

2023 VIZIENT CONNECTIONS SUMMIT

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SEPT. 18–21, 2023
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**Responsible Sourcing:
Accelerating a High-Performing, Resilient and
Equitable Supply Chain**

Mike Holland, BSME, System Vice President, Supply Chain Services

Mandie DeWine, BA, Supplier Diversity Manager

Beth Eckl, BA, Advisor, Sustainable Procurement

OhioHealth, Columbus, OH

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Learning Objectives

- Illustrate how to leverage supplier diversity and the sustainability goals of the OhioHealth Board of Directors to drive resiliency and efficiency in procurement outcomes.
- Describe strategies and processes for balancing organizational priorities to achieve leading practice outcomes via a social and environmental lens.

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Overview

Leadership
Support

Sustainability
& Supplier
Diversity
Goals

Strategies and
Process

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OhioHealth: Serving Central Ohio & Beyond

■ OhioHealth Service Area

● Member, Managed, & JV Hospitals

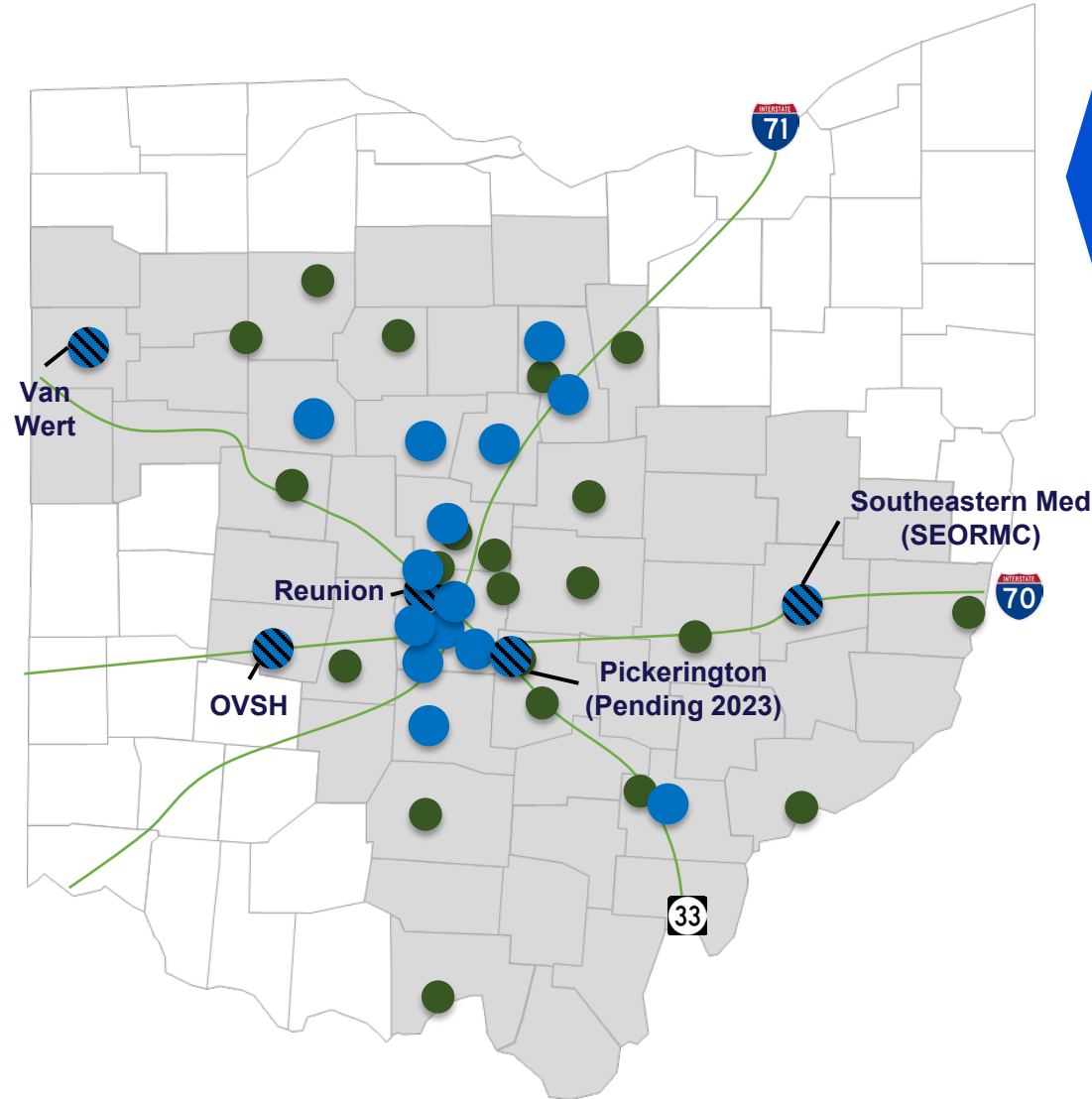
▨ 2021+ Additions

● Additional Program Deployment

➤ Service Line Outreach/Support

➤ OhioHealth Stroke Network

➤ Supply Chain Management



Collectively, our 50-county service area includes ~4M people

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FY23 Achievements



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Leadership Support

OhioHealth Senior Leadership has continued to support Responsible Sourcing through creating full-time positions and establishing Board Goals

2017

- Supplier Diversity Manager and Sustainability Advisor roles created

2018

- Diversity & Inclusion Board Goal established, including achieving \$50M in diverse spend by June 2021

2021

- Sustainability Board Goal created for FY21-23
- Sustainable Procurement Advisor role created

2022

- Principal Advisor of Sustainability & ESG role established, reporting to the Chief Administrative Officer

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OhioHealth Goals



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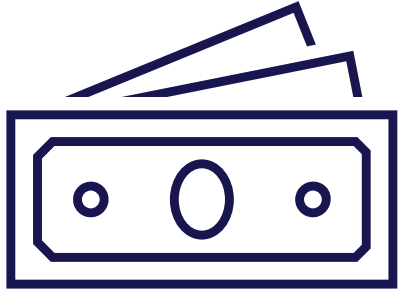
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Sustainability Board Goal



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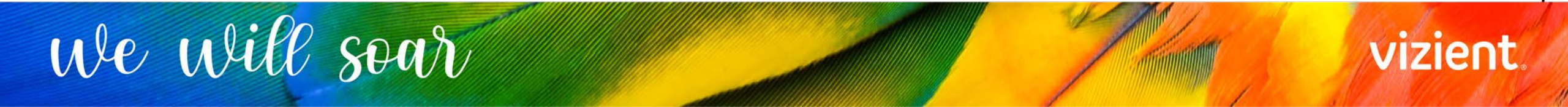
Supplier Diversity Goals



Double spend with diverse suppliers by 2025



Achieve **equitable** spend reflective of the communities we serve



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Strategies & Process

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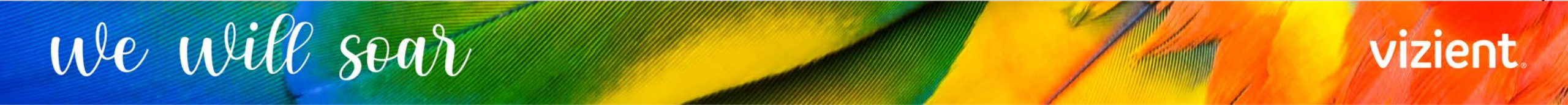
Assessment Tool

6 Key Areas:

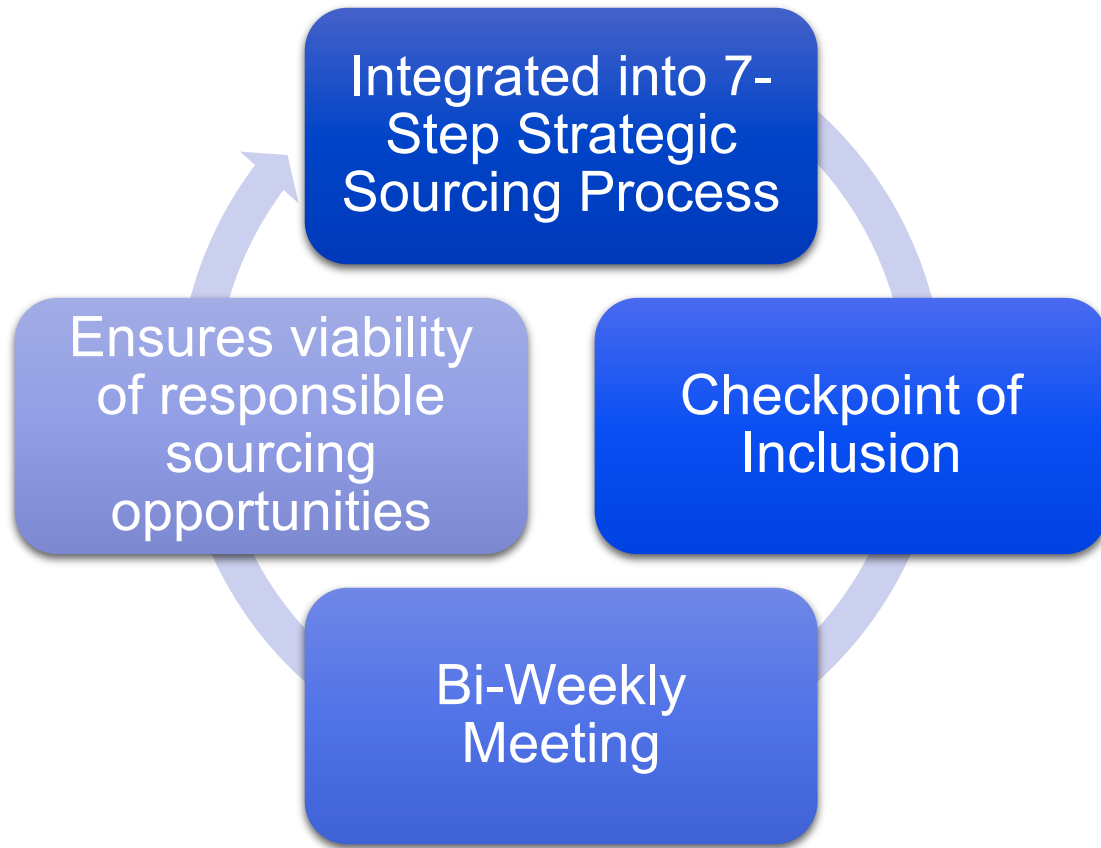
- Environment & Health
- Social
- Health care priority
- Economic/financial
- Operational
- Market Transformation

Sustainability Criteria	Weight	Product 1	Product 2
Are any requirements or policies driving change in this product or service category? <i>Additional guidance: Does this help advance any national or international policy goals?</i>		No	No
Priority	15%		
Is this product or service a high priority for HCWH/PGH?		Yes	Yes
Economic/Financial	20%		
Has this product or service category been identified as having known cost savings? <i>Additional guidance: Is this designed for longevity compared to competing product?</i>		No	No
Is this product bought in large volume or represent a major expense to the organization?		No	Yes
Operational	15%		
Are there opportunities to address the purchasing of this product/service in the near term (12 months)?		Yes	Yes
Is a sustainable alternative to an existing product or service easy to implement or a quick win?		No	Yes
Is there a low number of SKUs (0-20 low, 20-50 Medium, above 50 high)?		Yes	Yes
Can we use an existing supplier?		Yes	Yes
Will the current process be used? (Does not require a process change)		No	Yes
Are there available, high-performing alternatives?		Yes	Yes
Environment and Health	25%		
Can we eliminate this product, service, accessory or chemical additive altogether? <i>Additional guidance: Is this product needed? Is there an opportunity to reduce or completely eliminate the use of a product or packaging? Can we lease this product instead of purchasing it or obtain it as a service?</i>		No	No
Has this product or service category been identified as having (well-known) environmental/health impact at any point in its life cycle?		Yes	Yes
Has this product been identified as having (well known) chemicals of concern prioritized or targeted for elimination or reduction?		Yes	Yes
Has this product or service been identified as having (well-known) high GHG/carbon footprint impact at any point in its life cycle?		No	No
Does this support a more resilient supply chain? (Resilience means reusable, local, sustainable, reduce our dependence on raw materials)		No	No
Does this enhance patient safety? (Directly)		Yes	Yes
Is there a worker safety benefit? Does it reduce potential threat to worker safety? <i>Additional guidance: Are there worker illness/injury reports from the use of this product or service in the health system?</i>		Yes	No
Social	20%		
Have you identified this product as being of high risk for child labor, forced compulsory labor, freedom to organize, human rights, occupational health and safety or human trafficking?		No	No

Source: Tool created by Practice Greenhealth (Sustainable Procurement Guide), modified to meet OhioHealth’s needs



Stage Gate



Project ABC

Summary

- Purpose:
- Sourcing Drivers
 - X
 - Y
 - Z

Gate Review

- Suppliers identified to participate in event:
 - Incumbent
 - New
 - New Diverse
- Milestones and dates

Project Snapshot	
Business Unit	
Business Unit Lead	
Category Manager	
Accountable Exec	
Spend	
Estimated Savings	
Current Supplier(s)	
Project Type	
Opportunity Type	
Diversity Potential	
Sustainability Potential	
Project Start	
Planned Execution	
Project Status	● ● ●

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Outcomes

Supplier Diversity

- \$100M in diverse spend achieved two years ahead of original 2025 goal
- Partnered with diverse supplier to support OR waste recycling program

Sustainable Purchasing

- Eliminated 23 tons of waste in 2022 with reusable isolation gowns
- Partnered with courier services to purchase and utilize 11 electric vehicles
- \$1M saved annually through reprocessed device buy back
- Sustainable IT purchases saving enough energy to power 600 homes annually
- Recycling and repurchasing blue wrap (circular economy)

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Lessons Learned



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Key Takeaways

Leadership
support is vital

You own the
system of
procurement

Aim for the
stars when
setting goals

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Questions?



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