

# LEAD Collaborative

## Best Practice Webinar 7: Supplier Diversity

November 9, 2023



# LEAD Information Session Housekeeping



Session will be 60 minutes.



Session is being recorded.



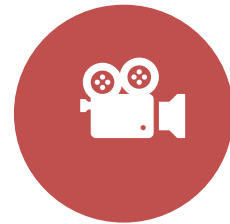
Participants will be muted upon entry. Please keep microphone muted unless you are speaking.



Use the Chat feature to post comments or ask questions. You can also use the “Raise Hand” feature to ask questions.



When speakers are presenting, it is suggested that “Speaker View” is used. Otherwise, “Gallery View” is suggested.



Please ensure your Zoom screen name reflects how you wish to be identified. Keep video on (if possible).

# Agenda

2:00-2:02 PM: Welcome/Introductions

2:02-2:32 PM: Featured Presentation

2:32-2:42 PM: Audience Q & A

2:42-2:45 PM: Announcements / Thank You / Wrap Up

# Supplier Diversity Best Practices



## **Presentation and Conversation Moderated by Deneen Richmond**

President, Luminis Health Doctors Community Medical Center

Chief Quality, Equity & Population Health Officer, Luminis Health



# Supplier Diversity Best Practices Discussion

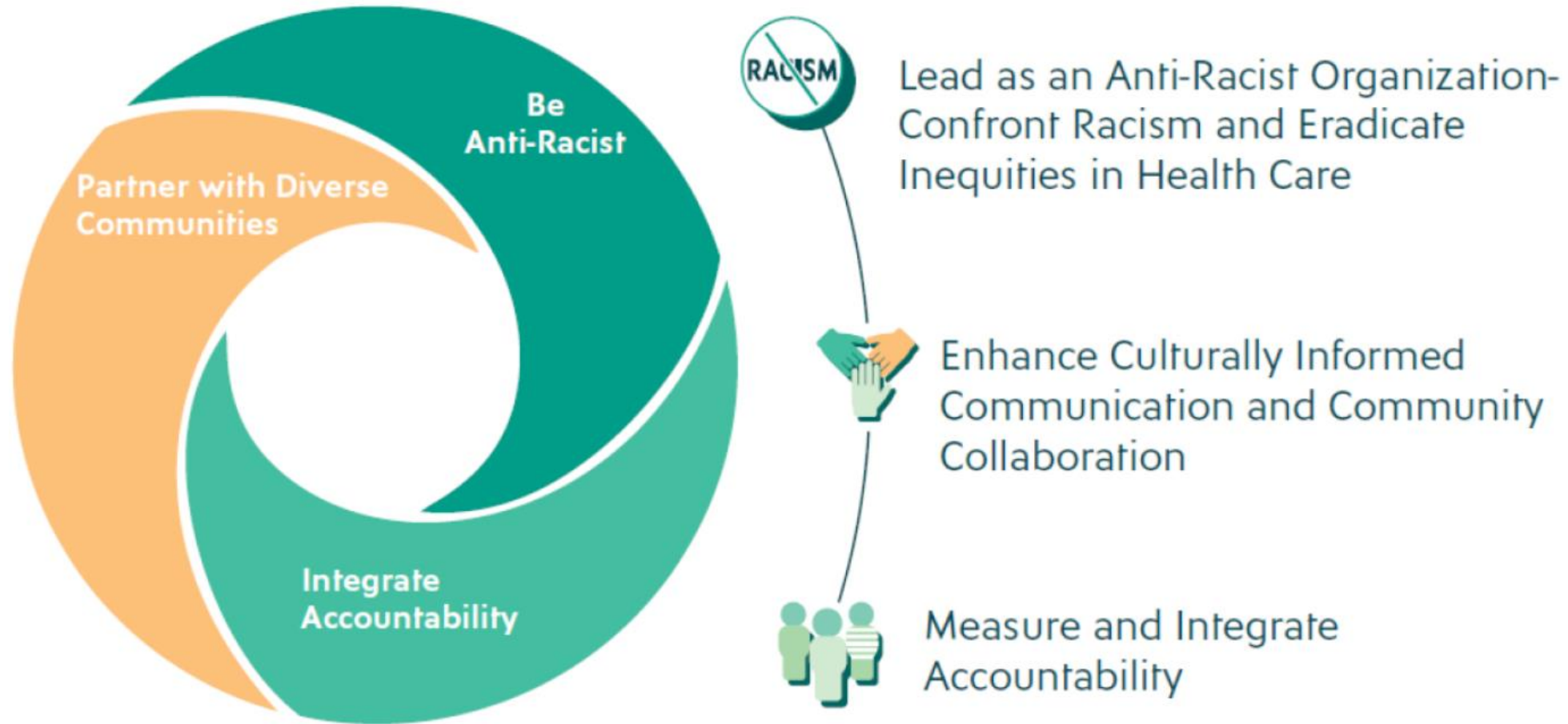


November 9, 2023

# Vision 2030

Luminis Health will become a national model for diversity, equity, anti-racism, inclusion, and justice by implementing the recommendations and achieving the goals set for the by the Health Equity and Anti-Racism (HEART) Force.





# HEART Force Recommendation #8

## Measure and Integrate Accountability

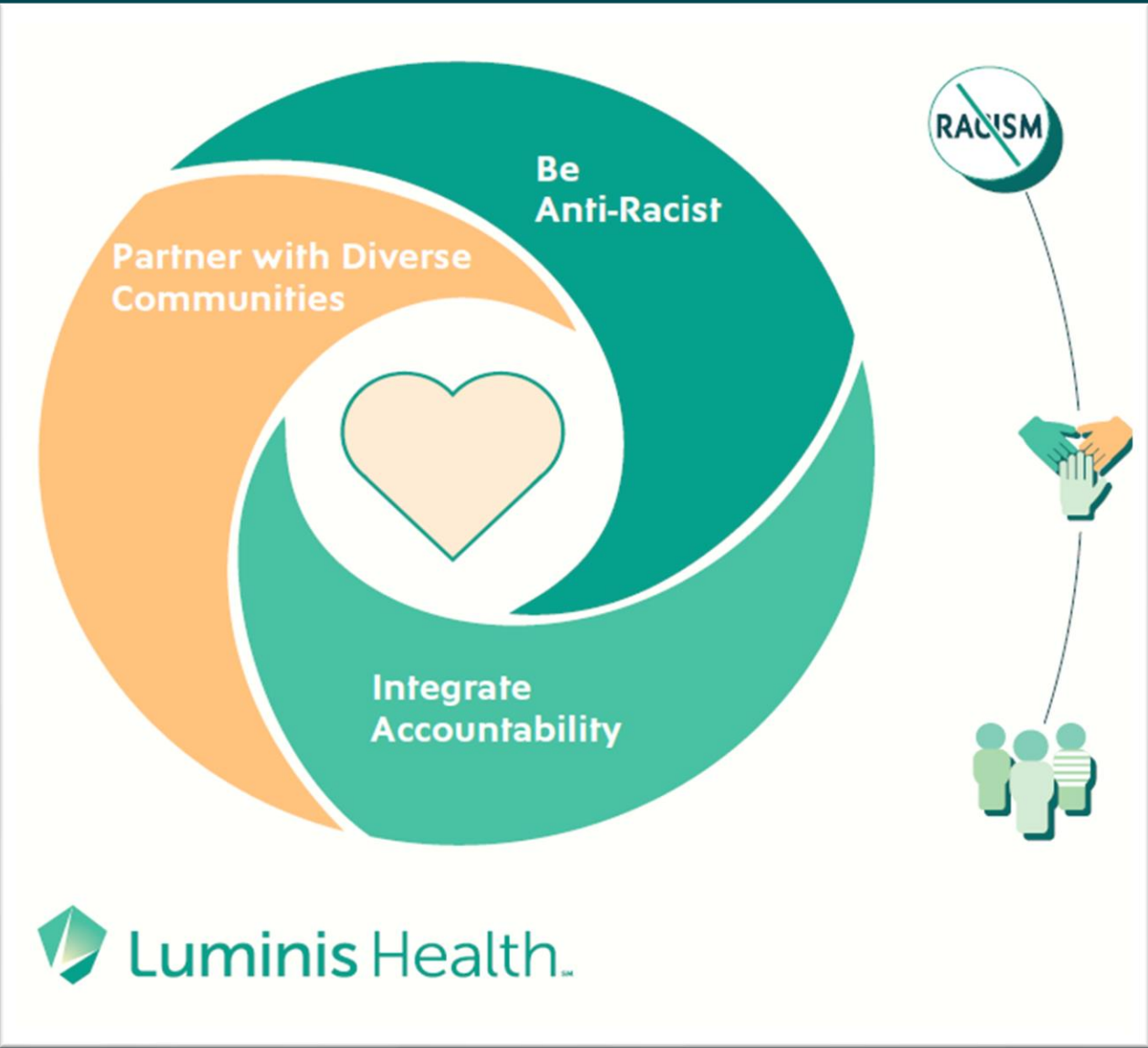
### Establish MBE/ Supplier Diversity Goals and partner with local Minority Businesses/ vendors/ suppliers

- Develop a plan for progressive *and continuous* improvement in diversity spend
- Increase *partnerships and* MBE spend





# Our JEDI Journey Steered by HEART



Davion Percy  
Vice President, Community Relations & Public Policy



Judy Smith  
Vice President, Supply Chain & Real Estate



Luke Klock  
Director, Capital Projects

# A Kick Start to our Renewed Supplier Diversity Focus

In 2021, Luminis Health Doctors Community Medical Center (LHDCMC) was awarded a \$20 million grant from the Prince George's County Executive and County Council toward capital expenses for a comprehensive behavioral health pavilion (BHP)

## **Key Contract Provision**

- Development and approval of utilization plan for minority business enterprises (MBE) and county-based minority business enterprises (CMBE) with goal of 20% MBE utilization

## **Other DEI-focused Contract Provisions**

- a plan for recruiting and retention of staff who are residents of Prince George's County
- a plan for the recruiting and retention of staff who are racially, ethnically, culturally and linguistically matching the individuals who will be served
- a plan for providing culturally and linguistically sensitive care by meeting the National Standards for Culturally and Linguistically Appropriate Services (CLAS) in Health and Health Care

# Luminis Health Doctors Community Medical Center Behavioral Health Pavilion – The Deal

- Prince George’s County funded \$20M of the \$28.5M+ capital project
- Created a joint oversight board of County, LH, and community stakeholders
- 20% MBE commitment with 20% Local MBE goal (best efforts)
- April 2021 – Approved by County Council
- Engaged Three|E Consulting – Eben Smith
  - Supplier Diversity Plan
  - Strategic Sourcing
  - Community Engagement
  - Compliance Report




PRINCE GEORGE'S COUNTY COUNCIL

October 6, 2021

## MEMORANDUM

TO: Lucas Klock, Director  
Capital Projects, Luminis Health  
Anne Arundel Medical Center

THRU: Eben Smith  
Diversity Consultant  
Three|E Consulting Group

FROM: Mirinda Jackson   
MBE Compliance Manager  
Prince George's County Council

RE: Behavioral Health Pavilion MBE/CMBE Subcontractor Utilization  
Plan

I have reviewed the Subcontractor Utilization Plan for the Behavioral Health Pavilion and while it is not subject to CR 21-2019, it is approved.

# Luminis Health Doctors Community Medical Center Behavioral Health Pavilion – Challenges/Successes

- Starting project prior to being provided with grant requirements
- Short turnaround time
  - The county wanted the BHP operational before the 2022 primary
- Sourcing challenges
  - Limited suppliers/vendors due to COVID and regulatory requirements
- Compliance reporting
  - MBE vs CMBE vs Minority-owned businesses

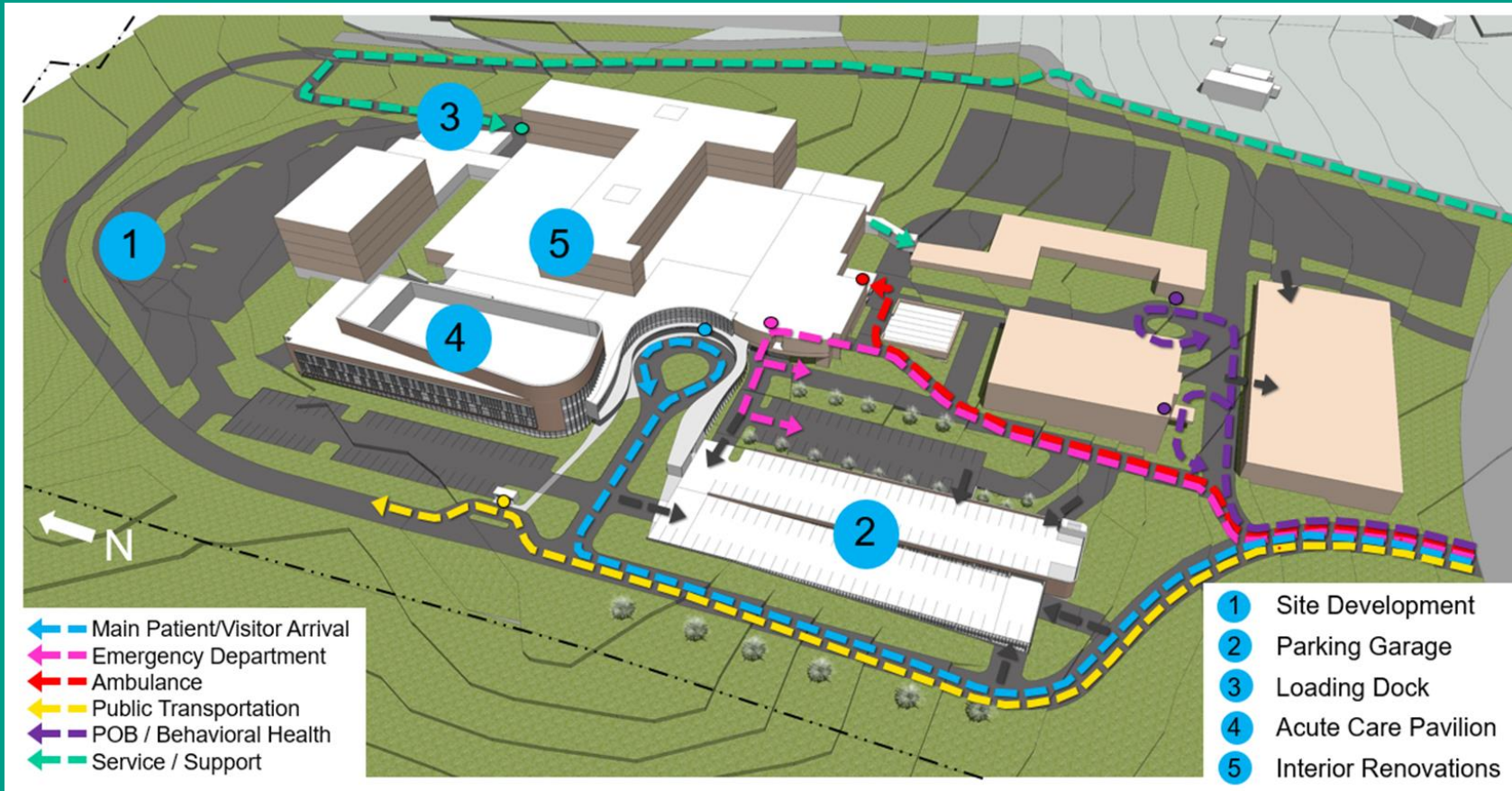
# Behavioral Health Pavilion MBE results



MBE/CMBE ENGAGEMENT TRACKING				
CATEGORY	CAPITAL		OPERATIONAL	
	\$	%	\$	%
MBE	\$ 6,071,679	21.3 %	\$ 65,200	n/a
CMBE	\$ 1,646,962	5.8 %	\$ 0	n/a
Non-Certified MBE/CMBE	\$ 300,709	1.1 %	\$ 522,000	n/a
<b>TOTAL Participation</b>	\$ 7,718,641	★ 27.1 %	\$ 587,200	n/a
<b>TARGET (PGCo Grant Req's)</b>	\$ 5,700,000	20.0 %	n/a	n/a

Company	CMBE	MBE Certified
ABI		X
Absolute Supply Services	X	X
All Star Flooring	X	X
Annapolis Landscape Design		X
Arel Architects	X	X
Best Fence		X
Bioclean		X
Broadway Electric Supply Co, Inc.		X
Calvert Restoration		X
Century Painting	X	X
Chesapeake Healthcare Planning		X
Convergence Carpentry		X
Lighthouse Distribution & Supply		X
Maintenance Solutions Inc.	X	X
M and L Construction Services		X
ThreeE Consulting Group	X	
WarrenBuilds	X	X
Zoom Inc.		X

# Ongoing Capital Projects = Supplier Diversity Opportunities

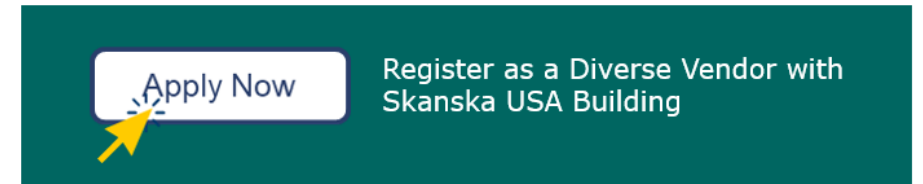


Phase	Project	Bidding Timeframe
Phase 1	Site Development	Completed
Phase 2	Parking Garage	December 2023
Phase 3	Loading Dock	Q1 2024
Phase 4	Acute Care Pavilion (CON Pending)	Q4 2024
Phase 5	Interior Renovations (CON Pending)	TBD

# Commitment to Inclusion

- Multiple databases used to identify potential diverse suppliers, especially local businesses
- Proactive procurement and recruitment
- Updates on construction phases and timelines to maximize participation opportunities
- Prequalification process
- Assistance provided to vendors throughout the process

## Skanska Vendor Diversity Portal



By registering with Skanska, your company will have access to local and national procurement opportunities aimed at small and diverse businesses.

# Contact info:

## Preconstruction and Prequal link

- Melvin Clark: [melvin.clark@Skanska.com](mailto:melvin.clark@Skanska.com)
- Tyler Schafer: [tyler.schafer@Skanska.com](mailto:tyler.schafer@Skanska.com)
- <https://partners.Skanska.com/usa/teams/DocuPro/SitePages/Prequal%20Request.aspx>



Scan the QR Code to begin the Prequalification process

## Vendor Diversity

- Johnny Ortiz: [johnny.Ortiz@Skanska.com](mailto:johnny.Ortiz@Skanska.com)



Scan the QR Code for Supplier Diversity registration

## Luminis Health (Professional Services)

Henry Anderson: [henry.anderson@mgac.com](mailto:henry.anderson@mgac.com)

Luminis Health Registration: [doingbusiness@luminishealth.org](mailto:doingbusiness@luminishealth.org)



Scan the QR Code for doing business with Luminis Health



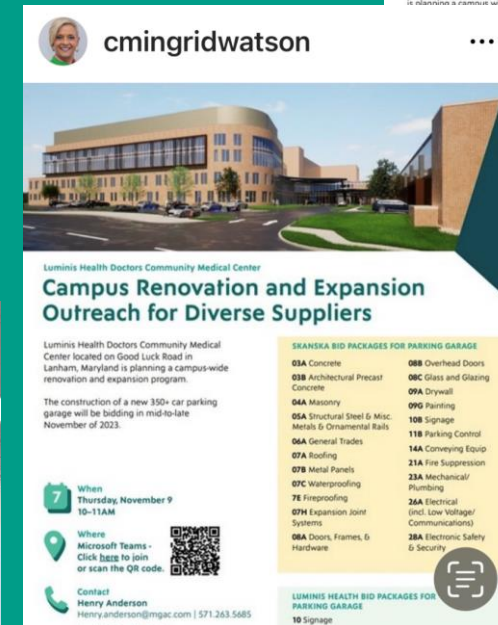
# Leveraging our Government and Community Partnerships

- Engaging our government leaders & community partners as part of our supplier diversity initiative
- Managing expectations with reality of what's feasible, while pushing the needle forward



**Supplier Diversity Fair with Bi-County Business Roundtable & City of Bowie Chamber of Commerce**

Luminis Health



**Social media posts from our County Exec. & a Council Member promoting our diverse supplier outreach events**

# Luminis Health Supplier Diversity Program

- Luminis Health has adopted the federal definition to define and track the use of diverse businesses
  - *A diverse business is one that is at least 51% owned and operated by an individual or group that is part of a traditionally underrepresented or underserved group.*
    - *small-business enterprises (SBEs)*
    - *minority-owned enterprises (MBEs)*
    - *woman-owned enterprises (WBEs).*
    - *LGBTQ*
    - *Veterans*
    - *Proprietors with disabilities*

Our program is based upon an inclusive procurement strategy which:

- Delivers broad societal benefit
- Increases the pool of potential suppliers
- Promotes competition in the supply base
- Increases supply chain resiliency
- Supports the communities where we live and work

Source: Harvard Business Review Why You Need a Supplier-Diversity Program  
by Alexis Bateman, Ashley Barrington, and Katie Date

August 17, 2020

# Supplier Diversity Program Launch

## Luminis Health's Updated Purchasing Policy was effective April 2023

- For all new and renewing contracts, departments are required to demonstrate the specific consideration for contract award

## Luminis Health launched our Supplier Diversity Website April 2023

- Detailing our commitment to increasing our spend with diverse suppliers year over year and to track our progress with improved reporting
- Learn about how to do business with Luminis Health; contact our Supply Chain Team who will make connections to our internal leaders who make purchasing decisions [doingbusiness@luminishealth.org](mailto:doingbusiness@luminishealth.org)
- Complete Our supplier registration form to help us understand your business.



# Website overview – Our Commitment

The screenshot shows the Luminis Health website navigation and content. The top navigation bar includes the Luminis Health logo, links for 'Careers', 'Employees', and 'Health Care Professionals', and a search icon. Below this is a secondary navigation bar with 'Find Care', 'What We Offer', 'Patients & Visitors', and 'Give Back'. A 'Log in with MyChart' button and a chat icon are also present. The main content area features a breadcrumb trail: 'Home > Diversity, Equity and Inclusion > Supplier Diversity Program'. A left sidebar contains a back arrow and the text 'Diversity, Equity and Inclusion'. The main heading is 'Supplier Diversity Program', with an 'Email us' button below it. The 'Our Commitment' section states: 'Luminis health will build a diverse supplier portfolio which embraces our values of respect, inclusion, service, and excellence (RISE). We will provide opportunities to businesses within our state and the communities we serve, and we will partner with suppliers who invest in robust DEI policies and practices for their employees as well as their supplier base. We pursue these goals as a means to strengthen and empower our health system, business partners and the communities we serve.' The 'Our Guiding Principles' section lists five points: 1. We will address structural racism and interrupt systemic inequity in our procurement policies and practices; 2. We will continually evaluate and improve our processes, policies and practices to create inclusive opportunities which increase our diverse supplier spend; 3. We will strive to eliminate bias in supplier selection processes; 4. We will act with a sense of urgency as we grow a diverse supplier portfolio; 5. We will proactively promote diverse businesses and job growth in our communities. The 'Doing Business with Luminis Health' section states: 'Luminis Health seeks to create mutually beneficial business relationships with diverse suppliers and vendors that are representative of and also strengthen the communities we serve. We are committed to building a diverse supplier portfolio which increases our spend with small, minority-owned, women-owned, disadvantaged/disabled, veteran owned and LGBTQIA+ business enterprises. The primary goal of our Luminis Health supplier diversity program is to provide opportunities to diverse suppliers that satisfy our procurement and contractual standards. We understand it can be difficult to know how to conduct business with our health system. We encourage you to email our Supply Chain Team at [doingbusiness@luminishealth.org](mailto:doingbusiness@luminishealth.org), they will be able to make the appropriate connections within our organization. We welcome the opportunity to build strong, productive relationships with high-quality diverse businesses in our communities.'

- In the Doing Business with Luminis Health section, an email link will be provided for suppliers to reach out to the Supply Chain Team
- Our team will send a link to a form back to the supplier which will gather further information about the business's offerings

The form is titled 'Doing Business with Luminis Health' and contains the following fields: 'Company name \*', 'Company address \*' (with sub-fields for 'Address Line 1' and 'Address Line 2'), 'City', 'State' (dropdown), and 'ZIP Code'; 'Company phone number'; 'Company fax number'; 'Contact name \*' (with sub-fields for 'First Name' and 'Last Name'); 'Contact title \*'; 'Contact email'; 'Website \*'; 'Year established \*'; and 'Number of employees \*'. A small note at the bottom reads 'Get us your name'.

# Communication Plan

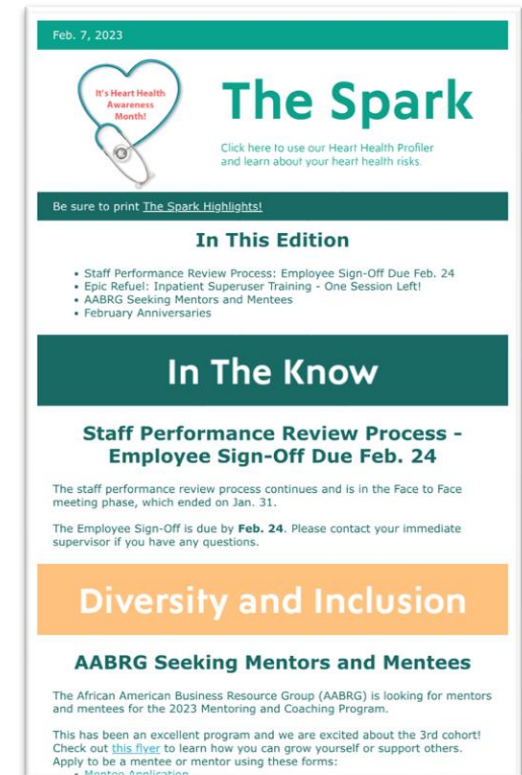
- Our commitment to increase diverse supplier spend will be broadly shared with Leadership and Staff
  - All new and renewing contacts will be vetted as a Diversity supplier opportunity and a market scan shall be performed to identify eligible diversity suppliers for inclusion in sourcing efforts. All sourcing events shall evaluate in its selection criteria a Supplier's diversity status and overall commitment to D,E&I efforts.

- Presentations to Leaders



Luminis Health

- Announcements and vendor highlights published in Spark
- Publicize our reporting and achievements for staff to drive further spend opportunities
- Supply Chain Website update- links to Diverse Supplier databases



# Improved Reporting - *Measuring our Progress*

- Luminis Health has begun sharing all spend data with Premier, our Group Purchasing Organization, to develop a robust analysis enabling us to identify and forecast potential opportunities
- Luminis Health had our supplier tables cleansed and enriched by Premier to ensure proper diverse supplier reporting
- Luminis Health is working with key suppliers to develop Tier 2 reporting capabilities – this is currently actively being reported by our primary distributor Cardinal Health.
- Premier has helped Luminis to identify 36 contract opportunities for further exploration on our PO spend
- Reports will be produced quarterly to guide our efforts and measure our success

# Improved Reporting - Measuring our Progress – FY23 Baseline

	FY23 Q1	FY23 Q2	FY23 Q3	FY23 Q4	FY23 Summary
TOTAL VENDOR SPEND	\$ 112,431,077.06	\$ 158,595,224.40	\$ 134,333,170.40	\$ 89,680,369.15	\$ 495,039,841.01
DIVERSE SUPPLIER SPEND	\$ 3,202,898.05	\$ 3,396,482.45	\$ 4,403,088.13	\$ 4,038,264.67	\$ 15,040,733.29
DIVERSE SUPPLIER SPEND %	2.8%	2.1%	3.3%	4.5%	3.0%
WOMEN OWNED SPEND	\$ 1,044,868.89	\$ 1,226,633.33	\$ 1,594,158.53	\$ 1,188,183.36	\$ 5,053,844.1178
WOMEN OWNED SPEND %	32.6%	36.1%	36.2%	29.4%	33.6%
VETERAN OWNED SPEND	\$ 155,919.93	\$ 80,821.16	\$ 650,228.13	\$ 53,085.78	\$ 940,055.00
VETERAN OWNED SPEND %	4.9%	2.4%	14.8%	1.3%	6.3%
MINORITY OWNED SPEND	\$ 613,625.94	\$ 803,066.77	\$ 634,992.08	\$ 950,636.73	\$ 3,002,321.52
MINORITY OWNED SPEND %	19.2%	23.6%	14.4%	23.5%	20.0%
SMALL BUSINESS SPEND	\$ 1,588,705.00	\$ 2,015,630.86	\$ 2,646,395.61	\$ 2,647,441.27	\$ 8,898,172.75
SMALL BUSINESS SPEND %	49.6%	59.3%	60.1%	65.6%	59.2%

	FY24 Q1
<b>TOTAL VENDOR SPEND</b>	\$ 152,785,577.30
<b>DIVERSE SUPPLIER SPEND</b>	\$ 4,031,870.55
DIVERSE SUPPLIER SPEND %	3%
WOMEN OWNED SPEND	\$ 1,195,132.23
WOMEN OWNED SPEND %	30%
VETERAN OWNED SPEND	\$ 75,115.42
VETERAN OWNED SPEND %	2%
MINORITY OWNED SPEND	\$ 821,328.82
MINORITY OWNED SPEND %	20%
SMALL BUSINESS SPEND	\$ 2,425,888.82
SMALL BUSINESS SPEND %	60%

## FY24 Targeting 3.2%

- Spend Growth from \$15M to \$15.6M – a 4% increase
- Includes Tier 2 Cardinal Spend
- Does not include Capital Projects Tier 2 Spend

# Supplier Outreach

- Working in coordination with Premier's Supplier Diversity team and our primary distributor partner Cardinal Health, we will identify contracts where Luminis Health can utilize a small or diverse supplier particularly for healthcare related supplies/services and make connections with those suppliers to explore opportunities
- Luminis Health will work with local subject matter experts to assist with identifying opportunities for local business specifically for our facilities and construction related procurement efforts





# Questions?

**Thank you for attending!**

# Reminders and Updates

**11/10/2023:** Deadline to respond Lynn Mertz's email about your LEAD Story

**1/31/2024:** Deadline for CareFirst Grant awardees to submit report

**TBD 2024:** Save-the-Date LEAD convening/gathering

*Continue to send updates to [lead@advancingsynergy.com](mailto:lead@advancingsynergy.com).*

# LEAD Organizations



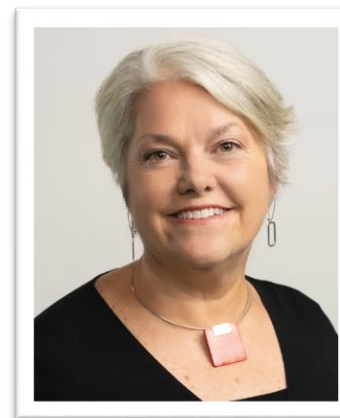
# LEAD Collaborative Core Team



Maulik Joshi  
Meritus Health  
LEAD Chair



Deneen Richmond  
Luminis Health  
LEAD Co-Chair



Lynn Mertz  
AARP LEAD  
Project Officer



Arti Varanasi  
Advancing Synergy  
LEAD Operational &  
Strategic Support

# Contact Us

LEAD Website:

[www.meritushealth.com/partnerships/aarp-lead/](http://www.meritushealth.com/partnerships/aarp-lead/)

LEAD Inbox: [lead@advancingsynergy.com](mailto:lead@advancingsynergy.com)

For more information contact:

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