

## Meritus Health Supplier Diversity – FAQ's

#### What is a diverse supplier?

• An enterprise that is at least 51% owned, operated and controlled by minority group members (African American, Hispanic-American, Asian-American, Native-American, non-minority woman, veteran, disabled veteran, or other socially and economically disadvantaged individuals).

#### How does a supplier become diverse?

 To be recognized as a diverse supplier, companies must be certified through an official certification agency. Such accepted organizations include the National Minority Supplier Development Council (NMSDC) or regional affiliate, the Women's Business Enterprise National Council (WBENC) or regional affiliate, governmental certification, or provide a letter certifying ownership status.

#### • NMSDC - MBE Certification

- Eligibility: National certification flows through regional councils first.
- Costs: Certification and Recertification fees vary per state/region based on annual gross revenue or sales tiers. Please refer to specific region of application for detail.
  - United States citizens.
  - Minority businesses must be at least 51% minority-owned, managed and controlled. For the purposes of NMSDC's program, a minority group member is an individual who is at least 25% Asian-Indian, Asian-Pacific, Black, Hispanic or Native American. Minority eligibility is established via a combination of document reviews, screenings, interviews and site visits. Ownership, in the case of a publicly owned business, means that at least 51% of the stock is owned by one or more minority group members.
  - Must be a for profit enterprise and physically located in the U.S. or its trust territories.
  - Management and daily operations must be exercised by the minority ownership member(s).
- Costs: Certification and Recertification fees vary per state/region based on annual gross revenue or sales tiers. Please refer to specific region of application for detail.
  - Non-refundable application fees: \$300 \$500.
  - Annual dues: \$250 \$900, based on revenue tiers of <\$1m \$50m+.
- o Benefits:
  - Access MBEs have exposure to 13,000 other MBEs to engage in business opportunities and the ability to form partnering relationship, strategic alliances or joint ventures for success.
  - Business Opportunity Fairs The largest US conference focused on minority business development, MBEs present themselves to hundreds of prospective buyers, government agencies and procurement professionals in a single setting.

- Capacity Building NMSDC has created capital access opportunities for MBEs throughout the life cycle of our partnership with the Business Consortium Fund, the Growth Initiative Program and Capital Manager's Program
- Contract Opportunities NMSDC facilitates business connections between buying agencies and MBEs, which sets the foundation for future partnering and business opportunities.
- Customized executive education The NMSDC Academy and other concentrated training and technical assistance creates stronger and sustainable businesses while developing leadership tools for our MBE CEOs.
- Networking opportunities Provide expansion of relationship-building opportunities with corporate buyers.

### WBENC - WBE Certification

- Eligibility:
  - WBENC Certification validates that a business is at least 51 percent owned, controlled, operated, and managed by a woman or women. This means one or more women must have unrestricted control of the business, a demonstrated management of day-to-day operations, and a proportionate investment of capital or expertise. To become certified, business owners undergo a thorough vetting process, including review of business documentation and a site visit.
- Costs:
  - The non-refundable processing fee for new applications and recertification is based on annual gross revenue as reported on Federal Taxes and is divided into five (5) tiers. (WBENC.org)
  - Revenue Category:
    - Under \$1 million: \$350
    - \$1M < \$5M: \$500
    - \$5M < \$10M: \$750
    - \$10M < \$50M: \$1,000
    - \$50M+:\$1,250
- o Benefits:
  - Access to supplier diversity and procurement executives at hundreds of major U.S. corporations and federal, state, and local government entities that accept WBENC Certification.
  - Formal and informal opportunities to pursue business with Corporate and Government Members, as well as with other WBENC-Certified WBEs.
  - Access to networking events, procurement opportunities, mentoring, executive education, capacity development programs, and other business tools and resources.
  - Eligibility for regional and national recognition and awards.
  - Use of Women Owned Logo and Women's Business Enterprise Seal as a marketing tool to promote your business and expand your company's visibility.

- Community of support from other female business owners and like-minded professionals all dedicated to the growth and success of women-owned businesses.
- <u>Small Business Certification</u>
  - Small business certification is handled through the U.S. Small Business Administration. Here you can find information on registering with federal, state, and local agencies, depending on your business location and structure. While the SBA website and info may appear to be government contract based, non-government contract organizations can verify Small business certification through the SBA and their System for Award Management (SAM).
  - Below is the SAM registration link and a quick reference doc for various Small Business certifications available through SAM.
    - System for Award Management (SAM) registration site
    - Small Business Certification Requirements
    - What are size standards, and what determines whether I am a small business or not?
      - Size Standards are numerical thresholds that a registrant must meet in order to qualify as a small business for a certain industry classification set by the Small Business Administration (SBA). SAM.gov displays SBA's indication of whether your organization is considered "small" or "other than small" for each North American Industry Classification System (NAICS) Code listed in your record in accordance with the SBA's size standards.
    - What is my industry of operation NAICS code?
    - What does it cost to register an entity in SAM?
      - Because SAM is a federally mandated and funded program, there is no cost to register in SAM.
- <u>VET Certification</u>: SDVOSB Service-Disabled Veteran Owned Small Business / VOSB Veteran Owned Small Business.
  - NVBDC VET Certification
    - Eligibility:
      - A SD/VOB is a business owned, (51% ownership or greater) by a Veteran who has met the definition of a veteran. The following represents the criteria that NVBDC uses in determining ownership.
      - Ownership: Fifty-one percent ownership by a Veteran or Veterans. The applicant must share in all risk and profits commensurate with their ownership interest.
      - Control and Management: Proof of active management of the business. Veteran must possess the power to direct or cause to direct the management and policies of the business.
      - Contribution of Expertise and Capital: Contribution of capital and/or expertise by Veteran owner(s) to acquire their ownership interest shall be real and substantial and be in proportion of the interest acquired.

- Independence: The Veteran owner(s) shall have the ability to perform in their area of specialty/expertise without substantial reliance on non-Veteran-owned businesses.
- Cost:
  - The cost to submit an application is determined by the supplier's annual revenue. The non-refundable application fee is due prior to process. 90-day submission requirement for completing all documents:
    - Sales up to \$999,999 \$350
    - \$1 Million to \$4.9 Million \$600
    - \$5 Million to \$9.99 Million \$900
    - \$10 Million to \$49.99 Million \$1,200
    - \$50 Million to \$99.99 Million \$1,500
    - \$100 Million and up \$2,500
- Benefits:
  - The NVBDC value proposition for the SD/VOB is to provide a certification that will be recognized and accepted by industry so that a SD/VOB may access diversity spend opportunities. The NVBDC provides certification that creates access to States, Federal Agencies, major corporations and Billion Dollar Roundtable members, to aid and incentivize the SD/VOB to pursue the certification. The NVBDC offers on going opportunities for the SD/VOBs to participate and meet with the NVBDC members and educational partners.

#### • NVBDC - VET Certification

- Eligibility: A SD/VOB is a business owned, (51% ownership or greater) by a Veteran who has met the definition of a veteran. The following represents the criteria that NVBDC uses in determining ownership.
  - Ownership: Fifty-one percent ownership by a Veteran or Veterans. The applicant must share in all risk and profits commensurate with their ownership interest.
  - Control and Management: Proof of active management of the business. Veteran must possess the power to direct or cause to direct the management and policies of the business.
  - Contribution of Expertise and Capital: Contribution of capital and/or expertise by Veteran owner(s) to acquire their ownership interest shall be real and substantial and be in proportion of the interest acquired.
  - Independence: The Veteran owner(s) shall have the ability to perform in their area of specialty/expertise without substantial reliance on non-Veteran-owned businesses.
- Cost: The cost to submit an application is determined by the supplier's annual revenue. The non-refundable application fee is due prior to process. 90-day submission requirement for completing all documents:
  - Sales up to \$999,999 \$350
  - \$1 Million to \$4.9 Million \$600
  - \$5 Million to \$9.99 Million \$900

- \$10 Million to \$49.99 Million \$1,200
- \$50 Million to \$99.99 Million \$1,500
- \$100 Million and up \$2,500
- Benefits: The NVBDC value proposition for the SD/VOB is to provide a certification that will be recognized and accepted by industry so that a SD/VOB may access diversity spend opportunities. The NVBDC provides certification that creates access to States, Federal Agencies, major corporations and Billion Dollar Roundtable members, to aid and incentivize the SD/VOB to pursue the certification. The NVBDC offers on going opportunities for the SD/VOBs to participate and meet with the NVBDC members and educational partners.

#### LGBTBE - LGBTBE Certification

- **Eligibility:** An LGBT-owned business, certified as an LGBT Business Enterprise (LGBTBE<sup>®</sup>), must meet specific criteria as outlined by the certification body. The following criteria represent the standards used by the National LGBT Chamber of Commerce (NGLCC) in determining eligibility:
  - Ownership: Fifty-one percent ownership or greater by one or more LGBT individuals. The applicant(s) must bear all risks and share in all profits commensurate with their ownership interest.
  - Control and Management: Demonstration of active management of the business by LGBT individuals. Owners must have the authority to direct or influence the management and policies of the business.
  - Contribution of Expertise and Capital: Evidence of significant contribution of capital and/or expertise by LGBT owner(s) to acquire their ownership interest, in proportion to the interest acquired.
  - Independence: Ability of LGBT owner(s) to perform in their area of expertise without substantial reliance on non-LGBT-owned businesses.
- Cost: The cost for submitting an application varies based on the annual revenue of the supplier. The application fee, which is non-refundable, must be paid before the certification process begins. However, the NGLCC offers options for reducing or waiving certification fees for eligible applicants:
  - Certification Fee: \$899 (Waived for applicants with valid, current membership with their local affiliate chamber of commerce)
  - Recertification Fee: \$499 (Waived for applicants with valid, current membership with their local affiliate chamber of commerce)
- Membership Benefits: By joining their local affiliate chamber of commerce, applicants can enjoy various benefits, including networking opportunities with local LGBTQ and allied business owners, access to local programming and events, and the ability to capitalize on local business opportunities. It's important to note that applicants do not necessarily need to be based locally to join an affiliate chamber.
  - Applicants who choose not to join their local affiliate chamber will be **required** to pay the applicable certification/recertification fee.

- **Benefits:** The LGBTBE<sup>®</sup> certification offers numerous advantages to LGBT-owned businesses.
  - Certified businesses gain access to a wide range of opportunities in supplier diversity initiatives.
  - The NGLCC's certification is widely recognized and accepted by various entities, including state and federal agencies, major corporations, and members of the Billion Dollar Roundtable.
  - Additionally, certified businesses have ongoing opportunities to engage with NGLCC members and educational partners, providing avenues for growth and networking within the LGBT business community.

#### How does Meritus Health verify diverse classifications?

- Meritus Health verifies diverse certification through third party partner, <u>Supplier.io Inc</u>
  - As best practice and to prevent lapse/expiration in diverse certification, it is the supplier's responsibility to maintain active certification and upload into the Supplier.io Explorer portal.

#### How does a certified diverse supplier register with Meritus Health?

- To register as a diverse supplier, click the link below to proceed with the application.
- Registration does not establish vendor approval or preferred vendor designation. The
  information provided will be shared with the Meritus Health Strategic Sourcing Team and
  searchable in a supplier database. Vendors will be contacted if there is a need for their
  company's offerings.

# I already do business with Trinity Health and have a diverse classification but have not registered in portal, do I still need to register?

• Yes, current suppliers with active certifications should still register in Supplier.io Explorer portal.

#### Can a non-diverse supplier register with Meritus Health?

- Yes, we encourage all suppliers to register through our supplier registration portal.
- Registration does not establish vendor approval or preferred vendor designation. The
  information provided will be shared with the Meritus Health Sourcing Team and searchable in a
  supplier database. Vendors will be contacted if there is a need for their company's offerings.

## Does Meritus Health provide financial assistance to suppliers looking to apply for diverse certification?

 No, currently, it is the supplier's responsibility to apply and maintain diverse certifications along with associated costs. Please see the individual certification organization for specific costs. Each organization provides access to benefits and other programs so costs may vary. Self-certification available through the government if qualifications are met.

For additional supply chain questions / inquiry regarding supplier diversity please email the Contracting Team at <u>ContractingTeam@MeritusHealth.com.</u>