

BEHAVIORAL HEALTH SERVICES ACT (BHSA)

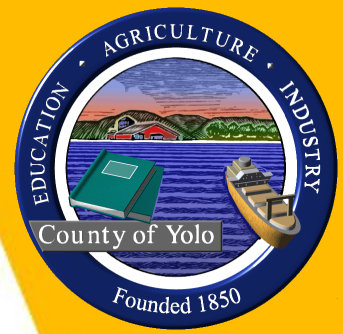
2026-2029 Three-Year Integrated Plan

Yolo County Health and Human Services
Agency

Mónica Morales, HHSA Director

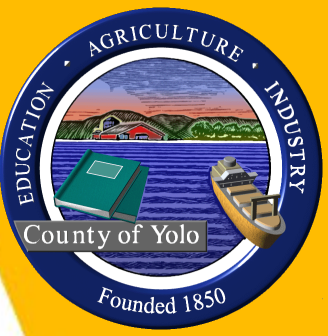
Evis Morales, HHSA Assistant Director, Administration

Tony Kildare, Behavioral Health Director



Purpose of Presentation

1. Provide summary of BHSA Community Planning Process and key findings
2. Present BHSA Program Budget Scenario Options
3. Seek Board approval on BHSA budget development.



BHSA Integrated Plan (IP) Timeline

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)

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

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

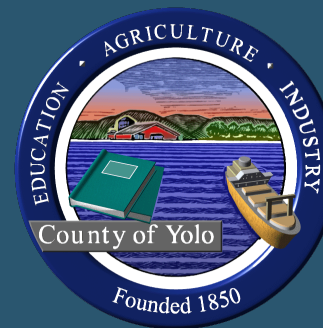
March 31st, 2026
First Draft Integrated Plan due to State

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

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

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).





BEHAVIORAL HEALTH SERVICES ACT (BHSA)

Community Planning Process (CPP)

Community Planning Process (CPP)

Purpose

- Get community input on behavioral health services and funding
- Make sure services match what the community actually needs
- Build on engagement work already happening locally

Key Features

- Building Trust: Creates stronger relationships between community and behavioral health system
- Required Stakeholders: Specific groups must be engaged in funding priority decisions



Community Engagement Overview

Yolo County BHSAs Community Planning Process



What We Heard: Key Themes Across all Stakeholders

514
Total Participants

Engagement Method	Number of Activities	Number of Participants
CEWG	1	41
Survey	1	268
Focus Groups	6	26
Listening Sessions	4	144
Interviews	29	35

September–November 2025 | Multi-method engagement ensuring accessibility and reach to all 30 BHSAs-mandated stakeholder groups

Fragmentation & Coordination

Service information scattered across locations; communication gaps hinder care delivery

Housing as Foundation

Stable housing critical for behavioral health outcomes; affordable housing shortages create barriers

Early Intervention Need

Crisis-driven systems require escalation to access care; proactive approaches needed

Cultural Responsiveness Enhancement

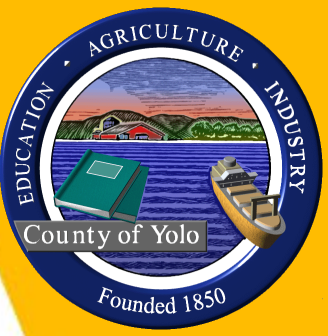
Language barriers and cultural stigma limit access; culturally-responsive capacity needed

Resource Constraints & Workforce Capacity

Funding shortages, staffing gaps, and grant instability limit service capacity and sustainability

Relationships and Collaboration as Strengths

Strong partnerships and dedicated staff create foundations for system integration



Community Priorities & Service Barriers

Survey & Focus Group Findings

Highest-Rated Issues

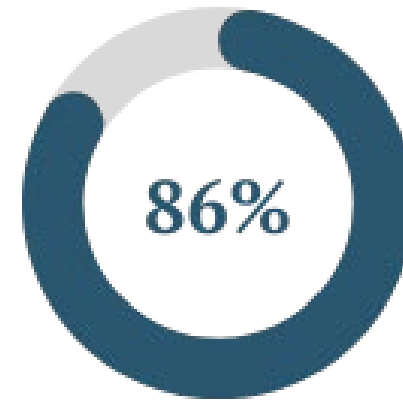
Mental & Emotional Health	60%
Housing	18%
Drugs & Alcohol	14%

Population Variations

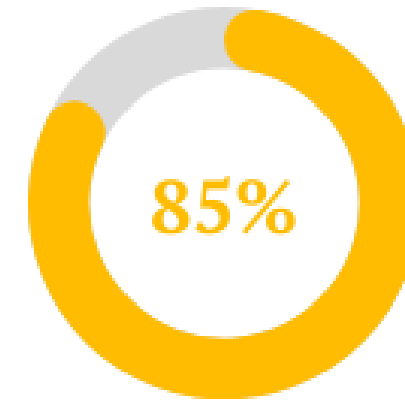
- SUD individuals: substance use (60%)
- Veterans: housing (44%)
- Older adults: housing (32%)
- Individuals with disabilities: housing (30%)

Based on 268 survey respondents.

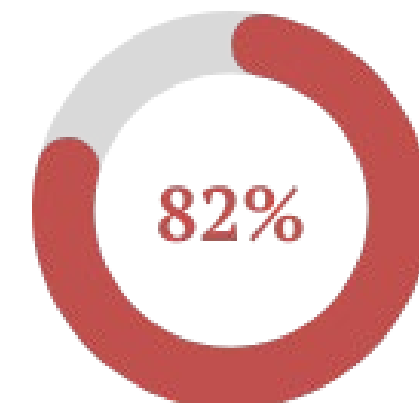
Barriers to Accessing Mental Health and Substance Use Resources



Service locations are too far or lack of transportation

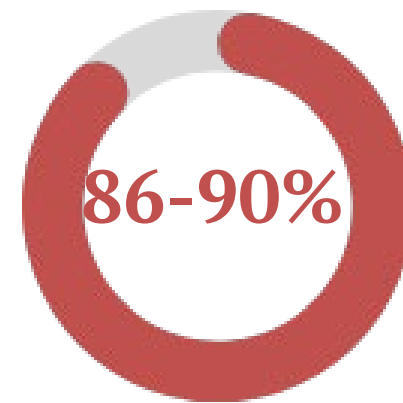


Lack of information about where to get help

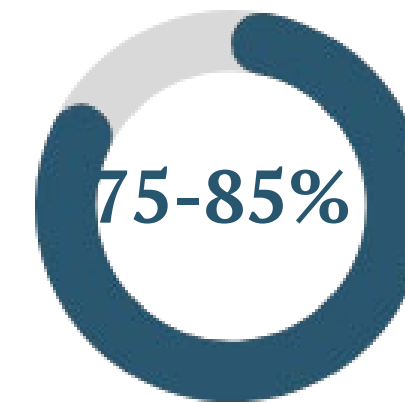


No staff are available or taking new people

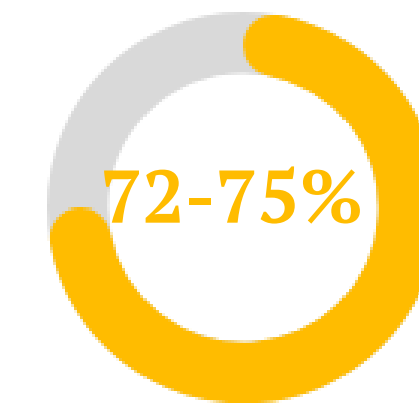
Barriers to Accessing Housing Services for Individuals with SUD and/or SMI



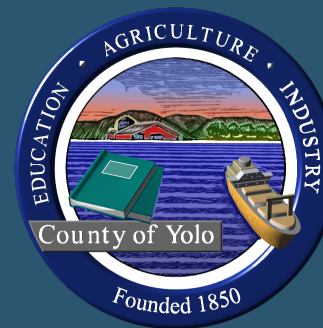
Affordability crisis (rental and utility costs, insufficient income)



System capacity and access gaps (waitlists, requirements, and scarcity)



Limited housing options and discrimination



BEHAVIORAL HEALTH SERVICES ACT (BHSA)

Behavioral Health Budget Background



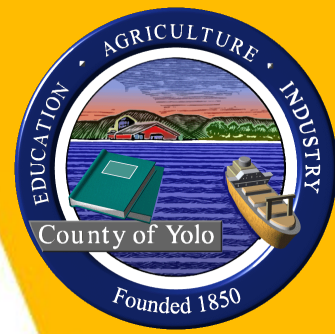
Comprehensive Financial Considerations for BH

Behavioral Health is experiencing significant financial challenges in FY 2026-27 that include deficits in multiple funding sources, including:

- Behavioral Health Services Act (existing structural deficit)
- 1991 Mental Health Realignment
- 2011 Behavioral Health Realignment
- County General Fund

The combined deficits from these funding sources totals \$4,087,007. This figure is informed by the estimates in the FY 2025/26 Adopted Budget and are preliminary.

Unless alternative funding can be identified, these deficits may require Behavioral Health program reductions, including elimination of revenue generating positions, to achieve a balanced budget.



High-Level Year-to-Year Overview

- **FY 2025/26**

- Revenue and expenditures

- \$15M revenue, \$26M projected expenditures (structural deficit: \$11M)
- \$11M fund balance

- **ACTIONS TAKEN:** Reduce expenditures by \$11M; results:

- \$15M revenue, \$15M projected expenditures (structural deficit: \$0)
- \$11M fund balance carries over to FY 2026/27
- Projected structural deficit of \$5M for FY 2026/27 due to Housing Interventions and increasing costs

- **FY 2026/27**

- Revenue and expenditures

- \$19.4M revenue, \$20.5M projected expenditures (structural deficit: ~\$1.1M)
- \$14.2M fund balance (updated figure from the \$12.4M reported on 1/27/26)
- Other Behavioral Health funding deficits= \$3M

- **Summary**

- Based on updated increased revenue projections and prior actions taken, the structural deficit has decreased to approximately \$1.1M.

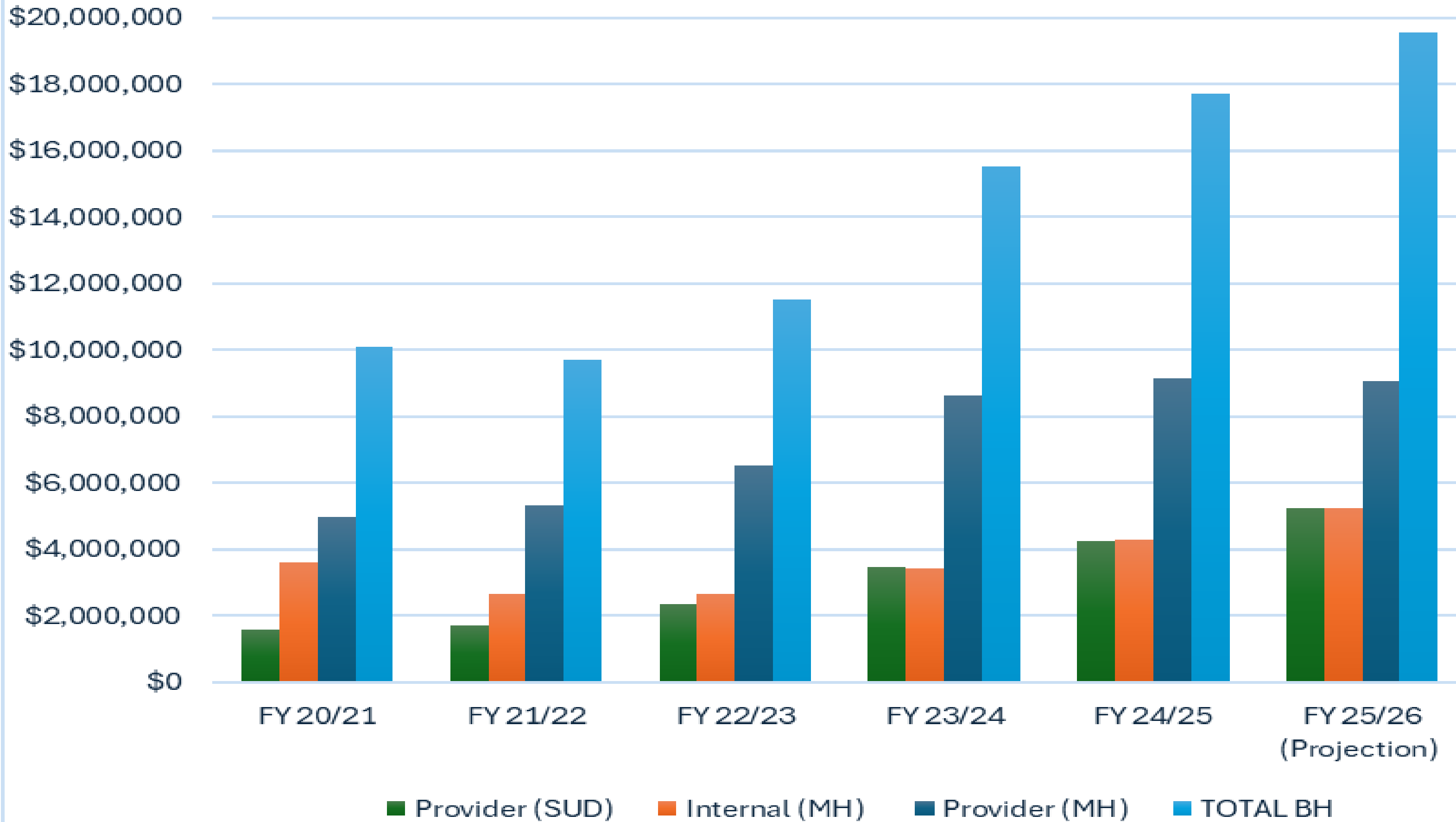


Summary of Vacant Behavioral Health Positions

- Nurse Practitioner (0.5 FTE)*
- Administrative Clerk II (1.0 FTE)
- Behavioral Health Case Manager III (3.0 FTE)*
- Social Services Assistant (2.0 FTE)
- Clinician I/II (4.0 FTE)*
- Psychiatrist Board Certified (1.0 FTE)*
- Supervising Clinician (4.0 FTE)*

* *Revenue Generating Positions*

Medi-Cal FFP Revenue Generation



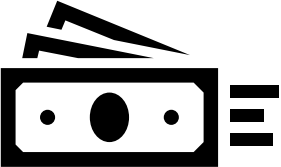
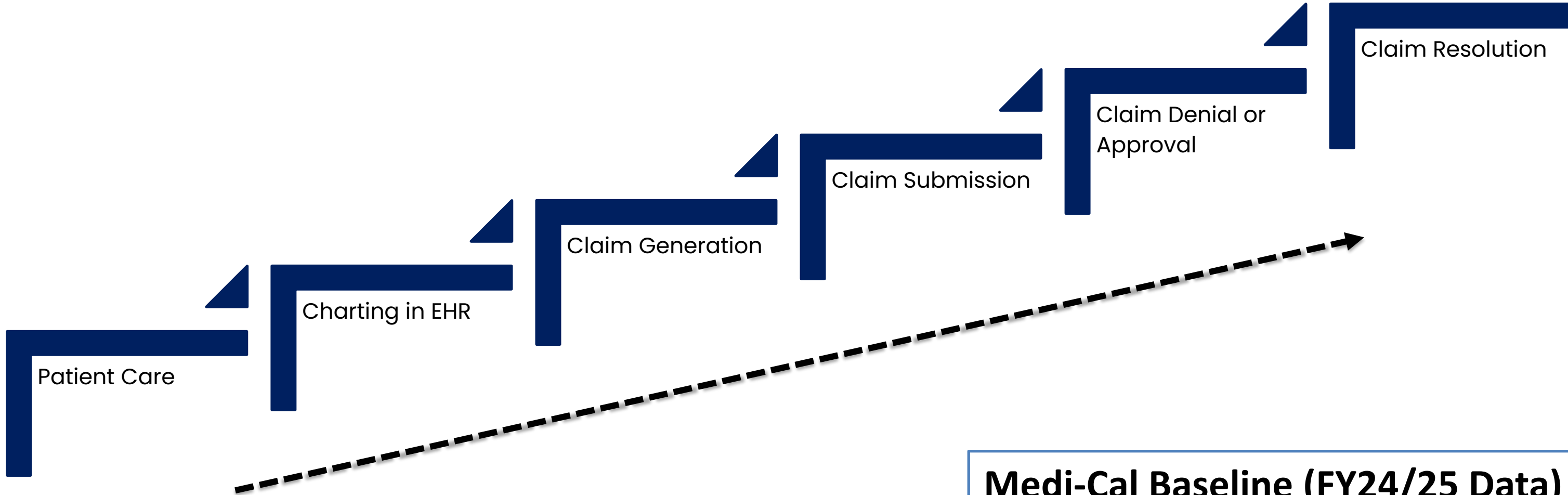
Patient to Payment Pathway

Quality Management

PAYMENT



PATIENT



Medi-Cal Baseline (FY24/25 Data)

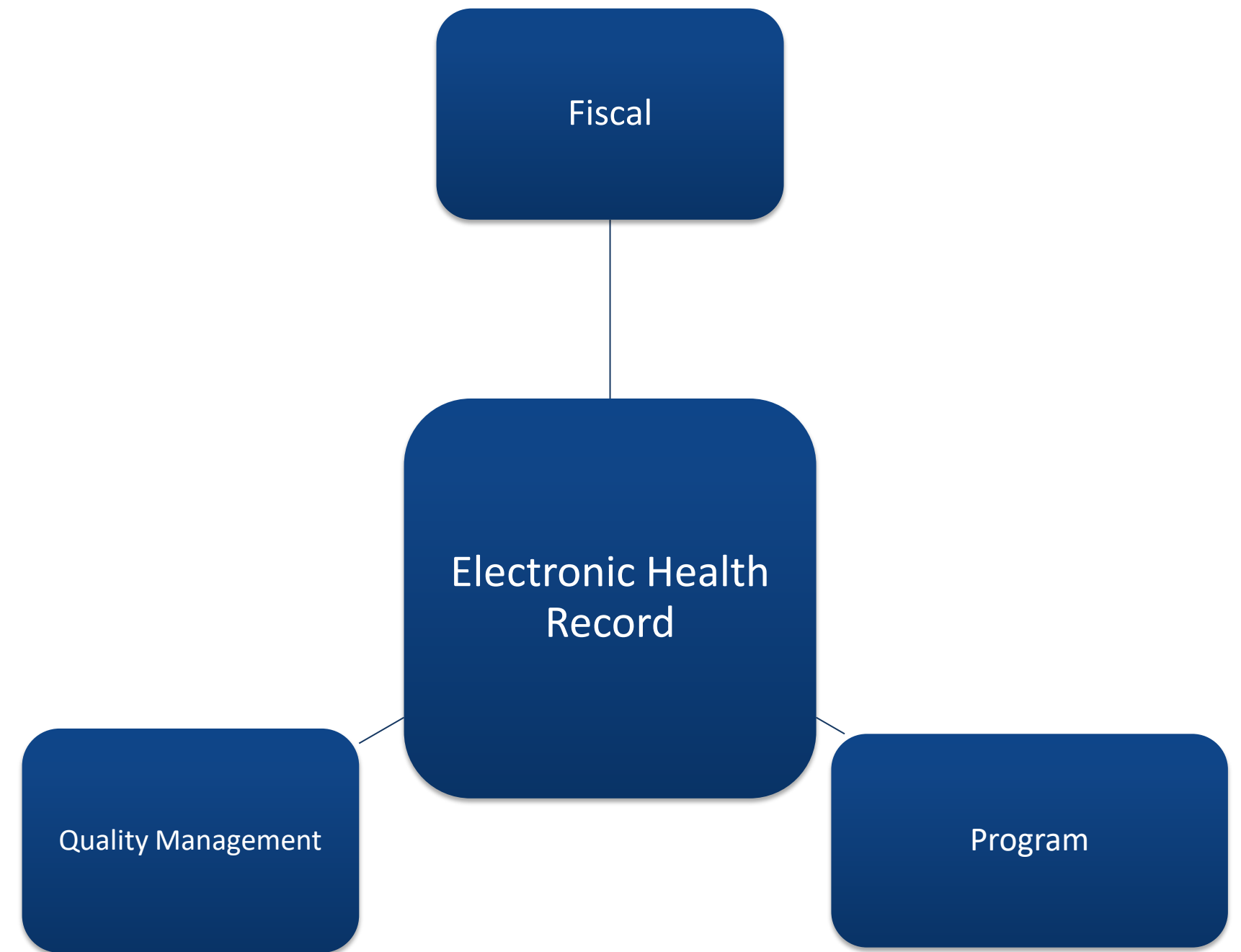
- Claimed: \$28.6 million
- Paid: \$27.1 million:
 - State & County = \$9.5 million
 - FFP = \$17.5 million

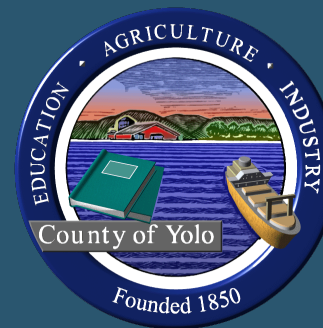
Medi-Cal Billing

What Capacity & Systems Do We Need?

Need capacity to link 3-legged stool across system of care

System	Brief Description
FISCAL	Billing (skilled workforce, technology, training resources, leadership support)
QUALITY MANAGEMENT	Quality Assurance, Quality Improvement, Compliance, Information Systems (includes Contracts)
PROGRAM	Client and care team (includes admin support and appropriate levels of supervision and mgmt.)





BEHAVIORAL HEALTH SERVICES ACT (BHSA)

FY26/27 Budget Scenarios

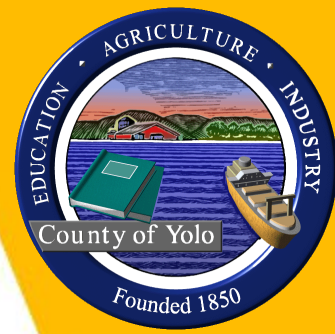
Housing Interventions 30% <u>\$5,834,453</u>	Full-Service Partnership (FSP) 35% <u>\$6,806,862</u>	Behavioral Health Services & Supports (BHSS) 35% <u>\$6,806,862</u>
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\$19.4M Total Projected BHSA Funding

Anticipated Considerations

<p>BH Housing Services:</p> <ul style="list-style-type: none"> ○ Rental subsidies ○ Operating subsidies ○ Capital Development Project ○ Outreach and Engagement (up to 7%) <ul style="list-style-type: none"> • BHBH Funding Expires 6/30/2027 • Transitional Rents Benefit • Proposed State and Federal funding cuts to community organizations • Cannot use HI for BH treatment • Build BH housing program and capacity. 	<p>Evidence-Based Practices</p> <ul style="list-style-type: none"> ○ Assertive Community Treatment (ACT) ○ Forensic ACT (FACT) ○ Individual Placement & Support (IPS) ○ High Fidelity Wraparound (HFW) <ul style="list-style-type: none"> • Integrate existing work with EBP • Build capacity to implement new EBP • Assessing full costs of implementing new EBP 	<p>Non-FSP Services:</p> <ul style="list-style-type: none"> ○ Children's System ○ Adult & Older Adult <ul style="list-style-type: none"> ▪ Crisis Services ▪ Treatment ▪ Adult Outpatient <p>Early Intervention Programs</p> <ul style="list-style-type: none"> ○ <25 (51%) and 25+ (49%) <ul style="list-style-type: none"> ▪ 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.
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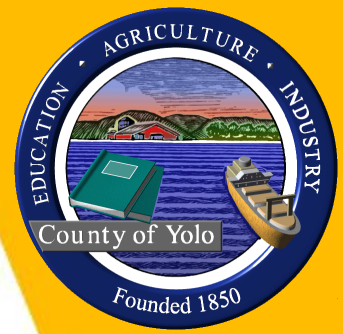
BHSA Expenditure Categories



	Housing	Housing-CH	FSP	BHSS GSD	BHSS EI>25	BHSS EI<25	Total
Funding	\$2,917,227	\$2,917,227	\$6,806,862	\$3,335,362	\$1,701,035	\$1,770,465	\$19,448,178
Baseline Crosswalk	\$2,917,227	\$2,917,227	\$6,806,862	\$3,568,827	\$2,174,486	\$2,162,174	\$20,546,803
Funding Gap	\$ -	\$ -	\$ -	\$(233,465)	\$(473,451)	\$(391,709)	\$(1,098,625)

Scenario 1

Minimize costs, preserve fund balances



Component	Allocation	Fund Balance	Component Transfer	Total
Housing Interventions	\$5.8M	-	(\$1.4M)	\$4.4M
Full-Service Partnership	\$6.8M	-	-	\$6.8M
Behavioral Health Services & Supports	\$6.8M	-	\$1.4M	\$8.2M
Totals	\$19.4M	-	-	\$19.4M

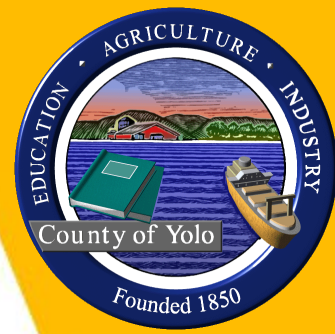
Overview: Minimal structural deficit covered by fund transfer.

- Housing:
 - Use of fund transfer to cover BHSS deficit: ~\$1.4M
 - Capital development project: \$1,118,270
- FSP: No adjustment to base.
- BHSS: Increase funding by \$1.4M through a transfer from Housing to cover existing BHSS costs.

Impact:

- Reduce total plan expenditures from \$20.5M (base) to \$19.4M by spending less in housing (shift to BHSS).
- Preserve all fund balances for economic uncertainty over next three years.
- **Significant** reduction in Behavioral Health programming, potentially impacting revenue generating positions (15.5FTE). The County may not be able to meet all the new programmatic mandates.

Scenario 2



Use of fund balance and transfer to preserve Behavioral Health capacity

Component	Allocation	Fund Balance	Component Transfer	Total
Housing Interventions	\$5.8M	-	(\$1.4M)	\$4.4M
Full-Service Partnership	\$6.8M	-	-	\$6.8M
Behavioral Health Services & Supports	\$6.8M	-	\$1.4M	\$8.2M
* <i>Offset other budget reductions (15.5FTE)</i>	-	\$1.8M	-	\$1.8M
Totals	\$19.4M	\$1.8M	-	\$21.2M

Overview: Structural deficit increase covered by fund balance and transfer

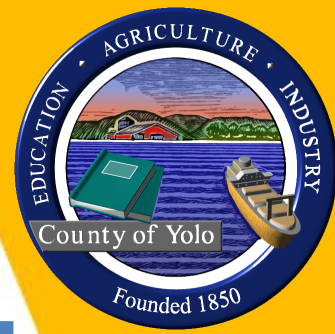
- Housing: Capital development project: \$1,118,270
- FSP: No adjustment to base.
- BHSS: Increase spending by \$1.8M over base and covering \$1.1M deficit (through housing fund transfer)

Impact:

- Increase total plan expenditures from \$20.5M (base) to \$21.2M
- Projected use of \$1.8M fund balances annually. Over three-year BHSA Plan: ~\$6M (5% annual increases)
- Sustains current Behavioral Health programming

Scenario 3

Use of fund balance to preserve BH capacity and increase support for Permanent Supportive Housing



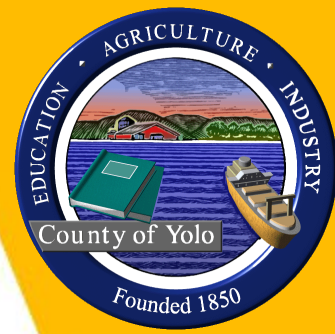
Component	Allocation	Fund Balance	Component Transfer	Total
Housing Interventions	\$5.8M	-	(\$1.4M)	\$4.4M
Full-Service Partnership	\$6.8M	\$375k Case managers	-	\$7.2M
Behavioral Health Services & Supports	\$6.8M	-	\$1.4M	\$8.2M
* <i>Offset other budget reductions (15.5FTE)</i>	-	\$1.8M	-	\$1.8M
** <i>Medi-Cal Billing Coordinator</i>	-	\$200k	-	\$200k
Totals	\$19.4M	\$2.4M	-	\$21.8M

Overview: Structural deficit offset by use of fund balance and funding transfers

- Housing: Capital development project: \$1,118,270
- FSP: Increase of approximately \$375k (fund balance) to add 3 behavioral health case manager positions to support permanent supportive housing projects.
- BHSS: Increase spending by ~\$2M over base using fund balance. BHSS deficit covered by transfer from housing.

Impact:

- Increase total plan expenditures from \$20.5M (base) to \$21.8M
- Projected use of ~\$2.4M of fund balances annually. Over three-year BHSA Plan: ~\$7.5M (5% annual increases)
- Sustains current Behavioral Health programming, adds positions to support PSH, invests in infrastructure to increase revenue



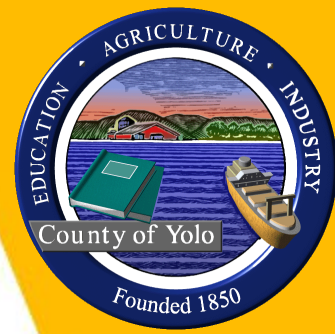
Yolo County Permanent Supportive Housing

- Long-term agreements from Yolo County to provide supportive services at 90 housing units at:
 - West Capitol: 41 FSP-designated units supported by 3.0 FTE (~1:14)
 - East Beamer: 29 FSP-designated units supported by 3.0 FTE (~1:10)
 - West Beamer: 20 FSP-designated units, 2.0 FTE (1:10)
- There are no BHSA statutory guidelines for staffing ratios for FSP programs, but it is commonly accepted that staff/client ratios should not exceed 1:15.
- A 2021 study by the Los Angeles County Department of Mental Health and UCLA concluded that an Adult FSP program serving between 100 to 120 clients should have at least 14 FTE of direct service staff.



Yolo County HHSA FSP Staffing

- Yolo County Adult FSP program has capacity for 100 FSP clients, is actively serving 108 clients, and has
 - 9.5 FTE currently designated to FSP
 - 3 FTE administrative/management
 - 5 FTE currently provide a level of support during the week to the 3 sites
 - 1 FTE vacant
- Of the 108 FSP clients, 57 reside at the PSH sites while 51 reside elsewhere.
- Additional staffing is needed to support the commitment to the PSH sites (8 FTE), as well as to support FSP clients that do not reside at these sites.



Options for Permanent Supportive Housing Investments

Option 3.a = 3 full-time case managers (\$375,000)

HHSA would add three (3) full time Behavioral Health Case Manager positions at an approximate cost of \$125,000 per staff per year; the total cost would be \$375,000.

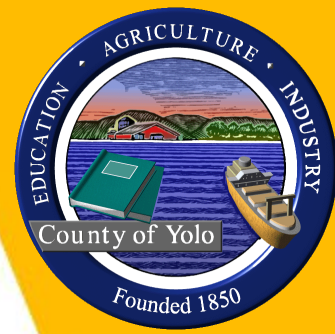
Option 3.b = 4 full-time case managers (\$500,000)

HHSA would add four (4) full time Behavioral Health Case Manager positions at an approximate cost of \$125,000 per staff per year; the total cost would be \$500,000.

Option 3.c = 5 full-time case managers (\$625,000)

HHSA would add five (5) full time Behavioral Health Case Manager positions at an approximate cost of \$125,000 per staff per year; the total cost would be \$625,000.

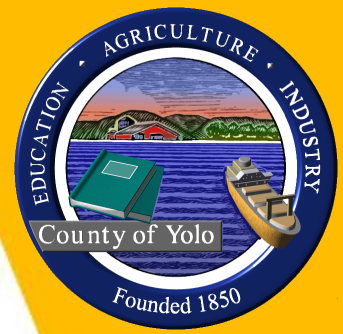
For all options, there is a need to use BHSA fund balances. It is not possible to use Housing Intervention (HI) funds for this purpose because HI cannot be used for treatment costs.



Recommendation

Staff is requesting approval of the BHSA funding plan to help address the county behavioral health deficit, maintain programmatic capacity, and augment case management supports for existing permanent supportive housing efforts.

- Recommendation of Scenario 3a: (\$21.8M)
 - Increase total plan expenditures from \$20.5M (base) to \$21.8M
 - FSP: Increase of approximately \$375k to add 3 behavioral health case manager positions to support Permanent Supportive Housing projects.
 - BHSS: Increase spending by \$2M over base
 - Housing: Capital development project: \$1,118,270
 - Projected use of \$2.4M of fund balances annually.
 - Over three-year BHSA Plan: ~\$7.5M (5% annual increases)



Funding Restrictions on Behavioral Health Services for Housing Activities

Pursuant to the DHCS BHSA Policy Manual, Section C.5 (“Program Requirements”):

- Housing Interventions may not be used for behavioral health services; however, these activities can be covered under Behavioral Health Services and Supports or other behavioral health funding sources.

Pursuant to DHCS BHSA Policy Manual, Section C.9.4 (“Other Housing Supports”):

- BHSA funds may not be used for Medi-Cal services that can be covered and funded through the individual’s Medi-Cal managed care plan (MCP). In other words, BHSA funds can only be used for Community Supports if the MCP has chosen not to administer the service, the individual is not eligible for the service, or the individual’s needs exceed service limitations and as such the service cannot be covered as a Community Support.
- There is nothing in the definition of this section that will allow for behavioral health case management services.