

# PARTNERING WITH DIVERSE LOCAL BUSINESSES IS AN INVESTMENT IN COMMUNITY



The growth rate of diverse businesses across the United States is one of the economy's biggest success stories in recent years. Today, these companies, the majority of which are also classified as small businesses, contribute to the fiscal strength of their communities through job creation and tax revenue, and, in so doing, set a benchmark for volunteerism and community contributions.

Diverse companies thrive because they routinely focus on the triple bottom line of people, profit, and sustainable growth. Their multidimensional strategy is a recipe for long-range success, and it extends beyond their own wealth.

Their contributions to the local economy mean more people have access to jobs, education, housing, health care, and nutrition — the myriad social determinants that, when available, can reduce health disparities. They are an indisputable engine for positive social change, making them an ideal business partner for a Medicaid managed care organization like AmeriHealth Caritas — we help our members and their communities through strategic supplier partnerships. Diverse businesses contribute directly to the survival of their communities and to the well-being of residents who make up their workforce.

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More than 21 percent of AmeriHealth Caritas' more than \$300 million investment in goods and services in 2017 went to companies owned by minorities, women, veterans, and the disabled.



We increased our procurement from diverse businesses from 14 percent to 21 percent from 2013 to 2017 — a faster growth rate at 87 percent than that of overall procurement, which grew by 20 percent.



Our investments in diverse businesses contribute significantly to local economies. In just one example, for every \$1 million we spent on operations within the state of Pennsylvania from 2013 to 2017, the estimated annual economic benefits included \$1.3 million in induced and indirect impacts, resulting in a total economic impact of \$2.3 million.

## PARTNERSHIPS GO BEYOND BUSINESS

Our partnerships with diverse suppliers have evolved into far more meaningful relationships. These business owners have not only delivered quality products and services, but have also embraced our company's mission "to help people get care, stay well, and build healthy communities."

Many of our diverse suppliers serve as role models for our members. Among them are individuals who overcame their own obstacles to success, so they understand the needs of our members more intimately and have volunteered to help them in numerous ways. In the process, our suppliers have also acknowledged the mutual benefits of working with us.

One supplier even said he doesn't consider doing business with AmeriHealth Caritas to be a commercial transaction, but, instead, wants to be part of the good we do. Another supplier called his company "very privileged" to play a part in providing care to the communities and people we support. And yet another supplier said her company benefitted from our commitment to establishing a vendor pool that reflects the communities we serve, and that she is giving back through the community initiatives her company has since started on its own.

This ripple effect of support for our members is why we are committed to ensuring more diverse entrepreneurs have opportunities to succeed. We created a Mentor Protégé Program to help small and minority-owned businesses with the tools and training they need to grow their businesses. With guidance from leaders throughout AmeriHealth Caritas, protégés develop new business relationships, expand operational capabilities, and improve their competitive position in the marketplace.

## COMMITMENT TO SUPPLIER DIVERSITY

AmeriHealth Caritas is making connections and securing supplier and other partnerships that advance diversity at every level of our enterprise. Partnering with diverse vendors and suppliers has far-reaching value and potential for both our company and the communities we serve.

Our Supplier Diversity Program supports the inclusion of diverse suppliers through direct contracting. It also connects key small suppliers with our larger supplier partners. The program has redirected taxpayer dollars into the communities we serve through our purchasing power.

In total, AmeriHealth Caritas has invested more than \$235 million during the last five years into these partnerships, a figure that will continue to grow as affiliate health plans expand throughout the country and new innovations in health care provide pathways for emerging businesses.

Our Supplier Diversity Council further promotes business opportunities for certified diverse business enterprises. Our partnerships extend to community- and business-focused organizations, such as the Urban League, U.S. Veterans Business Alliance, African American Chamber of Commerce, Hispanic Chamber of Commerce, and the National Minority Supplier Development Council.



**SHAWN GIBBONS** ▶  
Owner, CI Solutions

## MENTOR PROTÉGÉ ACHIEVES SUCCESS

Our Mentor Protégé Program supports small businesses owned by women, minorities, veterans, and the disabled by helping them build competencies in areas such as strategic business practices, product innovation, talent management, organizational development, and financial management. In return, AmeriHealth Caritas identifies new suppliers to advance its mission to support the community.

Shawn Gibbons, owner of CI Solutions, a Philadelphia-based interior design company, credits AmeriHealth Caritas with helping her develop her business from a startup to an established enterprise, with revenues in the millions. Our company advised Gibbons on market opportunities and introduced her to business partners. Once her business was operational, we became one of her top clients.

"They took that time and made that investment, and it has paid out in numerous ways," Gibbons said. "CI Solutions has benefitted from the mission and vision that AmeriHealth Caritas has for serving their communities and making sure the vendor pool reflects the communities they serve."