BEHAVIORAL HEALTH SERVICES ACT (BHSA)

2026-2029 Three-Year Integrated Plan

Yolo County Health and Human Services Agency

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Purpose of Presentation

1. No decision will be made today.
2. Provide overview and clarification of new program requirements under the Behavioral Health Services Act.
3. Background on BHSA budget allocation requirements in preparation for March decision on funding allocations.

BHSA Integrated Plan (IP) Timeline

March 31st, 2026
First Draft Integrated Plan due to State

May-July 2025
Regulation review, analysis, and planning (DHCS policy manuals released, County review and planning, analyze county performance metrics with BHSA behavioral health goals)

August 2025
Developed engagement strategy (Mapped stakeholders and began outreach)

September-November 2025
Community engagement (Share BHSA information and county outcomes, gather stakeholder feedback through multiple engagement methods)

November-December 2025
Community Findings (Analyzed community feedback, developed findings report.) **Draft Integrated plan (IP) development**

January-March 2026
Draft Integrated Plan (IP) development & **review.** First draft submission to State

April-June 2026
DHCS Plan review, 30-day posting period, host public hearing, implementation planning, **Board of Supervisors Integrated Plan approval. Final IP submitted to State (June 30, 2026).**

New Metrics: Statewide Population Behavioral Health Goals

Goals for Improvement

- Access to Care*
- Care Experience
- Prevention and Treatment of Co-Occurring Physical Health Conditions
- Quality of Life
- Social Connection
- Engagement in School
- Engagement in Work

Goals for Reduction

- Untreated Behavioral Health Conditions*
- Institutionalization*
- Homelessness*
- Justice-Involvement*
- Removal of Children from Home*
- Suicides
- Overdoses

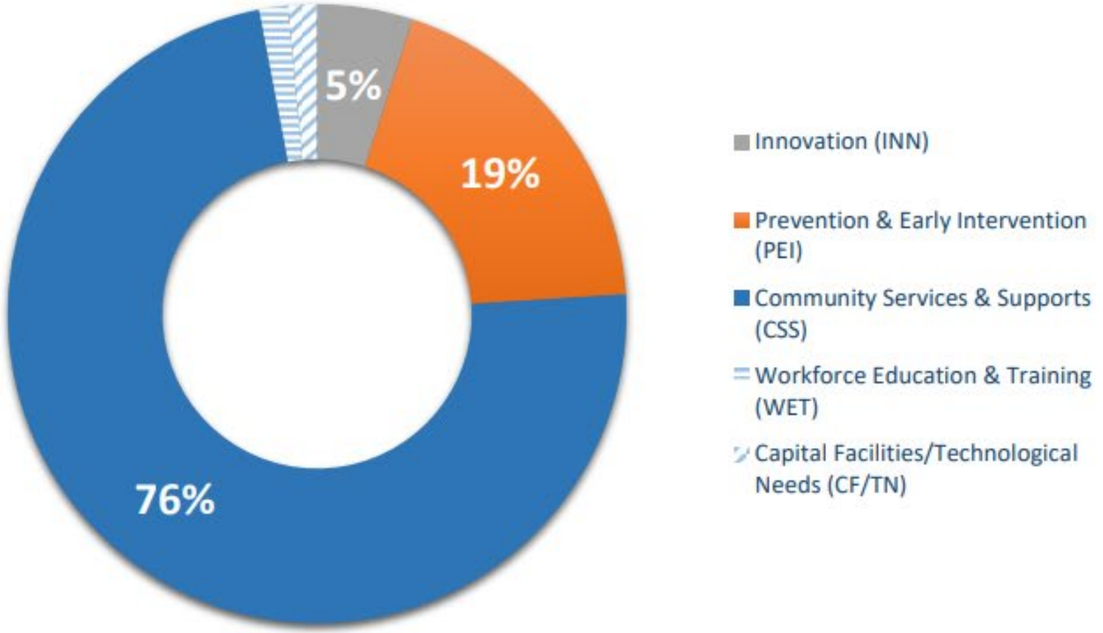
***State has identified these six areas as immediate priorities.**

Modernization: MHSA to BHSA

Modified from 5 Funding Components to 3 Funding Categories

Additional 5% ~$1m redirected to State Population Prevention

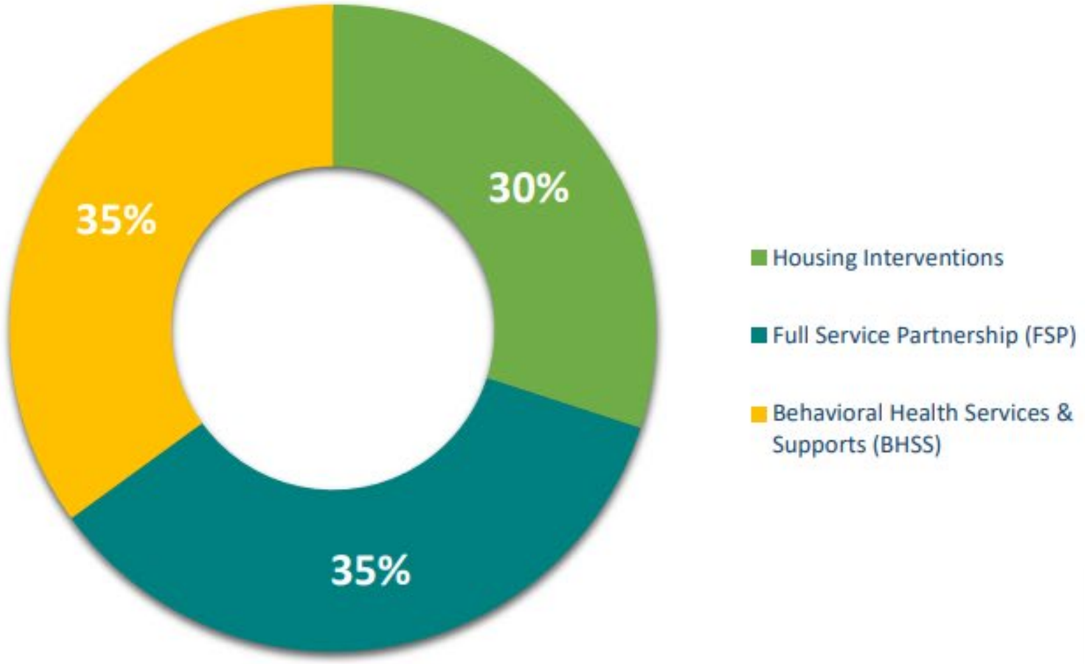
Current MHSA Funding Components



CSS: $11.8m
- (includes WET & CFTN)

PEI: $2.9m
INN: $776k

BHSA Funding Categories



<u>BHSA FY 26-27</u>
FSP: $6.8m
BHSS: $6.8m
Housing: $5.8

BEHAVIORAL HEALTH SERVICES ACT (BHSA)

Program and Funding

BHSA Component Fiscal Summary-FY 2026-27

	FSP (35%) $6.8m	BHSS (35%) $6.8m			Housing (30%) $5.8m	
Sub-Categories		**BHSS Non-Early Intervention (49%) $3.3m**	**Early Intervention (51%) $3.47m**		**Housing (50%)**	**Chronically Homeless (50%)**
			EI 25+ (49%)	**EI <25 (51%)**		
Total Projected Allocation	$6,806,862	$3,335,362	$1,701,035	$1,770,465	$2,917,226	$2,917,226
Percent of total (100%) $19.4 m	35%	17.2%	8.7%	9.1%	15%	15%

Expenditure Projection:

- Revenue projections for 26/27 increased from $16.8 to $19.4 million
- Estimated $2.3-$3.3 million deficit (primarily in BHSS Non-Early Intervention category)
- BHSA funding categories are inclusive of administrative costs
- Estimated $12.4 million fund balance for consideration

BHSA Priority Populations

***Individuals living with serious mental illness and individuals living with substance use disorders who qualify for specialty mental health services:**

Eligible Children and Youth who:
Are chronically homeless or experiencing homelessness or at risk of homelessness
Are in, or at risk of being in, the juvenile justice system
Are reentering the community from a youth correctional facility
Are in the child welfare system
Are at risk of institutionalization

Eligible Adults and Older Adults who:
Are chronically homeless or experiencing homelessness or at risk of homelessness
Are in, or at risk of being in, the justice system
Are reentering the community from state prison or county jail
Are at risk of conservatorship
Are at risk of institutionalization

Full-Service Partnership (FSP) $6.8 million (35%)

Represents **35%** of the Total Local BHSA Funds

- **FSP programs provide individualized intensive recovery-focused, age-appropriate care for individuals with significant behavioral health needs**
- Services are delivered by multidisciplinary teams in partnership with families or the individual's natural supports and are anchored in a "**whatever it takes**" philosophy
- Counties are required to utilize EBPs and CDEPs
- FSP programs are required to conduct the ASAM screening during the intake assessment
- FSP programs **must** include SUD treatment where appropriate including Medication Assisted Treatment (MAT)
- FSP programs **must** provide ongoing engagement services to include peer support services, transportation and services to support maintaining housing.
- FSP teams are required to coordinate with a FSP participant's primary care provider as appropriate

Source: BHSA County Policy Manual Version 1 2.2 – April 2025 and new BHSA language W&I Code section 5887

Full-Service Partnership (FSP): $6.8 million (35%)

Treatment Services

- Outpatient behavioral health services for evaluation and stabilization
- Mental health services
- Supportive services
- SUD services
- Ongoing engagement services

EBP Models

- Assertive Community Treatment (ACT)
- Forensic Assertive Community Treatment (FACT)
- Individual Placement and Support (IPS) model of Supported Employment
- FSP Intensive Case Management (ICM)
- High-Fidelity Wraparound (HFW)
- Other EBPs

Other Services

- Service planning
- Housing (must be funded under Housing Intervention)
- Outreach
- Recovery-oriented services including peer support services
- Assertive field-based initiation for SUD including mobile teams and street medicine/outreach

***Evidence-Based Practices (EBP)**

Source: BHSA County Policy Manual Version 1 2.2 – April 2025 and new BHSA language W&I Code section 5887

BHSA Housing Interventions: $5.8 million (30%)

30% of BHSA Funds: **Housing Interventions** include:

- **Rental Subsidies**:
  - Rental Assistance
  - Project-Based Housing Assistance
  - Master Leasing
- **Operating Subsidies**
- **Allowable Settings**
- **Other Housing Supports:**
  - Landlord Outreach & Mitigation Funds
  - Participant Assistance Funds
  - Housing Transition Navigation Services and Tenancy & Sustaining Services
  - Outreach and Engagement (maximum of up to 7%)
- **Other Housing Intervention Requirements**
- **Capital Development Projects (Max 25% of Housing component funds)**
- **Cannot use BHSA to pay for benefits covered by MCP**

BHSA Housing Primary Target Populations

- **Individuals and families experiencing homelessness** who also have **serious mental health conditions and/or substance use disorders**. These are considered the primary beneficiaries of the housing supports funded under BHSA.

- **People at risk of becoming homeless** due to behavioral health challenges, including mental illness and substance use disorders.

- **Veterans experiencing or at risk of homelessness with behavioral health needs.**

- **50% of the housing-directed funds** are prioritized for **chronically homeless individuals and families with behavioral health challenges**.

Allowable Housing Settings

Non-Time Limited Permanent Settings

- Supportive housing
- Apartments, including master-lease apartments
- Single and multi-family homes
- Housing in mobile home communities
- Single room occupancy units
- Accessory dwelling units, including Junior Accessory Dwelling Units
- Tiny Homes
- Shared housing
- Recovery/Sober Living housing, including recovery-oriented housing
- Assisted living (adult residential facilities, residential facilities for the elderly, and licensed board and care)
- License-exempt room and board
- Other settings identified under the Transitional Rent benefit

Time Limited Interim Settings

- Hotel and motel stays
- Non-congregate interim housing models
- Congregate settings that have only a small number of individuals per room and sufficient common space (not larger dormitory sleeping halls) (does not include behavioral health residential treatment settings)
- Recuperative Care
- Short-Term Post-Hospitalization housing
- Tiny homes, emergency sleeping cabins, emergency stabilization units
- Peer respite
- Other settings identified under the Transitional Rent benefit

Source: BHSA County Policy Manual Version 1 2.2 – April 2025

Not permitted with Housing funds: Shelter/large congregate settings, cooling centers, low income housing (for non-BHSA Eligible individuals), treatment facilities (where treatment is the primary purpose).

Behavioral Health Services and Supports (BHSS): $6.8 million (35%)

<table>
<tr><th colspan="2">Early Intervention ($3.47m)
>51%</th><th>Non-Early Intervention ($3.3m)
49% or less</th></tr>
<tr><td>25yr and older
(49% or less) $1.7m</td><td>Under 25yr
(>51%) $1.77m</td><td rowspan="2">System of Care Services:
• Children's System (non-FSP)
• Adult & Older Adult System (non-FSP)
  • Crisis co-responders
  • Residential treatment
  • 24/7 mobile crisis (AMR)

Infrastructure & Capacity Building:
• Workforce Education & Training (WET)
• Capital Facilities & Technology (CFTN)
• Outreach & Engagement (O&E)

Innovation (INN) and Evidence-building</td></tr>
<tr><td colspan="2">Early Intervention Programs
• Outreach
• Access and Linkages
• Treatment Services and Supports</td></tr>
</table>

✓ Health equity and disparity reduction are woven throughout all components
✓ Cultural and linguistic responsiveness is required across all services

BHSS Early Intervention (EI) Programming 51%*

*Of the EI funding 51% to serve 25yrs and under

BHSS EI programs must include outreach, access and linkage to care, MH and SUD early treatment services and supports and must emphasize the reduction of the likelihood of the following adverse outcomes:
Suicide and self harm
Incarcerations
School suspensions, expulsion, referral to an alternative or community school, failure to complete TK-12 or higher education
Unemployment
Prolonged suffering
Homelessness
Removal of children from their homes
Overdose
Mental illness in children/youth

BEHAVIORAL HEALTH SERVICES ACT (BHSA)

Considerations & Next Steps

Housing Interventions	Full-Service Partnership (FSP)	Behavioral Health Services & Supports (BHSS)
30%	35%	35%
$5,834,453	$6,806,862	$6,806,862

$19.4M Total Projected BHSA Funding

Anticipated Considerations

BH Housing Services:

- Rental subsidies
- Operating subsidies
- Capital Development Project
- Outreach and Engagement (up to 7%)

- **BHBH Funding Expires 6/30/2027**
- **Transitional Rents Benefit**
- **Proposed State and Federal funding cuts to community organizations**
- **Build BH housing program and capacity.**

Evidence-Based Practices

- Assertive Community Treatment (ACT)
- Forensic ACT (FACT)
- Individual Placement & Support (IPS)
- High Fidelity Wraparound (HFW)

- **Integrate existing work with EBP**
- **Build capacity to implement new EBP**
- **Assessing full costs of implementing new EBP**

Non-FSP Services:

- Children's System
- Adult & Older Adult
  - Crisis Services
  - Treatment
  - Adult Outpatient

Early Intervention Programs

- **<25 (51%) and 25+ (49%)**
  - Outreach
  - Access and Linkages
  - Treatment Services and Supports

- **Working with CBOs to focus on priority populations.**
- **Potential reduction in internal funding for crisis and treatment services.**

BHSA Local Planning Considerations

1. Increase in projected revenue from $16.8m to $19.4m in FY 26/27

2. Projected fund balance of $12.4 million.

3. Capacity need to increase Med-Cal billing

4. The combination of funding shifting from mental health services to housing (~$5 m) and the unique requirements of the BHSS categorical funding, creates an estimated deficit of approximately $2.3- 3.3 million.

5. Resolving the deficit will require either a significant reduction in existing programming in Non-Early Intervention (crisis services, treatment, etc) or the use of fund balances.

Next Steps

- **February**
  - Staff will work on clarifying board questions and comments
  - Staff will continue to solidify guidance from DHCS on funding parameters
- **March**
  - Provide information and seek direction on community feedback, funding scenarios and recommendations
    - Including staffing requests for case management, billing, and housing services.
  - March 31st, 2026 First Draft Integrated Plan due to State
- **April-June 2026**
  - DHCS Plan review, 30-day posting period
  - Board of Supervisors Integrated Plan approval.
  - Final IP submitted to State (June 30, 2026).

Appendix

Behavioral Health Services Act (BHSA)

What is it?

- **Legislative Evolution**: Voters approved Proposition 1 in March 2024, transforming MHSA into BHSA to modernize behavioral health services
- **Funding Mechanism**: 1% tax on income over $1 million
- **Service Access**: Expands coverage for substance use disorders and housing interventions to support those who need the most critical care
- **New Planning and Reporting Requirements**: Counties must update how they plan and report on required key behavioral health indicators-Behavioral Health Integrated Plan
- **Expanded Community Involvement**: Counties engage with expanded community groups and specific populations in the planning process
- **Comprehensive Funding Plans**: Counties must create Integrated Plans that outline all services and programs funded by any county's behavioral health funding sources

BHSA Three-Year Integrated Plan (IP), including

- County Demographics & Behavioral Health Needs
- How IP Aligns with Local and State Goals
- CPP Process Including Incorporating Managed Care Plans and Local Health Jurisdictions Community Assessments
- Local Review & Planning Costs
- Behavioral Health Care Continuum Capacity
- Prevalence Data Related to Mental Health, Substance Use Disorders and Point in Time Count (Homelessness Population)
- How IP Addresses Priority Populations
- Demonstration of How the Funds are Allocated Between Mental Health and Substance Use Disorders
- Description of Each Program, Planned Expenditures, and Program Metrics for ALL County Behavioral Health Funding Sources
- Prudent Reserve Account
- Workforce Strategy

BHSA Eligible Populations

Eligible children and youth means persons who are 25 years of age or under who meet either of the following:
Meet SMHS access criteria specified in subdivision (d) of W&I Code section 14184.402 and implemented in SMHS guidance 11 (includes individuals 21-25 years of age who meet this criteria) OR
Have at least one diagnosis of a moderate or severe substance use disorder from the most current version of the Diagnostic and Statistical Manual of Mental Disorders (DSM) for Substance-Related and Addictive Disorders, with the exception of tobacco-related disorders and non-substance-related disorders.
Eligible adults and older adults means persons who are 26 years of age or older who meet either of the following:
Meet SMHS access criteria specified in W&I Code section 14184.402, subdivision (c) and implemented in DHCS guidance 13 (only applies to individuals 26 years of age and older) OR
Have at least one diagnosis of a moderate or severe substance use disorder from the most current version of the Diagnostic and Statistical Manual of Mental Disorders (DSM) for Substance-Related and Addictive Disorders, with the exception of tobacco-related disorders and non-substance-related disorders.

Behavioral Health Services and Supports (BHSS) 35%

BHSA Mandated EI Priorities per SB 326

- Childhood Trauma Early Intervention to Deal with Early Origins of Mental Health & Substance Use D/O Needs
- Early Psychosis & Mood Disorder Detection and Intervention & Mood Disorder Programming Across the Lifespan
- Outreach & Engagement Targeting Early Childhood 0-5, inclusive of Out-of-School Youth and Secondary Youth
- Culturally Responsive & Linguistically Appropriate Interventions
- Strategies Targeting Mental Health & Substance Use D/O Needs of Older Adults
- Strategies Targeting MH Needs of Children 0-5 Including Infant & Early Childhood MH Consultation
- Strategies to Advance Equity and Reduce Disparities
- Programs that Include CDEPs and EBPs, and MH and SUD Treatment Services
- Strategies Addressing Needs of Individuals at High Risk of Crisis

Board-Approved MHSA Budget (October 21, 2025)

- **Cuts to internal programs: $2,638,789**
  - Eliminated Cultural Competence and Early Signs Training and Assistance Programs
  - 15% cuts to:
    - Navigation Centers
    - Adult Wellness Services (FSP/Non-FSP)
    - Children's Mental Health Services (FSP/Non-FSP)
    - Pathways to Independence (FSP/Non-FSP)
    - Older Adult Outreach and Assessment Program (FSP/Non-FSP)
    - Tele-Mental Health Services (FSP/Non-FSP)
    - Community-Based Navigation Services
    - Mental Health Crisis Services
    - Co-Occurring Disorder Assessment and Intake (Non-FSP)

- **Cuts to contracted providers: $1,123,521**
  - Eliminated inpatient hospitalization and residential services costs ($428,188)
  - 25% cuts (totaling $695,333) to:
    - Early Childhood Access & Linkage Program
    - College Partnership Program
    - K-12 School Partnerships Program
    - Peer and Family Led Support Services

- **Funding cuts offset by:**
  - Allocation of $146,000 of cannabis revenue and Board-Directed Project funds
  - Use of $869,807 of MHSA fund balance