



**CALIFORNIA DEPARTMENT OF INSURANCE
2015 INSURER SUPPLIER DIVERSITY SURVEY**

Report Type: **Individual**

Group / NAIC Code:

61557

Group / Company Name: **Blue Shield of California Life & Health Insurance Company**

Our company / group enters into contracts to procure goods or services in California.

1. Does your company / group have a supplier diversity policy statement?

YES

A supplier diversity policy statement is any language that refers to the company's / group's policies in regards to supplier diversity, with the goal of procuring goods and services from diverse businesses

If yes, provide the supplier diversity policy statement below:

Blue Shield of California is committed to supplier diversity by providing access and opportunity for all service providers to participate in our procurement process. In short, we: 1. Actively foster a diverse supplier base2. Provide bid opportunities to a diverse range of suppliers3. Hold prime suppliers accountable for providing subcontracting opportunities to diverse suppliers4. Procure high-quality, competitively priced goods and services from a diverse range of suppliersAll suppliers are eligible to participate in Blue Shield of California's Supplier Diversity Program.Majority prime suppliers participate by providing subcontracting opportunities for verified diverse suppliers. Diverse suppliers are certified small businesses and those that are 51 percent or more owned and operated by women, minorities, service disabled veterans and LGBTs (lesbian, gay, bisexual, transgender).

- Provide a list of all documents in which the statement can be found (i.e. website, co. / group report, board charter, etc.):

company website and Sourcing Policy and Process Guide

- If the state is available online, provide link here:

<https://www.blueshieldca.com/bzca/about-blue-shield/social-responsibility/commitment/supplier-diversity.sp>

If no, but will be creating one within the next 12 months, provide a timeline for when your co. / group expects the policy statement to be completed and any other details available at this time (i.e. policy language, policy creation team, etc.):

If no, please explain why:

2. Does your company / group have a supplier diversity program?

YES

A supplier diversity program is any formal plan and / or structure that has been setup specifically for the company / group to implement its supplier diversity policy statements.

If yes, provide an overview of the program:

BSC's supplier diversity program is managed within the Global Business Services organization that sits within the broader Finance unit. The program is managed by a senior manager and a staff member. Both the senior manager and

staff member conduct vendor outreach, address inquiries, attend workshops, promote education and awareness, and ensure all required reporting is completed. Further, this team conducts training to sourcing staff members and business unit representatives on the benefits of including diverse vendors in sourcing opportunities, and the associated scoring protocols that accompany such inclusion to include RFP allotted points for certified diverse vendors as well as non-diverse vendors who offer certified diverse tier-2 subcontracting spend. This team also represents the organization at various diversity events throughout the year to include sponsorship and match-making. Finally, this team works with key suppliers to grow diverse spend especially in the areas of office supplies and contingent labor, as well as plans for additional ways in which to capture appropriate tier 2 certified diverse spend with its prime suppliers.

If no, but will be creating one within the next 12 months, provide a timeline for when your company / group expects the program to begin and any other details available at this time (i.e. program plan, program director, etc.):

If no, please explain why:

3. Does your company / group conduct outreach specifically to diverse businesses? **YES**

If yes, respond to parts a, b, c, d, and e below.

a. Share all company / group outreach and communication strategies and practices that are conducted specifically to diverse businesses. Specify what outreach is conducted specifically to California diverse businesses:

BSC's diversity team conducts outreach to diverse businesses by attending third party sponsored diverse events. Ninety (90%) of all attended outreach events are located within California. Diversity outreach events include, but are not limited to: Business Matchmaking, Astra Women's Business Alliance, California Disabled Veteran Business Alliance. At these events, we participate in matchmaking and other networking opportunities with many vendors whom are based locally within either the geographic area of the event, or within the state. Further, over the past three years, we have attended the Commissioner's Insurance Diversity Summits to demonstrate our support of supplier diversity, but also to meet and network with invited diverse vendors and other California based interest groups. In addition to outreach events, we conduct research on diverse vendors doing business in California on a per project "opportunity" basis, including those vendors who may be certified by the state of California in particular. Finally, in recent years, our diversity team has conducted classes on how to do business with our firm at the Small Business Administration which includes providing participants with insight into diversity certification, the insurance and due diligence requirements of corporations, and delivering advice on how a small company can register in our database and get their capability statements into the hands of decision makers.

b. Share any outreach and communication strategies and practices about supplier diversity conducted internally to company / group employees:

BSC's diversity team acts as an advisor to employees in several ways. In terms of general awareness and education, Supplier Diversity is part of our Sourcing Policy which provides best practices information in terms of policy as well as thought-leadership employees should undertake when sourcing suppliers. The diversity team shares our Supplier Diversity policy and process on our team intranet site, and our sourcing specialists are well trained in supplier diversity and provide ongoing advocacy and education to business partners on the importance of including certified diverse firms in RFP opportunities. Further, as BSC's diverse employee groups become more prevalent, the diversity team helps spread the importance of diversity by leveraging these groups and advancing the conversation on diversity in terms of suppliers and the connection to our customers within the community.

c. Check below all outreach and communication practices in which your company / group engages:

EVENT – seminars, meet-and-greets, summits, etc.

- Host matchmaking
- Host supplier diversity events
- Internal Awards Program
- Participate in matchmaking
- Participate in supplier diversity events
- Sponsor matchmaking
- Sponsor supplier diversity events

Share the name of an event you attended / hosted that has best guided and / or influenced growth of your Supplier Diversity efforts:

Keeping the Promise (Disabled Veteran Business Alliance)

MEDIA – advertising, announcements, interviews, webinars, etc.

- Traditional media (newspaper, television commercial, etc.)
- Ethnic media outlets
- Social media; please specify: _____

Trade publications

Share the name of a media group or outlet that has best guided and / or influenced growth of your Supplier Diversity efforts:

N/A

ORGANIZATIONS – membership, affiliation, sponsorship, etc.

Member of a certification agency

Member of ethnic chamber of commerce

Member/affiliate of other organization, please specify:

Astra, Disabled Veteran Business Alliance, Women’s Business Enterprise Council, and Western Regional Minority Supplier Development Council

Share the name of an organization that has best guided and / or influenced growth of your Supplier Diversity efforts:

All of these organizations have contributed equally

PROGRAMS – mentorship, training, locator, etc.

Diverse supplier registration portal

Manage and run a supplier diversity mentorship program (in-house)

Participate in a supplier diversity mentorship program

Subscriber to a supplier locator program (or 3rd party service that identifies diverse suppliers)

Operate a website dedicated to a Supplier Diversity Program

Technical assistance / training program for diverse suppliers

Share the name of a program that has best guided and / or influenced growth of your Supplier Diversity efforts:

DiversityInfoResources is an organization that provides white papers and best practices webinars to promote and develop corporate diversity programs

d. Explain how, and to what extent, these strategies and practices have been successful in establishing relationships with diverse businesses:

Belonging to organizations such as Astra, Disabled Veteran Business Alliance, Women’s Business Enterprise Council, and the Western Regional Minority Supplier Development Council provides the diversity team with exposure to experienced, industry experts wh

4. Does your co. / group require and/or encourage its primary suppliers to subcontract with diverse businesses? **YES**

If yes:

a. Do you track procurement spend with Tier 2 diverse suppliers? **YES**

b. Please explain:

We track Tier 2 spend with two key suppliers: (1) our office supply vendor and (2) our contingent labor vendor. We are in the process of building and executing a tier 2 reporting outreach effort with additional top spend suppliers to capture diversity s

5. Does your co. / group set internal targets or goals in regards to its supplier diversity statement and / or program? **NO**

If yes, please explain:

6. Describe in detail any updates, progress, and / or best practices established by your company / group in the two years since the 2013 Insurer Supplier Diversity Survey was administered; include any awards or recognition received for Supplier Diversity work:

Since our 2013 submission, we have made the following process improvements and/or received the following awards in recognition of our efforts: 1. We've incorporated Supplier Diversity within our Sourcing Policy and Process Guide. This change signifies the importance of diversity to our strategic sourcing perspective and begins to set the foundation for a Supplier Diversity strategy which is in the process of being re-developed and socialized internally. 2. We've expanded our diversity team resources to enable increased opportunity to attend supplier diversity outreach events and attend match-making sessions. 3. We expanded our contingent labor program to increase DVBE participation in the program, and set a strategy to set aside specific spend to Disabled Veteran Business Enterprises. 4. We've developed a more responsive process to manage communications with diverse firms seeking to do business with Blue Shield. Our email communications enable us to better extract data and information from vendors which enable us to better facilitate information sharing and next steps with our internal business decision makers. Further, we use this opportunity to coach suppliers on the type of information corporations need in order to understand supplier capabilities. 5. Blue Shield was awarded the 2014 Insurance Commissioner's Award for Excellence in Diversity.

7. Additional Comments:

Blue Shield is working on a 3-year plan to re-shape its sourcing strategy to sharpen focus on affordability, operational effectiveness, and risk management, and which at its cornerstones are the concepts of being customer focused and community driven. In tandem, we are working on a revised Supplier Diversity strategy that is intended to fit inside the updated sourcing guard rails and guiding principles and evoke meaningful influence on our supplier diversity results. Our efforts to rationalize our supplier base will result in Blue Shield exiting certain supplier relationships, enhancing and growing with certain existing suppliers, and on-boarding new strategic suppliers.

8. Points of contact for the company's / group's supplier diversity operations for diverse business enterprises:

PRIMARY CONTACT

Contact Name: **GINA PITTMAN**
Title: **Sr. Sourcing Manager**
Phone Number: **4152296326**
Email Address: **gina.pittman@blueshieldca.com**
Mailing Address **50 Beale Street SF CA 94105**

SECONDARY CONTACT

Contact Name:
Title:
Phone Number:
Email Address:
Mailing Address

GENERAL CONTACT

Contact Name:
Title:
Phone Number:
Email Address:

Mailing Address

