SMI Thought Leadership Councils

Diversity & Inclusion Council Fall 2022 Forum • October 19







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Today's Agenda

- Council Recap
- Definition: Do we agree?
- Possible Council Output: Manual, SMI Maturity Model, Scorecard
- Advocacy: What would that look like?
- Research: Associations
- Next Steps

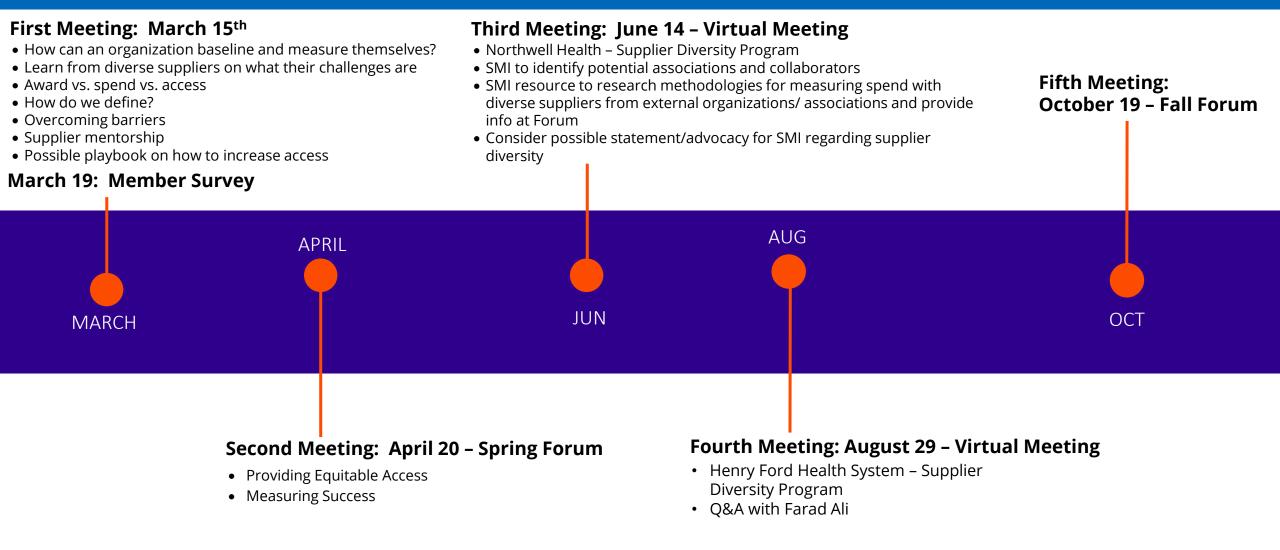


Welcome – Council Members & Guests

[Name First]	[Name Last]	Title	[Organization]
Marisa	Farabaugh	SVP and Chief Supply Chain Officer	AdventHealth
Farad	Ali	President and Chief Executive Officer	Asociar, LLC
Collyn	Bradley	Director, Program Management	Cardinal Health
Robert	Rajalingam	President, U.S. Medical Products & Distribution	Cardinal Health
Angie	Thomas	VP, Federal Government Accounts/Supplier Diversity	Cardinal Health
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Lisa	Hohman	CEO	Concordance Healthcare Solutions
Rich	Casano	Director of Supply Chain Operations DHH	Dartmouth-Hitchcock
Paul	Kreder	Principal Life Sciences & Healthcare	Deloitte
Kate	Bowen	CEO, Founder	GCB Medical Supply
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Tina	Murphy	Division President, Value Based Care	Global Healthcare Exchange
Bill	Moir	SVP, Supply Chain Management	Henry Ford Health System
Valencia	Stoudamire	Vice President, Supplier Diversity & Place-based Investments	Henry Ford Health System
David	Distel	Vice President, Business Development	Innovative Health
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Calvin	Wright	Associate Vice President, Supply Chain Management	MD Anderson Cancer Center
Phyllis	McCready	SVP & Chief Procurement Officer	Northwell Health
Kathleen	Exline	System Vice President Performance Excellence & Care Continuum	Norton Healthcare
Regine	Villain	SVP Supply Chain Network & Chief Supply Chain Officer	Ochsner Health System
Patrick	Bradford	Director, Strategic Sourcing	OSU Wexner Medical Center
Vicky	Lyle	Vice President, Industry Associations	Owens & Minor, Inc.
Sergio	Rodriguez	Health Systems Director, Midlands	PDI
Michael	Gray	System Vice President and Chief Supply Chain Officer	SSM Health
Shaun	Clinton	Sr. Vice President, Supply Chain Management	Texas Health Resources
Laura	Kowalczyk	Vice President Supply Chain and Support Services	UAB Health System
Jita	Buno	Executive Director	UC Davis Health
Eric	Tritch	Vice President Supply Chain & Logistics	UChicago Medicine
Keith	Murphy	Vice President, Supply Chain Services	University of Miami Health System
Carla	Carusone	System Director, Value Analysis, Corporate Supply Chain	Yale New Haven Health System

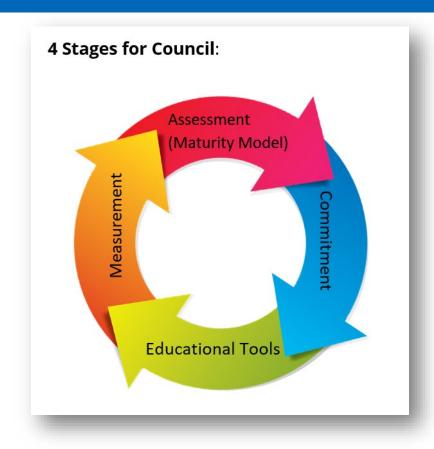
Council Recap

Council Recap - 2022



Mission Statement

Supplier Diversity is the infusion of deliberate processes and practices across an organization intended to drive equitable access to purchasing opportunities and awards that ultimately result in the inclusion, growth and spend of all diverse businesses with a sustainable focus on WBE/MBE/Veteran Owned/LGBTQ within the U.S. Healthcare Supply Chain while driving increased economic impact within our communities.





Definition: Do we agree?

Commonwealth Care Alliance recognizes supplier diversity:

Commonwealth Care Alliance, in alignment with the National Minority Supplier
Development Council (NMSDC), identifies a diverse business as one that is at least 51%
owned and controlled/managed by one or more individuals who are members of an ethnic
minority group (e.g., African American, Asian American, Hispanic American, Native
American, etc.), LGBTQ+, women, veterans, or those with disabilities.
Third-party certifications are also accepted to include (but not limited to):

- Disability: In DOBE®s, including Veteran Disability-Owned Business Enterprises (V-DOBE™s)
 and Service-Disabled Veteran Disability-Owned Business Enterprises (SDV-DOBE™s)
- · Minority-Owned Business Enterprise
- Women-Owned Business Enterprise
- Veteran-Owned Business Enterprise
- · Service-Disabled Veteran-Owned Business Enterprise
- · People with Disability-Owned Business Enterprise
- LGBTQ+-Owned Business Enterprise



Minority-owned business. The term "minority-owned business" means a business that meets the following criteria:

- (i) more than 50 percent of the ownership or control is held by one (1) or more minority individuals; and
- (ii) more than 50 percent of the net profit or loss accrues to one (1) or more minority individuals.

Women-owned business. The term "women-owned business" means a business that meets the following criteria:

- (i) more than 50 percent of the ownership or control is held by one (1) or more women;
- (ii) more than 50 percent of the net profit or loss accrues to one (1) or more women; and
- (iii) a significant percentage of senior management positions are held by women.

Veteran. The term "veteran" means a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable.

Service-disabled veteran. The term "service-disabled veteran" is a veteran who has a disability incurred or aggravated in the line of duty in the active military, naval, or air service.

Veteran-owned business. The term "veteran-owned business" means a business that is at least 51 percent owned by one (1) or more veterans who control the management and operations of the business.

Service-disabled veteran-owned business. The term "service-disabled veteran-owned business" means a business that is at least 51 percent owned by one (1) or more service-disabled veterans who control the management and operations of the business.



HENRY FORD HEALTH.

What is Supplier Diversity?

Supplier diversity is a strategic commitment to provide equitable access to purchasing and contracting opportunities/awards for diverse businesses including minority-owned, women-owned or historically disadvantaged organizations.

What is a diverse business?

A diverse business must be at least 51% owned, managed, or controlled by one or more such individuals. In the case of a publicly owned business, one or more such individuals must own at least 51% of the stock. The diverse business owner(s) must be a U.S. citizen or naturalized citizen in one of the following diverse groups:

- Minority Business Enterprise (MBE)
 - Black/African-American, Native American, Asian Pacific American, Asian Indian
- Woman Business Enterprise (WBE)
- Lesbian, Gay, Bi-Sexual, Transgender, Queer Business Enterprise (LGBTQ)
- Veteran-Owned Business (VOB)
- Service-Disabled Veteran-Owned Business (SDVB)



From Council for Supplier Diversity.

A diverse supplier is a business that is at least 51% owned and operated by an individual or group that is part of a traditionally underrepresented or underserved group. Common classifications are small-business enterprises (SBEs), minority-owned enterprises (MBEs), and woman-owned enterprises (WBEs). Over time, the definition of diversity has expanded to businesses owned by other minority groups such as LGBQT, veterans, and proprietors with disabilities.



Possible Council Output



Discussion Results: Who is the Audience?

Record ideas here

Potential Output 1.0

SMI Supplier Diversity Toolkit

1

Maturity Model

 Assess your supplier diversity program and learn recommendations 2

Unique Best Practices Manual

 "how-to" guide for both providers and industry partners



Scorecard

- Measure your program in different ways
 - internal KPIs
 - external KPIs
 - SMI member comparison





Best Practices Manual – Critical Components

- Definition
- Business case
- Overcoming barriers
- How to increase access/supplier mentorship
- Certifications
- Reporting
- Appendix
 - Checklist for identifying diverse suppliers
 - Case studies
 - Resources Associations, etc.



Best Practices Manual – Other Components

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Discussion Results: Manual Components

Record ideas here



Example: Scorecard Metrics

- Diverse Spend
- Diverse Count
- RFP Inclusion
- RFP Awards
- Economic Impact
- Cost Savings
- Revenue Impact
- Market Share
- Tier 2 Diverse Suppliers
- Community Impact

- internal KPIs
- external KPIs
- SMI member comparison



Source: supplier i.o

Discussion Results: Scorecard Components

Record ideas here

Advocacy



Discussion Results: Ideas for Advocacy

Record ideas here

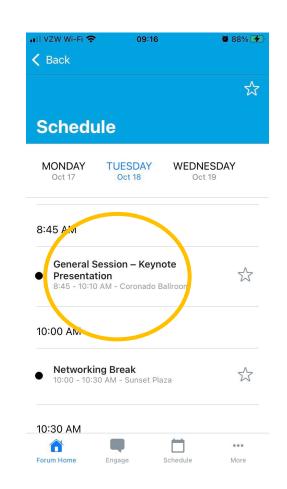


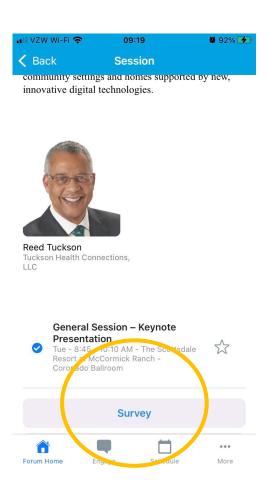
Next Steps

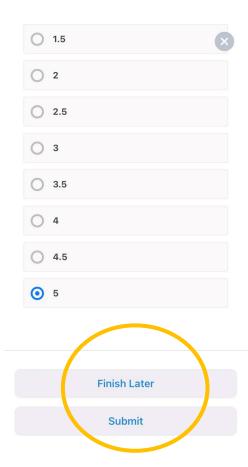
• Begin draft of various components

Please Complete your In-App Survey









Up Next

- Strategic Plan Update
- The Era of Personalized Health
- **❖ Physician Panel Discussion**
- **❖ Networking Lunch (optional)**
- **❖ SMI Special Event**



SMI Thought Leadership Councils Diversity & Inclusion Council

Thank You!









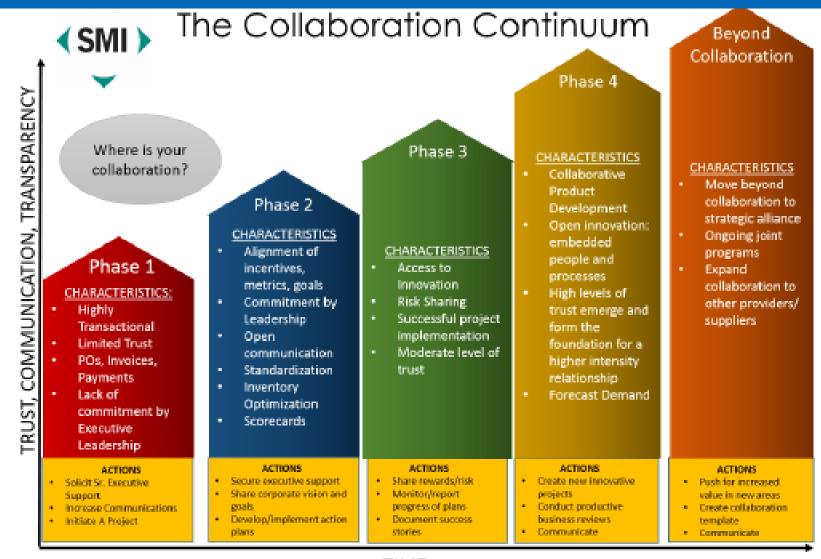




Appendix

- What do we agree facilities supplier diversity?
- How are we going to measure / define it?
- What do we want that best in class document to be?
- What's the definition?
- Measurement?
- What's the outline of the deliverable 1.0?
 - Business case
 - Maturity model (baseline), collect the data/aggregate, certification
 - Self Assessment Tool
 - · Scorecard sharing
 - HAN collaboration review leveraging the experience, fostering networks not creating "how-to" only provider not supplier
- Advocacy
- Scoping exercise who is the audience (collaboration between providers & suppliers)
- Evolution based on feedback
- Critical components of the toolkit
 - Ask for chapter sponsors
 - Subgroup certification
 - Subgroup scorecard

Maturity Model: Example No. 1



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Maturity Model: Example No. 2



Resilience Maturity Model (RMM)

Communication &

A trusted supply network of relationships in place

across all stakeholders for identifying, mitigating,

domestic manufacturing, innovation, re-use, etc.).

Transparent, real-time information is visible to

stakeholders on disruptions, leading to "war

room" mitigation solutions-regular scenario

planning exercises across the supply network.

Trading partner payment is linked to business

Internal: Established governance with executive

sponsorship on risk mitigation with projections

of risk and defined plans identified early on.

Supply Chain partnership is viewed as core to

External: Strategic partnerships in place with

dedicated planning team meets consistently

to review analytics and update operational

inventory status, and demand forecasting.

(clinical + non-clinical) and governance in the

sustainable practices and business continuity.

External: Strategic supplier relations include

transparency in emergency response and risk

planning as part of sourcing with established

mitigation. Supply Chain leads business continuity

Transparent and visible communications.

suppliers for market resilience for critical

operational reliability and strategic to the business.

supplies as in the 40% of criticality grading. The

product segmentation, risk assessments, critical

Internal: Established committee/s with stakeholders

management of clinically acceptable equivalents and

conservation practices. The approach incorporates

Communication is proactive, timely, and transparent.

continuity and performance.

Proactive leadership for developing alternative

sourcing strategies for 'critical supplies' (i.e.,

responding, and reviewing a disruption.

Partnership

LEVEL 4: Immunity

A collaborative, agile, mature, program based on strong partnerships and knowledge-based collaborations to prepare for and respond to risk. Collective use of analytics and predictive models is in place for continuity in managing most supplies regardless of criticality, risk, or disruption

LEVEL 3: Resilient

Dedicated program and Supply Chain team that uses technology, analytics, and predictive models in providing a response and solutions for business continuity and risk mitigation. Vigorous use of prevention, assessment, and control measures in place.

LEVEL 2: Responsive

Dedicated Supply Chain team that leads across a system in risk mitigation, management, and response to disruptions with some insight on market intelligence and clinical equivalents for disrupted products.

Level 1: Prepared

Scope & Service

Defined response plan with criticality levels/grading of 60% of all items purchased (SKU's) within the last 24

Predictive modeling under different pandemic or disruption scenarios. Includes testing of business continuity plans with partners to include various test scenarios defined.

Defined response plan with criticality levels/grading of 40% of all items purchased (SKU's) within the last 24

of all items

purchased

the last 24

of Criticality is

of levels and

in preparation

for grading

defined inclusive

aradina systems

specific items in

higher levels of

months

Risk mitigation and controls in place that include a shared business continuity plan with partners/ suppliers and collaborators

models to guide focus on risk mitigation and response. Product disruptions and response strategies are visible to stakeholders

Dedicated

what

Work is driven

intelligence/

analytics in the

preparation of

response data

with visibility to

the executive

stakeholders

A dedicated

team uses

predictive

analytics and

on performance

and user

metrics.

by foresight and

Criticality levels/ Risk mitigation grading of 20% in place for kev identified suppliers/ (SKU's) within products in advance of any potential disruption

combined

stockpiling.

emergency

response

established.

identification

periodically.

planning occurs

carts)

Risk

(i.e. emergency

Basic

team focused on resiliency preparedness and response which reflects as a top priority for the organization's executive team with strategic

within Supply Chain has some level of dedicated personnel that leads and establishes a supply disruption response

strategy.

Internal: Taskforce(s) established with clinical stakeholders to proactively review clinically acceptable substitutes in preparation for future supply disruption.

protocols when failures occur

External: Relationships established with county/ state in advance for future emergency response. A few strategic relationships are established between supplier/provider on fill strategies during times of supply shortages.

Infrastructure & Analytics

approach

how

An overall control tower system/infrastructure (broad; not limited) is established providing visibility and warning signals for any potential disruption. Supply Network-based visibility tools and data integration are actively used and available across stakeholders using forecasting and predictive dashboards that can project and mitigate the impact of a disruption. Defined source of medical intelligence risk exists that is "cross-walked" to critical supply planning under different potential scenarios. Digital dexterity in place at the system level that allows teams to analyze, understand, and act on the data.

Systems and infrastructure are established that provide comprehensive views of warning signals of potential issues to proactively respond to the risk of selected items/suppliers or areas (limited) Demand planning and forecasting are in place using real-time data streams and monitoring with strong links to market intelligence insights.

Demand forecasting - what-if analysis is well established with some use of demand planning. Market intelligence tools are in use that provide meaningful insight into risk disruptions for at least 20% of items identified as critical

Visibility to product consumption rates is available in a reliable format in the form of the "department charge" process. Demand planning development is underway. Establish data quality and standard business processes to support effective responses to supply disruption.

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Maturity Model: Now Its Your Turn

	Stakeholder	Components						
Level 4								
Level 3								
Level 2								
Level 1								



Research

Research: Associations for Collaboration

- The Council for Supplier Diversity is a great resource for diverse suppliers
- Healthcare Anchor Network (HAN)
 - page of resources including toolkits and models that could be useful
- CEO Action for Diversity & Inclusion
 - list of companies
 - a library of resources
 - their Actions page
 - Harvard Business Review Why You Need a Supplier-Diversity Program

