

# **Hospital Supplier Diversity Reporting Program**

## Third-Year Data Summary

Reporting Period: 2022  
Summary Published: February 2024

# Program Overview

[Health and Safety Code Section 1339.85-1339.87](#) requires the Department of Health Care Access and Information (HCAI) to develop and administer a Hospital Supplier Diversity Reporting Program to collect and post hospital supplier diversity reports explaining the hospital's supplier diversity statement and procurement efforts regarding certified minority, women, lesbian, gay, bisexual, transgender (LGBT), and disabled veteran business enterprises.

Hospitals, with operating expenses over a specified amount, are required to annually submit a report to HCAI on their minority, women, LGBT, and disabled veteran business enterprise procurement efforts. HCAI is required to maintain a link on the HCAI website that provides access to the content of hospital supplier diversity reports to the public. The third annual submission of supplier diversity reports was due on July 1, 2023.

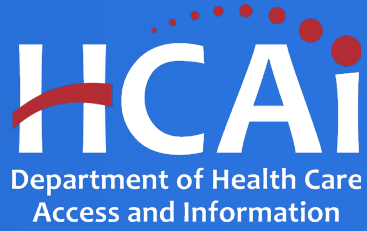
All hospital supplier diversity reports are available on the [CalHHS Open Data Portal](#).

# Program Recap

- Data improvements
  - 2021 Revisions submitted for both individual and system reports.
  - 2021 Data Summary updated and published.
  - Submitters are more familiar with submission process and reporting requirements.
  - Improved data collected in 2022.
- Data entry errors identified:
  - Incorrect procurement spend data reported due to typo.
  - System procurement spend data submitted as individual hospital spend data.

# 2022 Data Summary Overview

- This report summarizes data extracted from the third-year Hospital Supplier Diversity reports that were collected for the 2022 report period (1/1/2022 – 12/31/2022).
- The data summary is separated into two categories:
  - **Individual Hospital Reporting:** Individual reports are required for each licensed hospital with operating expenses of \$50,000,000 or more, and for hospitals with operating expenses of \$25,000,000 or more that are part of a hospital system.
  - **System Level Reporting:** System level reports are an optional report for hospitals to submit procurement done at a regional network or hospital system level.



# 2022 Individual Hospital Reports

# 2022 Individual Hospital Reporting

## Reviewed 371 Individual Hospital reports

- 347 hospitals meet requirements to submit a Hospital Supplier Diversity Report
- 24 hospitals voluntarily submitted a Hospital Supplier Diversity Report

## Third-Year Data Summary/Visualization

1. Certification Requirements
2. Total Diverse Spend vs Total Procurement
3. Spend Breakdown by Diverse Category
4. Tier 1 and Tier 2 Spend by Diverse Category
5. Total and Average Diverse Spending by Hospital Type
6. Diverse Spending by Hospitals in Rural/Urban Designation

## Data Note:

- Current data reflective of all 371 individual hospital reports received.

# 2022 Individual Hospital Reporting

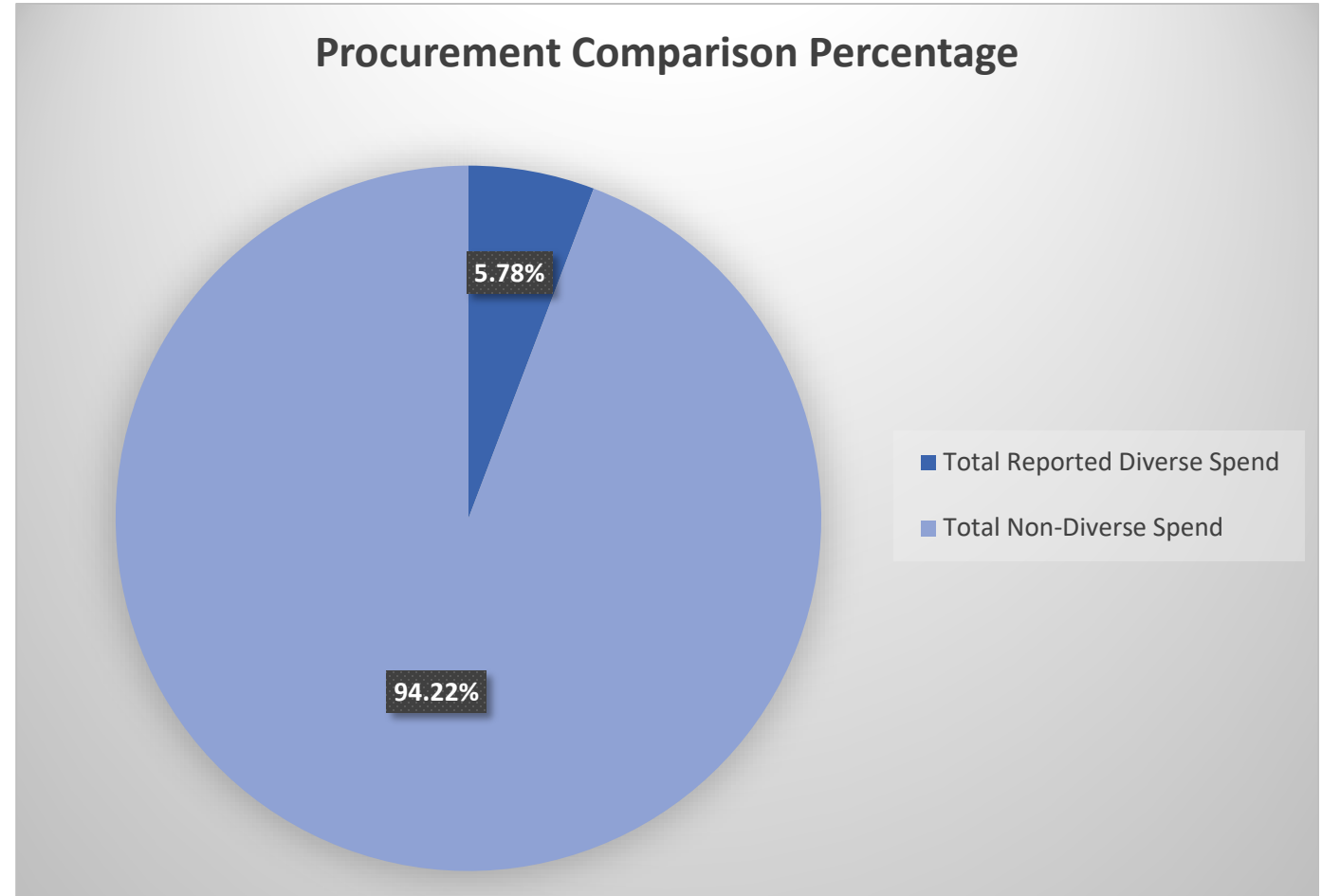
Number of Hospitals	Yes	No
Require certification	169	202
Accept self-certification	119	252
Provided a Supplier Diversity Statement	338	33*

\*Of the 33 hospitals that did not provide a supplier diversity statement, 1 stated that they are either creating one or will consider developing one.

# 2022 Individual Hospital Reporting

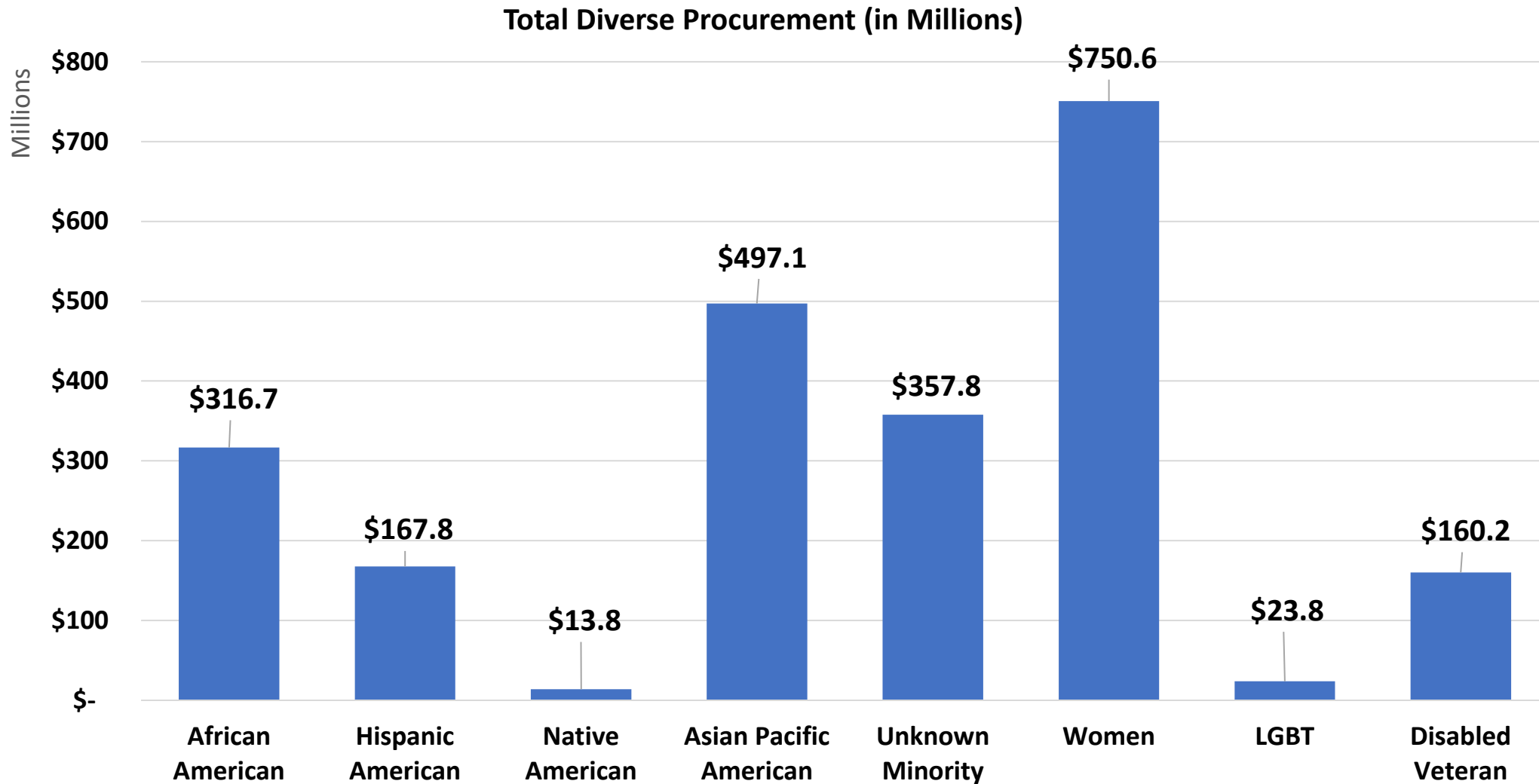
Total Diverse Spend:  
\$2,171,090,738

Total Hospital Procurement:  
\$37,564,906,421



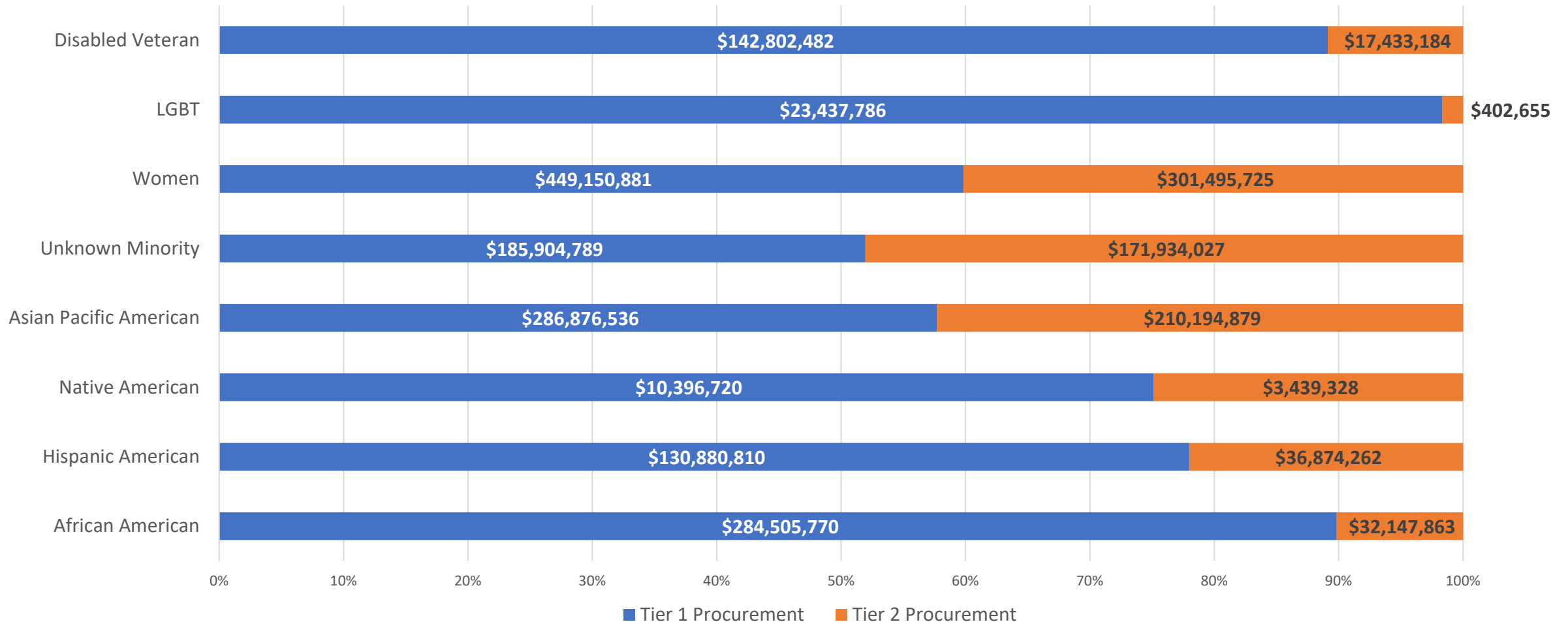


# 2022 Individual Hospital Reporting



Data Note: If a diverse supplier identifies as more than one category, this data accounts for that spend in all categories. The "less duplicate" amount is not factored into this graph.

# 2022 Individual Hospital Reporting



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# 2022 Individual Hospital Reporting

## Diverse Spending Comparison by Hospital Type

Hospital Type	Investor-owned	Non-profit	Public	Total
No. of Hospitals	119	197	55	371
Diverse Spend	\$139,575,016	\$1,737,579,971	\$293,935,751	\$2,171,090,738
Total Procurement	\$3,941,594,164	\$23,553,245,506	\$10,070,066,751	\$37,564,906,421
% of Diverse Spend by Hospital Type	3.54%	7.38%	2.92%	5.78%

# 2022 Individual Hospital Reporting

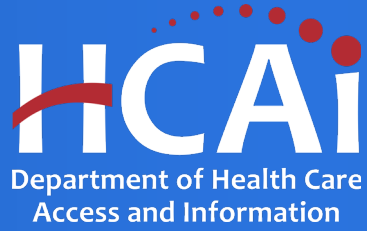
## Average Diverse Spending and Total Procurement by Hospital Type

Hospital Type	Investor-owned	Non-profit	Public	State Average
No. of Hospitals	119	197	55	371
Average Diverse Spend	\$1,172,899	\$8,820,203	\$5,344,286	\$5,851,997
Average Total Procurement	\$33,122,640	\$119,559,622	\$183,092,123	\$101,253,117

# 2022 Individual Hospital Reporting

## Diverse Spending Comparison by Rural/Urban Designation

Hospital Type	Hospitals in Rural Designation	Hospitals in Urban Designation
No. of Hospitals	51	320
Diverse Spend	\$34,516,084	\$2,136,574,654
Total Procurement	\$1,467,030,590	\$36,097,875,831
% of Diverse Spend by Hospital Type	2.35%	5.92%



# 2022 System Level Reports

# 2022 System Hospital Reporting

Reviewed 10 System/Regional-Level reports

- All submitted System/Regional-Level reports are included in the summary.

Second-Year Data Summary/Visualization

1. Certification Requirements
2. Total Diverse Spend vs Total Procurement
3. Spend Breakdown by Diverse Category
4. Tier 1 and Tier 2 Spend by Diverse Category
5. Individual and System/Regional-Level Comparison by Diverse Category

# 2022 System Level Reporting

Number of Hospitals	Yes	No
Require certification	7	3
Accept self-certification	4	6

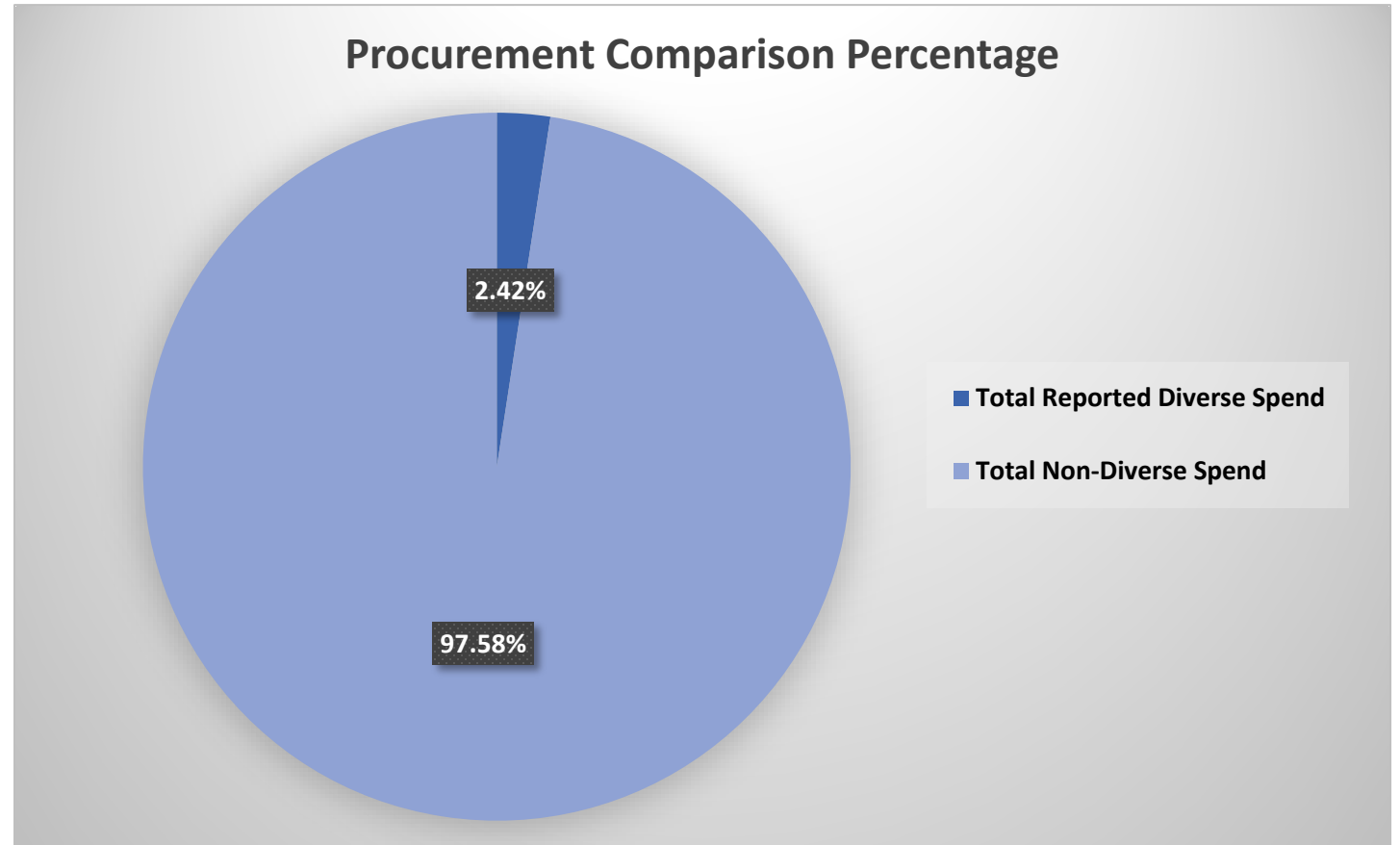
- HCAI received 10 system-level reports.
- System level reports are not required per legislation.
- Hospitals are encouraged to submit a report if procurement was done at the system or regional-level.



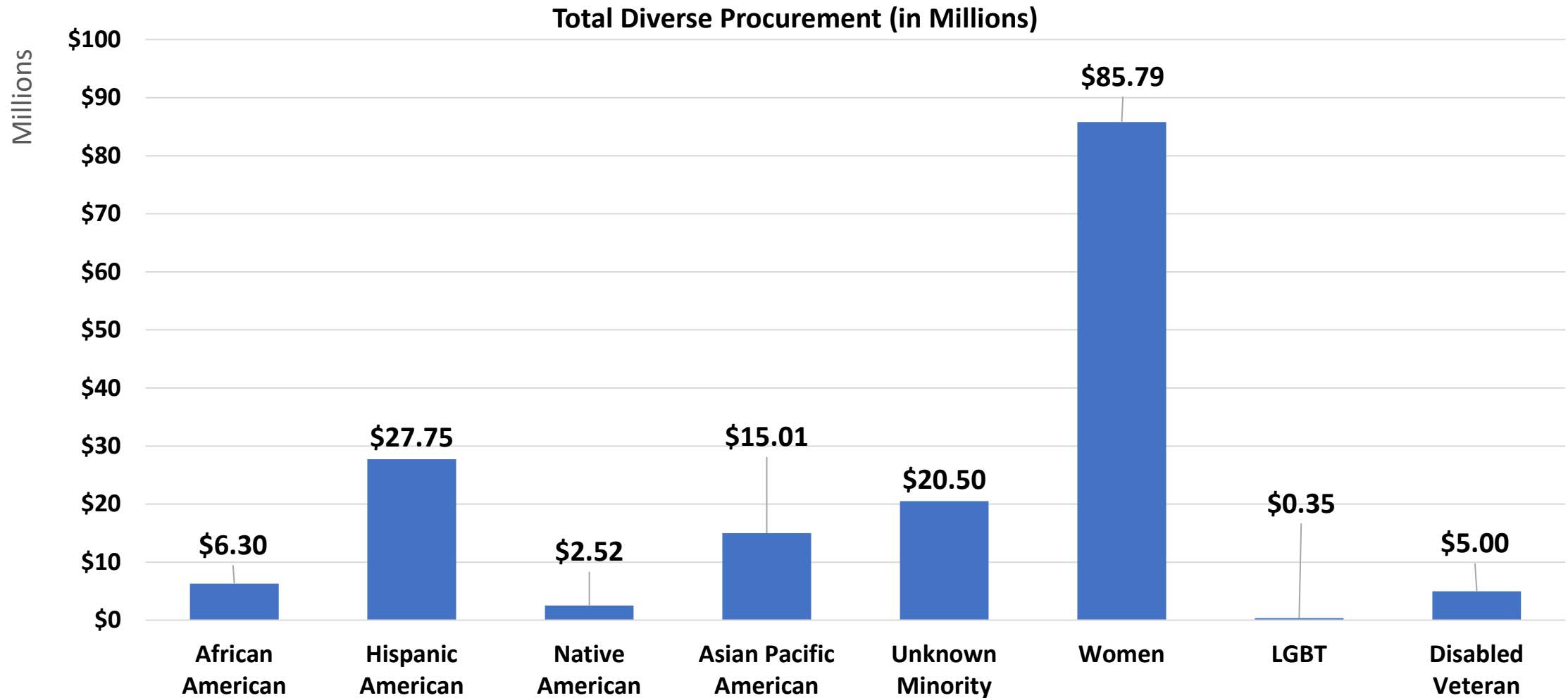
# 2022 System Level Reporting

Reported Diverse Spend:  
\$128,883,133

Total System Procurement:  
\$5,316,504,537

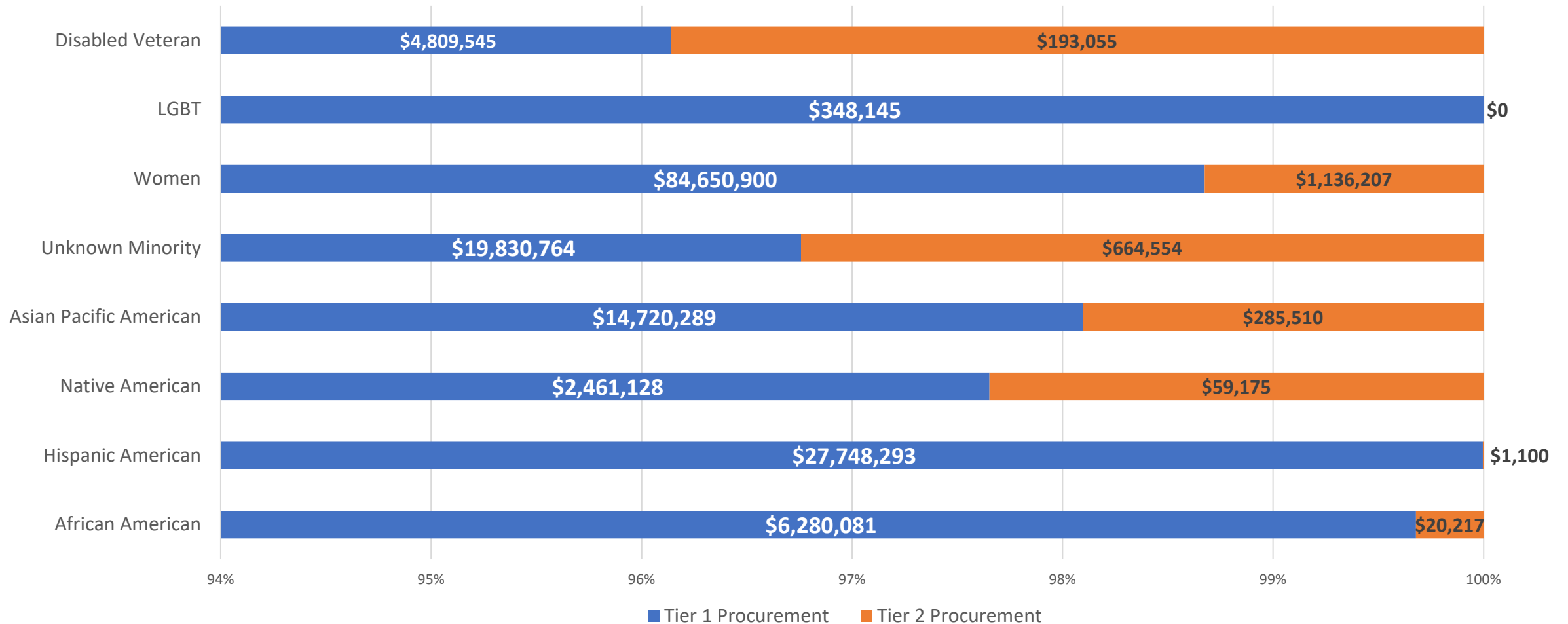


# 2022 System Level Reporting



Data Note: If a diverse supplier identifies as more than one category, this data accounts for that spend in all categories. The "less duplicate" amount is not factored into this graph.

# 2022 System Level Reporting



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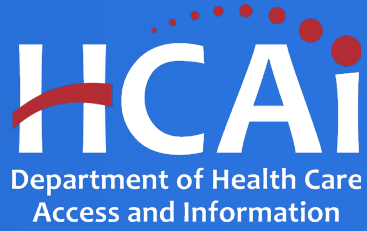
**Tier I procurement:** The procurement by direct contract between a hospital and a supplier directly to provide goods and services that support the operations of the hospital.

**Tier II procurement:** The procurement by any agreement or arrangement between a contractor and any third party.

# Individual and System Overview of Diverse Spending

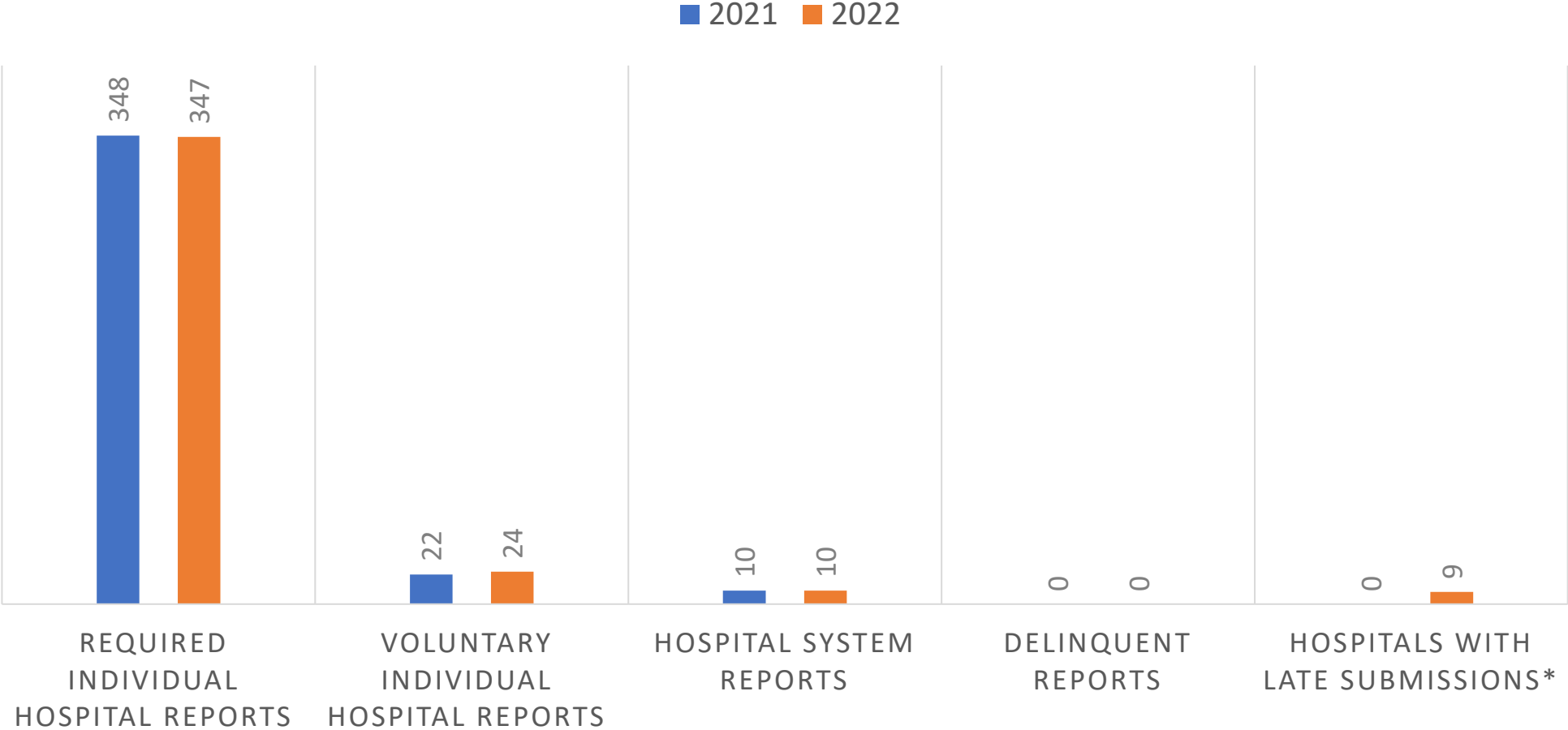
Business Ownership	Individual	Individual Spend Percentage	System	System Spend Percentage
African American	\$316,653,633	15%	\$6,300,298	5%
Hispanic American	\$167,755,072	8%	\$27,749,393	22%
Native American	\$13,836,048	1%	\$2,520,303	2%
Asian Pacific American	\$497,071,415	23%	\$15,005,799	12%
Unknown Minority	\$357,838,816	16%	\$20,495,318	16%
Women	\$750,646,606	35%	\$85,787,107	67%
LGBT	\$23,840,441	1%	\$348,145	0.3%
Disabled Veteran	\$160,235,666	7%	\$5,002,600	4%

*Data Note: If a diverse supplier identifies as more than one category, this data accounts for that spend in all categories. The "less duplicate" amount is not factored into this graph.*



# 2021 vs 2022 Comparison

# 2021 vs 2022 Submission Comparison



\* New regulations in effect for 2022 report period

# 2021 vs 2022 Individual Comparison

Diverse Category	2021	2022	Percentage Difference
Total Diverse Procurement	\$2,120,072,680	\$2,171,090,738	2%
Total Hospital Procurement	\$34,732,847,884	\$37,564,906,421	8%
Diverse Spend/Total Procurement	6.10%	5.78%	

*Data Note: The increase in spending may not represent additional spend in each category. Hospitals may be tracking their spend data more accurately this year versus prior years.*

# 2021 vs 2022 Individual Comparison

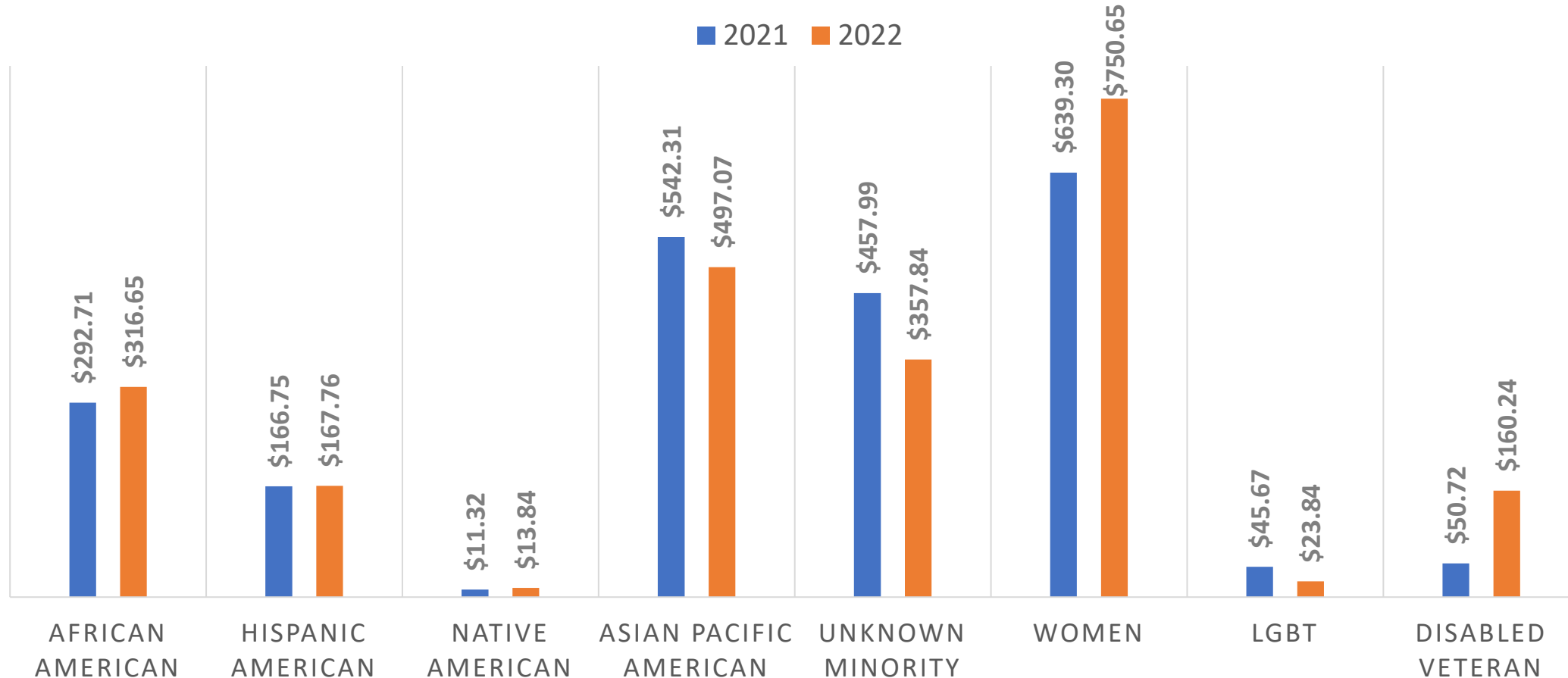
Diverse Category	2021	2022	Percentage Difference
African American	\$292,706,997	\$316,653,633	8%
Hispanic American	\$166,752,330	\$167,755,072	1%
Native American	\$11,324,349	\$13,836,048	22%
Asian Pacific American	\$542,313,989	\$497,071,415	-8%
Unknown Minority	\$457,986,951	\$357,838,816	-22%
Women	\$639,300,139	\$750,646,606	17%
LGBT	\$45,666,416	\$23,840,441	-48%
Disabled Veteran	\$50,716,847	\$160,235,666	216%
<i>Less Duplicate Amount</i>	<i>\$86,695,338</i>	<i>\$116,786,959</i>	<i>35%</i>

Data Note: The increase in spending may not represent additional spend in each category. Hospitals may be tracking their spend data more accurately this year versus prior years.



# 2021 vs 2022 Individual Spend Comparison

\*Values shown in million



Data Note: The increase in spending may not represent additional spend in each category. Hospitals may be tracking their spend data more accurately this year versus prior years.

# 2021 vs 2022 System Comparison

Diverse Category	2021	2022	Percentage Difference
Total Diverse Procurement	\$87,022,605	\$128,883,133	48%
Total Procurement	\$7,325,808,267	\$5,316,504,537	-27%
Diverse Spend/Total Procurement	1.19%	2.42%	

*Data Note: The increase in spending may not represent additional spend in each category. Hospitals may be tracking their spend data more accurately this year versus prior years.*

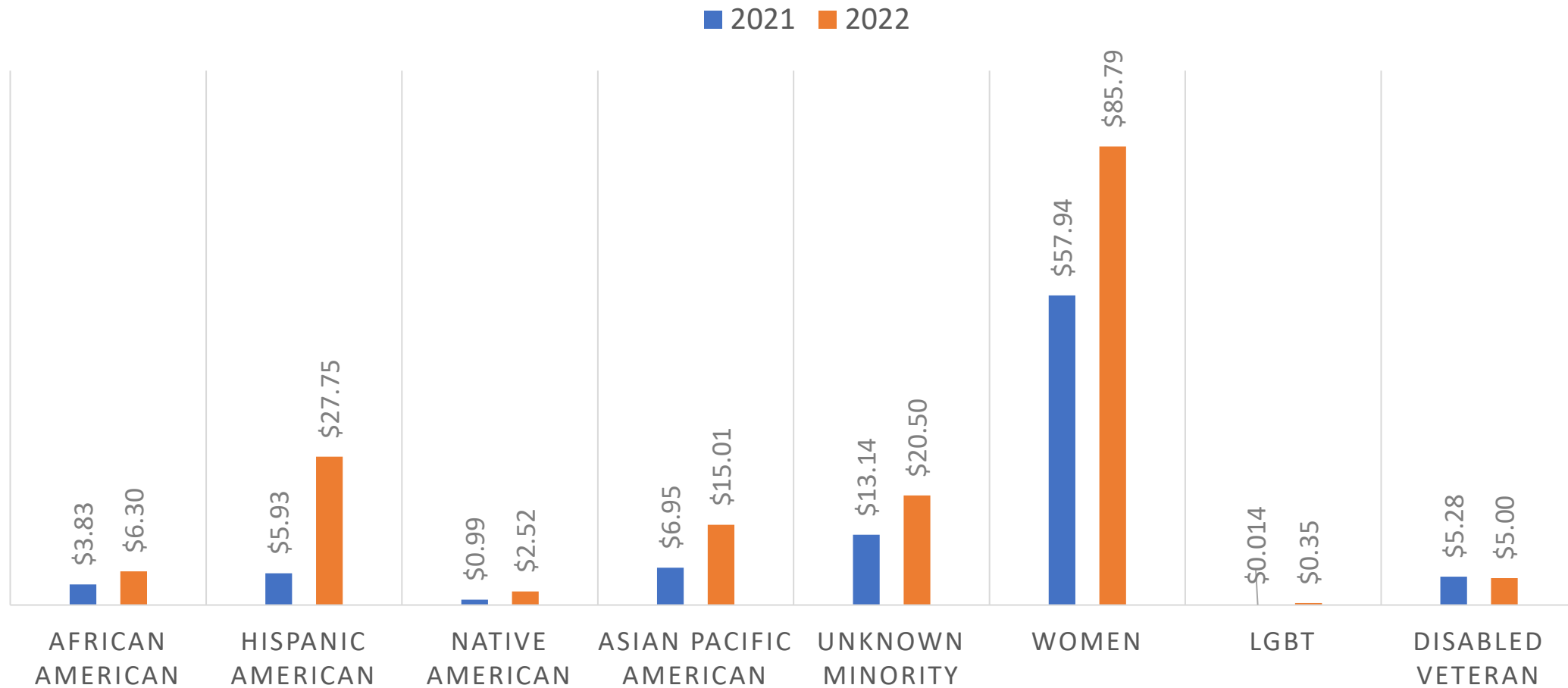
# 2021 vs 2022 System Comparison

Diverse Category	2021	2022	Percentage Difference
African American	\$3,827,801	\$6,300,298	65%
Hispanic American	\$5,926,454	\$27,749,393	368%
Native American	\$993,527	\$2,520,303	154%
Asian Pacific American	\$6,954,374	\$15,005,799	116%
Unknown Minority	\$13,136,272	\$20,495,318	56%
Women	\$57,941,051	\$85,787,107	48%
LGBT	\$14,499	\$348,145	2301%
Disabled Veteran	\$5,283,950	\$5,002,600	-5%
<i>Less Duplicate Amount</i>	<i>\$7,055,323</i>	<i>\$34,325,830</i>	<i>387%</i>

Data Note: The increase in spending may not represent additional spend in each category. Hospitals may be tracking their spend data more accurately this year versus prior years.

# 2021 vs 2022 System Spend Comparison

\*Values shown in million



Data Note: The increase in spending may not represent additional spend in each category. Hospitals may be tracking their spend data more accurately this year versus prior years.

# Additional Resources

- Hospital Supplier Diversity Reporting Program [website](#).
- [Reporting Regulations](#).
- View previously submitted reports [here](#).
- Submission portal [HDC System](#).
- All hospital contacts for diverse suppliers are available [here](#)
- If you have any questions or concerns regarding the data included, please email [supplier.diversity@hcai.ca.gov](mailto:supplier.diversity@hcai.ca.gov).
- To receive email updates regarding the program, please [subscribe](#).