INSERT HOSPITAL NAME AND SPECIFIC DETAILS AND PLACE ON HOSPITAL LETTERHEAD

May XX, 2023

**SUBJECT:**  **AB 1392 (Rodriguez) — OPPOSE UNLESS AMENDED**

Dear Senator Eggman:

XXX HOSPITAL cares for our community in many ways. While our main focus is on caring for patients inside our hospital, we also strive to support and uplift the businesses in our communities. One of the ways this is done is through the Hospital Supplier Diversity Program, established in Assembly Bill (AB) 962 in 2019. Under the statute, hospitals must submit an annual report to the Department of Health Care Access and Information (HCAI) on their procurement efforts for minority, women, LGBT, and disabled veteran business enterprises to help inform future regulations.

In fact, XXXX HOSPITAL has been actively engaged in increasing supplier diversity over the past several years.

INSERT SPECIFIC EXAMPLE(S) OF YOUR HOSPITAL’S SUPPLIER DIVERSITY PROCUREMENT EFFORTS.

In light of the efforts that are already under way at XXX HOSPITAL, we must oppose AB 1392 unless it is amended to:

* Delay until 2027 the requirement that hospitals must develop detailed and verifiable plans, which would allow HCAI to collect additional data and further refine standards for hospital reporting. Additionally, this would allow the Hospital Supplier Diversity Commission — also established in AB 962 — more time to evaluate and develop recommendations for the state’s consideration.
* Extend the plan submission requirements from annually to every three years, similar to hospital community benefits assessments.
* Delete the $100 per day penalty for not reporting to HCAI.

While XXX HOSPITAL supports supplier diversity, the author and committee should allow the current Hospital Supplier Diversity Program to mature and the Hospital Supplier Diversity Advisory Committee to continue its work before adding new requirements. Further, supply chains are just returning to pre-pandemic form; delaying these new requirements would allow hospitals to regroup and rededicate their efforts in diversifying their vendor base.

Sincerely,