recommendation.
- Robert's Rules will be used as the primary voting process to approve each recommendation.

Categories for Commission Recommendations

Bucket 1: Hospitals

Recommendations for hospitals.

Bucket 2: HCAI Director

Recommendations for types of data HCAI collects and makes available to meet the requirements of the statute.

Bucket 3: Other

- Recommendations for diverse suppliers, supplier councils, and associations.
- Recommendations for broader policies, outside the scope of the statute.

Guiding Principles for Finalizing Recommendations

- Meets statutory intent.
 - Hospitals are uniquely positioned to build relationships within the communities they serve through the development, inclusion, and utilization of certified minority, women, lesbian, gay, bisexual, transgender (LGBT), and disabled veteran business enterprises whenever possible.
- Promotes existing best practices while also encouraging hospitals to expand their outreach and contracting efforts.
- May be applicable to other health systems.

Voting Process

Robert's Rules:

- Ask for a motion to approve recommendation.
- Once a motion is made, ask that the motion be seconded.
- Commissioners may discuss the recommendation and receive input from the public.
- If the recommendation is amended there will need to be a new motion and the process will be repeated.
- Vote on the recommendation as finalized or amended by taking roll call of all members.

Reaching Consensus:

Summary of the May 3 Meeting

- Commissioners were able to reach consensus on the following edits:
 - Include actionable language (e.g., require, own, develop, fund, etc.).
 - Identify and include language outlining who the target audience is of each recommendation (e.g., executive leadership).
 - Removal of the term “small” when referring to diverse suppliers as it is not outlined in statute.
- These edits were included across all recommendations voted on and approved at the May 3 meeting.
- Motion requested for HCAI and the Chair to apply the aforementioned to all of the recommendations when finalizing the recommendations report

Recommendations voted on and approved for the Hospital Industry:

Identifier	Recommendation
R1	Create a supplier diversity policy statement that promotes the use of diverse suppliers.
R2	Executive leadership to develop and implement outreach and reporting metrics that support contracting with diverse suppliers.
R3	Develop and implement hospital supplier diversity procurement metrics that are owned by executive leadership.
R4	Executive leadership to develop, implement, and fund an internal hospital accountability system to meet specified metrics related to outreach, diverse business usage and provision of technical support for implementation.
R5	Executive leadership to develop and implement an inclusion policy for hospitals to identify and track spend with diverse business enterprises (E.g., MBE, WBE, DVBE, LGBTQBE).

Recommendations voted on and approved for the Hospital Industry:

Identifier	Recommendation
R6	Executive leadership to develop and implement procurement processes and policies to document and mitigate internal criteria that may limit or impede diverse suppliers' ability to competitively respond to bids.
R7	Executive leadership to develop and implement a supplier diversity webpage to inform diverse suppliers on the hospital's procurement process including the contact information of a diverse business outreach liaison.
R8	Require prime suppliers to measure and report on spend with diverse suppliers.
R9	Executive leadership to require the review of contract language with prime suppliers to require supplier diversity metrics for any relevant sub-contracts.

Recommendations voted on and approved for the Hospital Industry:

Identifier	Recommendation
R14	Reporting standards should be updated so that hospitals should track and report their supplier diversity outreach efforts, and report on how many are onboarded as suppliers or manufacturers (e.g., GPOs and direct suppliers).
R23	Establish a percentage goal for diverse suppliers in GPOs.

Recommendations voted on and approved for HCAI:

Identifier	Recommendation
R10	HCAI will 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.
R11	Publish on the HCAI website and distribute via HCAI communication channels, 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.
R12	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 business). Add that a report containing all zeros should be considered a non-report.
R13	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.

Recommendations voted on and approved for HCAI:

Identifier	Recommendation
R20	HCAI will ensure that reported data can be differentiated between \$0 spend and data that is not reported.
R21	HCAI will produce a reporting standard and evaluate hospitals with reports that contain all zeros to identify ways to encourage future diverse spend.
R22	HCAI to create an annual En Banc style public meeting.

Recommendations voted on and approved for Other:

Identifier	Recommendations for small and diverse suppliers and community organizations
R19	For Associations and/or Chambers: Identify and document the barriers and impediments to accessing procurement opportunities and including diverse suppliers in health care spend.