



AGENDA ITEM: 10
DATE OF MEETING: April 21, 2010
ACTION: X
INFORMATION: _____

**PARENT SIGNATURE PROGRAM
KIT FOR NEW PARENTS**

SUMMARY OF REQUEST

This is a request for the Commission to approve the release of an Invitation for Bid (IFB) for the production and distribution of the *Kit for New Parents (Kit)*. Under this proposed three-year agreement beginning August 1, 2010, through July 31, 2013, the contractor(s) will print, procure, and fulfill *Kit* components. The original contract was established in 2001, and the current contract ends on April 30, 2010.

BACKGROUND

In 1998, California voters approved Proposition 10, also known as the California Children and Families Act, with the expectation that a new agency would “at a minimum” provide a “parental education resource relevant to informed and healthy parenting.” Investment in parental education would result in California children being healthy, emotionally well developed, and ready and able to learn once they reach school.

First 5 California answered the voters’ call by introducing the *Kit for New Parents*, a multi-media educational resource for parents of children ages 0 to 5. The *Kit* was created on the premise that the first five years of life are an absolutely crucial development period for children. By providing information on prenatal, postnatal and maternal nutrition, newborn and infant care, nurturing for optimal early childhood development, and parenting, the *Kit* often functions as a critical first step in educating California parents, grandparents, and caregivers about the care, health, and education of children ages 0 to 5.

COST

For nearly a decade, First 5 California has borne the cost of producing and distributing the *Kit*. However, the dire state budget situation has made it difficult for First 5 California to continue providing the *Kit* at current levels. First 5 California formed an internal staff committee to review the *Kit* and make recommendations for future *Kit* options. Based on the committee’s analysis, First 5 California recommends producing a more cost-effective and streamlined *Kit* in the following two-tiered approach:

1. Issue a smaller *Kit* package targeting California’s hard-to-reach population and those in lower incomes and below (45% of California’s 0 to 5 population and their

families).¹ As a result of targeting the hard-to-reach population, production will be capped at 300,000 *Kits* per year.

2. Make an online *Kit* available on First 5 California's Web site targeting the remainder of California parents, grandparents, and caregivers. This online *Kit* will include comprehensive information about the care, health, education, and well-being of children ages 0 to 5.

County commissions will be encouraged to distribute the *Kit* to their constituents in a more targeted approach and encourage their partners to inform clients about the availability of an online version of the *Kit*.

The items removed from the *Kit* will be converted to PDF format and posted on First 5 California's Web site as part of the online *Kit*. A promotional card informing Californians about the online *Kit* will be distributed to counties, disseminated at events, distributed from the Hands-on-Health van, and included in the redesigned *Kit*.

The contents and cost of the current versus redesigned *Kit* are as follows:

Cost per current *Kit* = \$21.61

- 475,000 *Kits* built per year x \$21.61 = **\$10,264,750 per year**

Cost per redesigned *Kit* = \$15.78

- 300,000 *Kits* built per year x \$15.78 = **\$4,734,400 per year**
- *Kits* built per year would be capped at 300,000 ²
- **ESTIMATED COST SAVINGS = \$5,530,350 per year**

Current <i>Kit</i> for New Parents' Materials	Redesigned <i>Kit</i>	Online <i>Kit</i>
Activities Pamphlet set of 3		X
<i>Advice for New Parents</i> DVD and Wallet with 2 pockets and assembly	X	
<i>Advice for New Parents</i> Wire-O booklet		X
Brief Case box with handle	X	
Box Filler	X	
Flyer for Healthy Families program		X
Master pack carton	X	
Paid Family Leave brochure		X
<i>Parents Guide</i>	X	
Poison Control brochure	X	X

¹ This 45% figure comes from the National Center for Children in Poverty (NCCP), Mailman School of Public Health, Columbia University. State data were calculated from the Annual Social and Economic Supplement (the March Supplement) of the Current Population Survey from 2007, 2008, and 2009, representing information from calendar years 2006, 2007, and 2008. The NCCP averaged three years of data because of small sample sizes in less populated states. The national data were calculated from the 2009 data, representing information from the previous calendar year.

² The 300,000 figure is 45% of births in California averaged from 2010 through 2013.

<i>Puppy and Friends</i> baby board book	X	
<i>What to Do When Your Child Gets Sick</i> book	X	
Reply card for VHS video request		X
Oral Health brochure		X
Oral Health licensing fee (paid to EMS for the pediatric oral health segment distributed on First 5 California's <i>Advice for New Parents</i> DVD)	X	

Through an agreement with the Department of Health Services, First 5 California receives federal matching funds to distribute the *Kit* to Medi-Cal beneficiaries who become new parents.

- According to the latest statistics from the California Department of Health Services, there were nearly 252,000 births to Medi-Cal beneficiaries. This is 46% of the total births in California (about 548,000).
- This percentage is what our current formula for federal reimbursement is based upon.
- The funding source for federal reimbursement is Other Administrative Budget money. The program category is Local Assistance.
- There is no funding cap for federal reimbursement for the *Kit*.

Federal matching funds opportunities for the *Kit*

- First 5 California currently receives federal reimbursement for *Kits* distributed to Medi-Cal recipients.
- 46% (Medi-Cal birthrate) x total *Kits* distributed / 2 (Title XIX federal financial participation) = current reimbursement rate
 - For the current contract (May 1, 2007 – April 30, 2010)
 - = **\$5,909,329 total projected federal matching funds**
 - May 2007 – December 2009 = actuals
 - January – April 2010 = projected
- First 5 California expects the 300,000 proposed *Kits* to target Medi-Cal beneficiaries.
 - There is a potential to receive matching federal funds for all *Kits* produced.

STAFF RECOMMENDATION

Staff recommends approval of the release of an IFB for up to \$15 million over 3 years for a contract to produce and distribute the *Kit* beginning August 1, 2010, through July 31, 2013.

IMPACT AND OUTCOMES

The *Kit* has been one of First 5 California's most successful and highly visible products. Since October 2001, First 5 California, through its outreach efforts and partnerships with First 5 county commissions, has distributed more than 3 million *Kits* at no cost to California residents.

Thousands of California parents and caregivers have benefitted through the years from this valuable resource. Two independent evaluations provide important evidence about the outcomes of the *Kit*. The University of California, Berkeley (UCB) conducted one study; the University of California, San Diego (UCSD) conducted the second study. According to the UCB study, published in *The American Journal of Public Health* in October 2003, knowledge gains among mothers who receive the *Kit* were, on average, twice as high as those found in a national review of more intensive and expensive parenting education programs.

The "What to Do When Your Child Gets Sick" book provided in the *Kit* has also shown a cost benefit, according to a 4-year study entitled "A Breakthrough Health Literacy Program" by UCLA and the Johnson & Johnson Healthcare Institute. This study found that when parents referred to the "What to Do When Your Child Gets Sick" book when treating common childhood ailments at home it resulted in:

- Reduced medical costs (a potential annual savings to a family of \$554)
- Significant decreases (58%) in emergency room visits and doctor/clinic visits (42%)
- Reductions in days lost at work for parents (42%) and days lost at school for children (29%)
- Increased parental confidence in health care decisions
- Quicker response to early signs of illness
- Better understanding of common childhood illnesses

UCB conducted a quasi-experimental longitudinal study of English- and Spanish-speaking parents' use of and satisfaction with the *Kit*, and its impact on their learning and parenting practices. The study compared outcomes for parents who received the *Kit* with those of parents who did not receive the *Kit*. The evaluation also examined the implementation of the *Kit* in all 58 counties. Key findings include the following:

- 87% of mothers (including 95% of Spanish-speaking, and 82% of English-speaking mothers) reported using the *Kit* within 2 months after receiving it, and 53% of them reported sharing it with their partner.
- 94% of mothers reported that the *Kit* was helpful for a broad range of parenting issues.
- Mothers who received the *Kit* significantly improved their knowledge about health, safety, and child development, and about access to local resources, compared to mothers who did not receive a *Kit*.

- Knowledge gains were high among all mothers who received a *Kit* whether they received it prenatally, at a delivery hospital, or through a nurse home visit. Results were especially high among those who received it before the baby was born, and among Spanish-speakers.
- Knowledge gains among mothers who received the *Kit* were, on average, twice as high as those found in a national review of more intensive and expensive parenting education programs. Currently, the *Kit* costs \$22 per family served compared with hundreds or thousands of dollars for many other educational efforts.
- Parents appreciated having both video and printed parenting information in the *Kit* and having it available as a home reference to consult over time. One year after receiving the *Kit*, the majority of mothers reported using the *Kit* multiple times.
- Mothers who received the *Kit* also reported significantly improved parenting practices related to child development, infant feeding, early literacy, child safety and health care, and resource access compared with mothers who did not receive a *Kit*.
- In the survey of all 58 counties, the First 5 *Kit* coordinators unanimously reported that the *Kit* was not only highly valuable to parents, but was also an important complementary resource for many of their educational programs for parents of children 0-5.
- County providers reported that the *Kit* is a very effective way for them to connect with hard-to-reach parents, including teen mothers, military parents, incarcerated parents, and those who speak a language other than English.
- Parents and providers recommended that the *Kit* be available to all parents of children 0-5, and that *Kits* be developed for Chinese-, Vietnamese- and Korean-speaking parents (as has now been done).
- The UCB study was published in the *American Journal of Public Health*: Neuhauser, L, Constantine, WL, Constantine, NA, Sokal-Gutierrez, K, Obarski, SK, Clayton, L, Desai, M, Sumner, G, Syme, SL. (2007). Promoting Prenatal and Early Childhood Health: Evaluation of a Statewide Materials-Based Intervention for Parents. *American Journal of Public Health*, 97(10): 813-819.
- The national Association of Maternal and Child Health Programs awarded First 5 California a best practices award for the *Kit* in 2009. The First 5 *Kit* model has been successfully adapted in four other states.

UCSD conducted an additional study that found similarly positive outcomes on parents' use of and satisfaction with the *Kit*, and in the *Kit's* positive impact on parents' learning and positive parenting practices.

DISCUSSION

The cost for the *Kit* will be reduced significantly by the aforementioned changes – including capping annual *Kit* production – while still providing comprehensive information to parents, grandparents, and caregivers of children ages 0 to 5. A lower-cost, equally effective *Kit* will demonstrate that First 5 California is sensitive to the fiscal challenges

faced by the state. In light of the cost savings and online availability of *Kit* materials, initial conversations with First 5 county representatives have yielded positive reactions regarding proposed changes in the *Kit*.

ALTERNATIVES CONSIDERED

Description of Alternative 1

No significant changes in production or content for the *Kit*.

Pros

- The *Kit* is a successful and widely praised program in its current form.

Cons

- Fewer funds will be available for other important First 5 California education and outreach programs. Also, in these difficult economic times, agencies must try to find solutions to aid the state's budget crisis.
- There are no limits in annual *Kit* production. *Kits* are produced until the funds are exhausted. This may result in a shortfall and production halt during a contract period.
- The *Kit* would not be an integrated piece of the Signature Programs Parent Resource Web site.

Description of Alternative 2

First 5 California implements a reimbursement system for counties to contribute toward the cost of *Kits* distributed to parents, grandparents, and caregivers in their respective counties. This system would mirror the reimbursement system between the counties and First 5 California for MRMIB.

Pros

- Allowing counties to contribute toward the cost of the *Kit* lessens the financial burden on First 5 California.

Cons

- Counties may not wish to participate.
- Equitable distribution of costs may be difficult due to county size, birthrates, distribution of *Kits* varies county by county.
- Could adversely affect federal *Kit* reimbursement.

Description of Alternative 3

Discontinue funding the *Kit*.

Pros

- First 5 California would save \$15 million over approximately 3 years.

Cons

- The *Kit*, a valuable resource, would no longer be available to parents and caregivers in California.
- County commissions, hospitals, and educational organizations dependent on the *Kit* as part of their parent education programs will be left without an important tool.

FUND REQUEST FISCAL DETAIL

Title of Request:		<i>Kit for New Parents</i>				<input checked="" type="checkbox"/> Contract <input type="checkbox"/> Program Disbursement <input type="checkbox"/> Special Disbursement	
Amount of Current Agreement:	Up to	N/A		Expenditures to Date:	N/A		
Current Term of Agreement:	N/A		Through	N/A			
			Fiscal Year Detail				
			FY 09-10	FY 10-11	FY 11-12	FY 12-13	
New Amount Requested:	Up to	\$15,000,000		\$5,000,000	\$5,000,000	\$5,000,000	
Total Amount of Agreement:	Up to						
Proposed Funding Term:	August 1, 2010		Through	July 31, 2013			
First 5 California Account Name:	Mass Media Communications		Account Number	0631	Fund Availability Confirmed	<input checked="" type="checkbox"/> Yes By: Sandy Beck	
Statutory Purpose: Health and Safety Code 130105(d)(1)(A)	Six percent shall be deposited in a Mass Media Communications Account for communications to the general public utilizing television, radio, newspapers, and other mass media on subjects relating to and furthering the goals and purposes of this act, including, but not limited to, methods of nurturing and parenting that encourage proper childhood development, the informed selection of child care, information regarding health and social services, the prevention and cessation of tobacco, alcohol, and drug use by pregnant women, the detrimental effects of secondhand smoke on early childhood development, and to ensure that children are ready to enter school.						
Do our funds leverage others?	<input checked="" type="checkbox"/> Yes (explain) <input type="checkbox"/> No	Commission Funds		Leveraged Funds		Total Funds	
		\$15,000,000		TBD		TBD	
The California Department of Health Care Services (DHCS) compensates First 5 California for the federal share of the actual expense of producing and distributing the <i>Kit for New Parents</i> to Medi-Cal eligible beneficiaries. First 5 California receives funds through an interagency agreement (03-76097) with DHCS to offset the cost of <i>Kits</i> distributed. Redesign of the <i>Kit</i> distribution strategy may impact the reimbursement amount of federal funds.							
Key Deliverable Descriptions						Deliverable Date	
Contractor must produce and/or procure all components of the <i>Kit</i> . All specifications must be followed unless changes are pre-approved by First 5 California Contract Manager.						Monthly Subscriptions	
Upon receipt of approved custom <i>Kit</i> items listed by county from First 5 California, Contractor will customize county <i>Kits</i> . The contractor will receive, inventory, process, and distribute customized <i>Kits</i> in accordance with the basic <i>Kit</i> specifications and county requested specifications provided by the county and approved by First 5 California.						Ongoing	
Ship all orders within three business days of receipt of the order, using order receipt date or subscription delivery request date to determine shipping sequence, unless other arrangements are approved by First 5 California.						Shipped three business days of request	
Provide tracing and tracking for orders, using UPS, FedEx, U.S. Postal Service systems, including CASS (Coding Accuracy Support System), or any other approved carrier.						At time of shipment	