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## Southwest Learning Experience for Small Businesses

Presented by the Department of Health and Human Services

### “Big Opportunities for Small Businesses”

Welcoming Remarks by

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Good morning. It is a pleasure and privilege to extend the greetings of Secretary Tommy Thompson and Deputy Secretary Claude Allen and welcome you to the Department of Health and Human Services Southwest Learning Experience for Small Businesses. I am Dr. Charles Grim, the Director of the Indian Health Service, an operating division within the Department. I have the honor to serve with a Secretary and Deputy Secretary who are dedicated to increasing the health of all Americans and strengthening our ties to small businesses in achieving that goal.

Put simply, we want to do business with you. Our purpose for being here is to help you do business with us. I assure you, the Secretary and the Deputy Secretary are committed to expanding and diversifying our current vendor base. Meetings such as this, the first one to be conducted out in the areas where we operate, demonstrate that and also reflect the investment they are willing to make. And we are here because of the reputation you have with the Departments of Energy, Air Force, and the Army for providing quality products and services. For them, and other businesses in the area, you are providing services ranging from Information Technology to microbiology and construction.

Today we want to introduce to you the programs of the Department of Health and Human Services because we believe our mission and services can benefit from your expertise. Small business is serious business in the Department of Health and Human Services – among the 10 management objectives, which are a part of every senior manager’s performance contract with the Secretary, is an objective to “meet or exceed the socioeconomic goals of the Department.” This is the first time the importance of doing business with small businesses has been elevated to being one of the top management objectives for the Department.

The President’s Small Business Agenda is focused on creating more opportunities for the small business community – and that is what the Secretary also wants to achieve. This is so important to the Department that the Secretary has given the responsibility for this effort to the Deputy Secretary. It has not been delegated to the status of an initiative or priority for a component of the Department – the Department’s Small Business Agenda is part of the Office of the Secretary.

The Department’s estimated spend for FY 2004 is \$5.2 billion dollars worth of goods and services. We have established a goal of 30 percent or approximately \$1.6 billion going to small businesses: 11 percent or approximately \$578 million going to small disadvantaged businesses; 5 percent or \$263 million going to women-owned businesses; 3 percent or \$158 million for HUBZone businesses and 3 percent or \$158 million for service-disabled veteran owned businesses.

Those are the Department goals for working with small businesses for a total of \$1.6 billion. Quite a commitment. And quite an opportunity for small businesses. The government-wide goal for small business is 23 percent, and the Deputy Secretary has asked our employees to look at a goal of 30% as the floor and not the ceiling. He wants everyone involved in the acquisition process to raise the bar and go beyond.

*The text is the basis of Dr. Grim’s oral remarks at the HHS Southwest Learning Experience for Small Business meeting in Albuquerque, New Mexico, on Wednesday, November 19, 2003. It should be used with the understanding that some material may have been added or omitted during presentation.*

And the Office of Small and Disadvantaged Business Utilization's philosophy is to form partnerships with the vendor community. Debbie Ridgely, the Director of that office, has put together today's agenda. She is outstanding in her field and if it can happen, she can make it happen. I know she will tell you this again, but the Department's Small Business Program does not and can not work without you. And Director Ridgely will tell you more about her program and how her office can support you to join the HHS vendor base.

There are many opportunities to do that. And there are many senior managers who are looking forward to doing business with you!

There are more than 300 HHS programs providing a wide spectrum of activities from medical and social science research to ensuring food and drug safety, from delivering meals to the elderly to carrying out the treaty obligations to provide health services for American Indians and Alaska Natives, from providing financial assistance and services for elderly, disabled, and low-income Americans to building hospitals and sanitation systems. All focused on one thing – to keep America and Americans healthy.

And we would like you to help us do just that.

The Department of Health and Human Services has approximately 66,000 employees nationwide with 11 operating divisions. The Department buys goods and services in the following areas: Management Services – all types of medical research and development, data analysis, surveys and studies, conference planning and reports, even grant writing training assistance for small businesses and organizations; Information Technology – hardware, software, integration support, and software development; construction services and medical supplies and products from surgical gloves to state-of-the-art medical equipment.

The list goes on and on. Using the Indian Health Service, for example, Director Ridgely has told me that my agency is the top performing agency in the Department when it comes to working with small businesses. In FY 2002, IHS awarded \$297,352,000 in total direct contracting dollars, and 56.6 percent of that, or \$168,372,000, went to small businesses. In our operation of 49 hospitals, 61 health clinics, 49 health stations, and 5 residential treatment centers nationwide, we contract for a wide variety of services. These include: direct medical, clinical, laboratory, radiology and therapeutic services; construction of hospitals and clinics, alteration and renovation of facilities, sanitation facilities; for information technology services,

medical supplies and pharmaceuticals, management and advisory services, and educational services on the treatment and prevention of diseases; and also administrative, custodial, laundry and food services. As you can see, there are a wide variety of services the Department and IHS can use your help with.

For those of you not familiar with the Indian Health Service, most of the services we provide directly and through contracts is provided in rural areas of the country. Approximately 43 percent of all Indian people live in non-metropolitan areas, making the Indian population the most rural population in the U.S. So, not only are our contracts with small businesses critical to helping us with our operations in rural areas they are also part of the economic fabric for many rural and Indian communities. There is a willing and able workforce in rural America to help you help us. Contracting with the IHS, and also the Centers for Disease Control and Prevention which also plays a significant contracting and economic role in rural America, achieves not only the President's small business management objective but also the President's health objective to eliminate health disparities for all Americans, and also the Secretary's Initiative on Rural America to improve access to health care and also to support rural economic development.

There are many opportunities to contract with the Department either through prime contracts with the Department or through subcontracts with our prime contractors. The success of our program so far is evident by an increase of half-a-billion dollars in 2 years going to small business contractors. In fiscal year 2000, the Department spent \$4.3 billion on goods and services, and \$1.1 billion went to the small business community. In 2002 the Department spent \$5.9 billion dollars, and \$1.6 billion went to the small business community. Our expectation is that when the 2003 expenditures are verified, another significant increase will be realized.

There are a lot of people working hard on behalf of Small and Disadvantaged Businesses to increase the number of vendors that the Department can count on in our efforts to improve the health of Americans across the nation. They are here today to tell you how we can build partnerships to meet the health needs of the nation.

Thank you for attending this meeting. At the end of the day we hope you will want to do business with us. I, and the Department, look forward to working with you one day.

Thank you.