



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Submitted on:
(COB Stamp)

Department Name: Behavioral Wellness
Department No.: 043
Agenda Date: June 23, 2026
Placement: Administrative Agenda
Estimated Time: N/A
Continued Item: No
If Yes, date from: N/A
Vote Required: Majority

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AN

TO: Board of Supervisors
FROM: Department Director: Antonette Navarro, LMFT, Director Department of Behavioral Wellness
Contact: Natalia Rossi, JD, Behavioral Health Services Act Manager
SUBJECT: Final Behavioral Health Services Act County Integrated Plan for Fiscal Years 2026-29; California Department of Health Care Services Center of Excellence Federal Demonstration Partnership Data Transfer and Use Agreement with the Regents of California, Davis Campus for Fiscal Years 2026-29

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence:

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- a) Approve and adopt the final Behavioral Health Services Act County Integrated Plan for Fiscal Years 2026–29;
- b) Certify that the County through its Department of Behavioral Wellness will meet its 2011 realignment obligations pursuant to Welfare and Institutions Code section 14197.71, subdivision (c)(2);
- c) Approve and authorize the Director of the Department of Behavioral Wellness, or designee, to approve non-substantive revisions to the Integrated Plan for Fiscal Years 2026–29 as requested by the California Department of Health Care Services without requiring the Board’s approval of an amendment to the Integrated Plan, subject to the Board’s ability to rescind this delegated authority at any time;
- d) Approve and authorize the Director of the Department of Behavioral Wellness, or designee, to execute, on behalf of the County, a California Department of Health Care Services Center of Excellence Federal Demonstration Partnership Data Transfer and Use Agreement with the Regents of the University of California on behalf of its Davis campus to provide a limited data set for research purposes for the Coordinated Specialty Care for First Episode Psychosis

project for the period of three years from the date of execution or upon completion, whichever comes first; and

- e) Determine that the above recommended actions are not a project that is subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15378(b)(4) and (b)(5), finding that the actions are governmental funding mechanisms and/or administrative or fiscal activities that will not result in direct or indirect physical changes in the environment.

Summary Text:

The Behavioral Health Services Act (BHSA) is part of the statewide Proposition 1 Behavioral Health Transformation (BHT), voted into law effective July 1, 2026. The Behavioral Health Services Act replaces the Mental Health Services Act (MHSA) of 2004 and reforms behavioral health care funding to prioritize services for people with the most significant behavioral health needs, while adding the treatment of substance use disorders (SUD) and expanding housing interventions. This transformation includes the rollover of MHSA funds, including Innovations funds, to BHSA as part of the reworking of MHSA into BHSA. To create the first BHSA Integrated Plan, BWell held over 70 county planning sessions with subject matter experts, small groups and community-wide workshops to incorporate community feedback into the draft of the Plan. This item requests Board of Supervisors approval of the Behavioral Wellness Behavioral Health Services Act Integrated Plan for Fiscal Years 2026–29. The item also requests Board certification that the Department of Behavioral Wellness will meet the realignment obligations for mandated time and distance standards of no more than 45 miles or 75 minutes for members to travel for services delivered to BWell members; authorization for the Director or her designee to make non-substantive changes to the BHSA Integrated Plan, and authorization for the Behavioral Wellness Director to execute the Data Transfer and Use Agreement with the State-designated BHSA Center of Excellence at University of California at Davis.

Discussion:

On March 10, 2026, the Department of Behavioral Wellness (BWell) presented the Draft Behavioral Health Services Act (BHSA) Integrated Plan for FY 2026-29 to the Board of Supervisors and the Board authorized the County Executive Officer to certify that BWell will serve the targeted BHSA priority populations: those that are justice-involved, those that are leaving institutions, and those that are experiencing homelessness; that all behavioral health funds for the department will only be spent on allowable uses; and that BHSA funding will not supplant any other funding. Since the presentation of the draft integrated plan in March, BWell received and incorporated feedback from the Department of Healthcare Services (DHCS) and the community during the Public Comment period. In sum, the changes included creating new programs and were as follows: new early intervention programs for underserved populations; new programs for specialized services for children and youth; and more housing intervention services for youth and families experiencing homelessness. BWell is now returning to the Board for approval of the Final Plan.

The Behavioral Health Services Act Integrated Plan for Fiscal Years 2026–29 was developed in accordance with Proposition 1 and the Department of Health Care Services (DHCS) guidance. The Integrated Plan serves as a three-year prospective global program and spending plan describing how counties will use behavioral health funding to meet statewide goals, address local needs, identify service gaps, and respond to health disparities. DHCS requires the County Board of Supervisors to approve the BHSA Integrated Plan and certify the following:

That the Department of Behavioral Wellness will meet its realignment obligations including, but not limited to, time or distance standards and appointment time standards, without utilizing waitlists. This means that members will be able to access services within 45 minutes or 75 miles from their location, that members will receive an appointment for services within 14 calendar days, and will not utilize waitlists to meet this requirement.

Under the BHSA, DHCS has a more active role in the annual development of county Integrated Plans. This means that DHCS now reviews draft plans and may require revisions prior to the approval of the Draft Integrated Plan. DHCS also reviews the Final Plan and may require revisions prior to approval of the Final Plan. Previously, under MHSA, DHCS did not review the Draft Plan, nor have the option to request revisions to the Final Plan submission. Behavioral Wellness is requesting that the Board authorize the Director of Behavioral Wellness to make non-substantive revisions to the Integrated Plan without returning to the Board for approval. Examples of non-substantive revisions may include minor programmatic, staffing, or utilization updates.

The BHSA also requires counties to implement new Evidence-Based Practices (EBPs). State designated Centers of Excellence (COEs) provide training, technical assistance, and fidelity monitoring to ensure these practices are implemented consistently and effectively. The Centers of Excellence will require Data Transfer and Use Agreements to assess fidelity to the evidence-based practice models. BWell will need to execute Data Transfer and Use Agreements with the Centers of Excellence as part of the fidelity monitoring. BWell is requesting Board of Supervisor authorization for the Behavioral Wellness Director, or designee, to execute the Data Transfer and Use Agreement with the State-designated BHSA Center of Excellence at the University of California, Davis.

BHSA Plan Submission Timeline:

The Behavioral Health Services Act requires counties to submit three-year Integrated Plans for Behavioral Health Services and Outcomes to the DHCS. In addition to the Final Plan submission, DHCS required counties to submit a Draft Integrated Plan for review. The certified Draft Integrated Plan was submitted on April 1, 2026. DHCS returned revision requests to the County on April 30, 2026. The County submitted a revised plan on May 14, 2026, and DHCS approved the draft plan on May 28, 2026.

While the draft plan was in review with DHCS, it was concurrently posted for public comments on April 16, 2026 through May 20, 2026. The Behavioral Wellness Commission received a presentation on the Draft Plan and provided a final opportunity for public comment on May 20, 2026. Following closure of the public comment period, feedback was combined with additional revisions by DHCS incorporated into the Final Plan. The Commission voted to recommend approval of the Final Plan to the Board of Supervisors. The Final Integrated Plan must be approved by the Board of Supervisors prior to June 30, 2026 and the Plan must be submitted to DHCS by June 30, 2026.

Data Transfer and Use Agreements:

The Centers of Excellence (COEs) will collect and evaluate data from all California counties to create a baseline assessment of Behavioral Health Service Act (BHSA) evidence-based practices (EBPs). The COEs will provide training and technical assistance, measure counties' movement toward achieving fidelity, and report performance outcomes. COE data collection will also inform continuous improvement and performance outcomes. To meet the requirements of the COEs, the Department of Behavioral Wellness will need to enter Data Transfer and Use Agreements.

BWell requests authority for the Director of BWell to enter into the Data Transfer and Use Agreement with the Regents of the University of California on behalf of its Davis campus (UC Davis) for

Coordinated Specialty Care for First Episode Psychosis for a term of three years from the date of execution, upon completion, or sooner.

New Elements of the Integrated Plan:

The new Integrated Plan is composed of new reporting elements, as part of the shift to BHSa, these reporting requirements replace the previous reporting requirements for MHSA and will be part of Integrated Plan reporting annually:

- County Behavioral Health System Overview: Overview of all funding sources for BWell
- Statewide Behavioral Health Goals: New Performance Measures
- County Planning Process: Outlines entire stakeholder engagement process and stakeholder groups that were included in the County Planning Process
- Comment Period and Public Hearing: Includes documentation of the notices and feedback received during the Public Comment Period
- County Behavioral Health Services Care Continuum: includes information on Behavioral Health Care Continuum
- County Provider Monitoring and Oversight: Quality Improvement Plan and provider information
- Behavioral Health Services Act Funded Programs: Outlines all BHSa funded programs
- Workforce Strategy: Department-wide workforce strategy
- Three Year Budget Summary: Entire BHSa budget and Prudent Reserve funds for BHSa to access in emergencies
- Approvals and Compliance: Certifications for Plan approval

New Programs in the Integrated Plan:

Feedback from DHCS and the Public Comment Period on the Draft BHSa Integrated Plan influenced programmatic changes that are now in the Final BHSa Integrated Plan. The following requested revisions to the Draft Integrated Plan from DHCS and the public resulted in BWell adding the following BHSa programs and strategies in response to this feedback to the Final BHSa Integrated Plan.

- 1) Feedback from DHCS: Increase targeted outreach and engagement strategies to increase adult Specialty Mental Health penetration:
 - Increased outreach for justice-involved populations and indigenous populations: Created the Bridging Care and Alas de Esperanza Indigena programs in response to DHCS feedback, these programs are defined in sections 4 and 5, below.
- 2) Feedback from DHCS: Increase services for children and youth to address additional need for services and strengthen youth access pathways:
 - Multi-Systemic Therapy for Youth: this program will provide a community-based intervention approach for youth, ages 12-17, who are experiencing significant behavioral problems, such as involvement in the juvenile justice system or substance abuse issues.
 - Crisis Follow-Up for Youth: Establishes direct linkages for youth leaving hospitalization, in-patient, or crisis intervention to BWell services in clinic.

- Youth Outreach and Engagement for Families with Justice Involvement: An outreach component of Justice programs that provides outreach to families and provide early intervention services to the family of those incarcerated.
- 3) Feedback from DHCS: Increase strategies that leverage BHSAs Housing Interventions to help support increasing access to interim and permanent housing options specifically for families with school aged children.
- Participant Assistance Funding: Funding that will help specialty behavioral health members pay rent in arrears and avoid eviction.
 - Housing Transition Navigation Services and Housing Tenancy Sustaining Services: Funding for onsite tenancy and sustaining services for youth and families at permanent supportive housing sites.
- 4) Feedback from the Public: Better care coordination for those leaving incarceration:
- Bridging Care: This is a program for formerly incarcerated populations to provide early intervention mental health and substance use treatment services and to continue medication services begun while the client was incarcerated, including long-acting injectable psychotropic medications, with the goal to stabilize these clients and then bridge to a lower level of care.
- 5) Feedback from the Public: Continue to fund outreach programs working with indigenous populations:
- Alas de Esperanza Indigena: Outreach to Mixteco speaking community members and their families to provide referrals and linkages to behavioral health and other needed supports. The program also provides a community determined evidenced practice (CDEP) to community members, "Living with Love" through community workshops to develop culturally significant ways to identify mental health and substance use disorders.

New funding and service requirements for BHSAs, including implementing new evidence-based practices and housing interventions, have resulted in the initiation of new programming for BWell.

In FY 2026-27 BWell will have the following new programs:

- Assertive Community Treatment Full-Service Partnerships.
- Forensic Assertive Community Treatment Full-Service Partnerships.
- Intensive Case Management Full-Service Partnerships.
- Individual Placement Services for Supported Employment.
- Coordinated Specialty Care for First Episode Psychosis.
- Initiation of Field-Based Substance Use Disorder Treatment as part of the services offered through the Homeless Outreach team.
- New Early Intervention programs for youth and families, justice-involved populations, and north county Mixteco communities.

Housing Interventions: BWell must also implement a new funding requirement to spend 30% of BHSA funding on Housing Interventions. Housing Interventions include both interim and permanent settings. Housing intervention funding cannot be used for treatment services, excluding up to 7% which may be spent on Homeless Outreach services.

In FY 2026-27 BWell will have the following new Housing Interventions:

- Maintain funding for all existing MHSA funded housing including Adult Residential Facilities, rental subsidies, Room and Board Homes, and Board and Care Homes.
- Maintain funding for the Homeless Outreach Services Teams.
- Set aside funding for new capital projects, including anticipated investments in additional Board and Care and Recovery Residence beds.
- Rental Assistance support for individuals in interim housing through coordinated assistance with the Transitional Rent benefit provided by the Medi-Cal Managed Care Plan (CenCal Health).

Background:

The Department of Behavioral Wellness (BWell) provides specialty behavioral health services to Medi-Cal and Medicare populations throughout the County, and, to the extent allowed, to uninsured youth and children with specialty behavioral health needs when the youth or child is at risk of removal from home or has already been removed from home.

In March 2024, California voters approved Proposition 1, which includes the Behavioral Health Services Act (BHSA) priority populations. The BHSA priority populations are Medi-Cal and Medicare beneficiaries with specialty behavioral health needs, including those leaving incarceration or institutionalization and those experiencing homelessness. MHSA funding will now be allocated to BHSA, and there are no new or additional funding streams; however, BHSA mandates new programs including the implementation of five new evidence-based practices, and has new reporting, monitoring and oversight requirements. Existing MHSA dollars are now reallocated to three categories: Full-Service Partnerships, Behavioral Health Supports and Services, and Housing Interventions. Under the BHSA, there is a focus on providing Medi-Cal and Medicare services and having programs that are designed to maximize Federal Financial Participation (FFP). As a result, many existing Behavioral Wellness programs are being restructured to align with new State requirements.

In accordance with Welfare and Institutions Code 14197, commencing January 1, 2018, for outpatient mental health and substance use disorder services, BWell began certifying that the department meets certain time and distance standards to maintain network adequacy for outpatient mental health and substance use disorder services. BWell continues to certify this annually.

BHSA also requires new Evidence-Based Practices (EBP) that will be implemented in the Full-Service Partnership and Early Intervention programs. Under the BHSA, counties are required to implement Assertive Community Treatment (ACT); Forensic Assertive Community Treatment (FACT); Individual Placement Supports for Supported Employment (IPS); High Fidelity Wraparound (HFW); and Coordinated Specialty Care for First Episode Psychosis (CSC for FEP). Each one of these EBPs has its own Center of Excellence (COE) assigned by the Department of Healthcare Services to provide training and technical assistance to providers and certify fidelity to the practice model.

Performance Measures:

The Behavioral Health Services Act (BHSA) Integrated Plan for FY 2026-29 includes new performance measures: Behavioral Health Transformation Statewide Goals. These goals and intended program outcomes are included in the Plan.

Counties are required to address six priority statewide behavioral health goals for the priority populations they are charged with serving. Additionally, all counties are required to select at least one additional state-wide behavioral health goal for improvement. BWell has selected Reducing Overdoses as its additional goal, for a total of seven goals. All of the goals measure a statewide rate, and counties must examine their performance and include plans for improvement in each of the goals. The six required priority state-wide behavioral health goals and BWell’s additional selected goal are as follows:

- 1) Improve Access to Care
- 2) Reduce Homelessness
- 3) Reduce Institutionalization
- 4) Reduce Justice Involvement
- 5) Reduce Removal of Children from Home
- 6) Reduce Untreated Behavioral Health Conditions
- 7) Reduce Overdoses

All outcome measures will measure the overall performance of the county for each statewide behavioral health goal. . DHCS will publish Behavioral Health Transformation performance measures, stratified by county behavioral health by age and key demographics, for public access annually. <https://www.dhcs.ca.gov/Medi-Cal-Connect/Pages/Home.aspx> DHCS will also provide updated measure calculations and associated underlying data to counties via [Medi-Cal Connect](#), a statewide data analytics solution and tool for population health management, as frequently as monthly, depending on the data sources.

Fiscal and Facilities Impacts:

Budgeted: The BHSA funding plan is reflective of what’s included in the department’s FY 2026-27 Recommended budget except for minor variances related to differences of accounting between the County budget and the State’s reporting, and revisions that were made after the Recommended budget had been finalized. Any revisions will be brought through the budget revision process in FY 2026-27.

Funding Source	FY 2026-27 BHSA Allocation	MHSA Reserves	FY 2026-27 TOTAL
Full Service Partnership	\$15,086,900	\$5,942,046	\$21,028,946
Behavioral Health Services and Supports	\$15,086,900	\$11,398,405	\$26,485,305
Housing Interventions	\$12,931,600	\$2,346,000	\$15,277,600
Total	\$43,105,400	\$19,686,451	\$62,791,851

Fiscal Analysis:

The anticipated total BHSA funding allocation for FY 2026-27 is \$43,105,400. Current fiscal guidance allows flexibility for behavioral health departments to designate which categories they want to allocate MHSA funding. In FY 2026-27, BWell will be supplementing BHSA with \$19,686,451 in existing MHSA Reserves to meet the County’s service obligations and fully fund BHSA Prudent Reserve.

Special Instructions:

Please return one (1) Minute Order to msimongersuk@sbcbswell.org and to bwellcontractsstaff@sbcbswell.org.

Attachments:

Attachment A: BHSA Integrated Plan for FY 2026-29

Attachment B: Integrated Plan Attachment Documents

Attachment C: Regents of the University of California -Davis Data Transfer and Use Agreement

Attachment D: Santa Barbara County Integrated Plan Budget

Authored by:

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