Intermountain Healthcare Joins Health Systems to Announce Commitment to Increase Minority and Women-Owned Businesses

Utah, Salt Lake City, Jun 10, 2021 (Issuewire.com) - Intermountain Healthcare has joined 11 other health systems, some of the largest companies in their states, to announce shifts in procurement strategies to help address the economic, racial, and environmental disparities that impact health outcomes in their communities.

The "Impact Purchasing Commitment" represents many health systems' pledge to build healthy, equitable, and climate-resilient local economies by how—and on what—they spend their dollars.

The commitment, designed by the <u>Healthcare Anchor Network</u> (HAN) in partnership with <u>Health Care Without Harm</u> and <u>Practice Greenhealth</u>, includes increasing spending with Minority and Women-Owned Business Enterprises (MWBEs) as well as local and employee-owned, cooperatively-owned and nonprofit-owned enterprises, by at least \$1 billion during the next five years.

The health systems adopting the *Impact Purchasing Commitment* include Advocate Aurora Health, Baystate Health, Bon Secours Mercy Health, Cleveland Clinic, CommonSpirit Health, Henry Ford Health System, Intermountain, Kaiser Permanente, Providence, Rush University Medical Center, Spectrum Health, and UMass Memorial Health.

The health systems have also agreed to work with at least two of their prominent vendors to create hiring pipelines in the disinvested communities they serve.

The HAN member signatories also commit to adopting sustainable procurement goals, which helps build additional momentum garnered by hospitals in the Practice Greenhealth network to purchase goods and services that minimize damage to health and the environment.

"As an anchor in the communities we serve, we understand we can improve community health in ways beyond providing access to high-quality care. We are committed to bringing all our assets to bear in helping people live the healthiest lives possible, including our supply chain. As we intentionally purchase supplies from our diverse communities, we improve community health," said Marc Harrison, MD, Intermountain president, and CEO.

A report by The Hamilton Project estimated that roughly one in five (or 420,000) small businesses has closed during the COVID-19 pandemic. These closures have disproportionately impacted small businesses owned by immigrants, women, and Black, Latinx, and Asian individuals, all of whom have experienced higher closures and sharper declines in cash balances.

The number of Black business owners decreased by 41 percent, Latinx business owners by 32 percent, and Asian business owners by 26 percent. Immigrant business owners decreased by 36 percent and women business owners by 25 percent. The loss of these small businesses, the jobs, and income for business owners and workers, also has a massive impact on broader racial inequality and health equity.

"Health systems are uniquely positioned to have a positive impact as leading employers and economic engines in their communities," noted David Zuckerman, executive director of the Healthcare Anchor Network. "In addition to providing quality healthcare, they can leverage institutional resources, including

almost \$500 billion in annual spending, to help address the economic, racial, and environmental resource disparities that impact community health outcomes."

When local businesses and MWBEs are awarded business contracts, they can employ local residents and provide stable wages that allow employees to securely afford food, rent, and other necessities—all of which are crucial to individual and family health.

Also, by sourcing products and services locally and from MWBEs, these health systems can further align their capital with sustainability, diversity and inclusion, and community benefit priorities.

According to <u>COVID-19 data</u> obtained from the Utah Department Of Health on June 8, 2021, underserved and minority populations have experienced health outcome inequalities during the pandemic. In Utah, racial and ethnic minorities have the highest hospitalization rates.

The statistics showed that Utah's Hispanic population accounted for 20.4 percent of COVID-19 cases while still only accounting for 14.6 percent of the state's population. Hospitalization rates of American Indian/Alaska Native Utahns were 90.6 per 1,000 COVID-19 cases, more than double the statewide hospitalization rate of 41.6 per 1,000 cases.

Mortality rates of Native Hawaiian/Pacific Islanders were 131.2 per 100,000 people, more than twice that of white community member mortality rates, listed at 64.2 per 100,000 Utahns.

Intermountain Healthcare's supply chain supports 1,800 service locations with more than 300,000 purchase orders of medical supplies annually.

"When we joined the Health Anchor Network, we committed to purchasing our materials from diverse, local suppliers wherever possible," said Shane Hughes, strategic supplier manager with Intermountain Healthcare. "Efforts are underway to continue to increase the percentage of our supply chain purchases from diverse suppliers over the next five years. By supporting minority and women-owned businesses, we are supporting broader economic conditions in our community."

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Intermountain Healthcare is a nonprofit system of 25 hospitals, 225 clinics, a Medical Group with 2,600 employed physicians and advanced practice clinicians, a health insurance company called SelectHealth, and other health services in Utah, Idaho, and Nevada. Intermountain is widely recognized as a leader in transforming healthcare by using evidence-based best practices to consistently deliver high-quality outcomes and sustainable costs.

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