



**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:** March 10, 2026  
**Placement:** Departmental Agenda  
**Estimated Time:** 30 minutes  
**Continued Item:** No  
**If Yes, date from:** N/A  
**Vote Required:** Majority

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**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:** Draft Behavioral Health Services Act County Integrated Plan Fiscal Years 2026-29 and Certification

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**County Counsel Concurrence**

As to form: Yes

**Other Concurrence:**

As to form: N/A

**Auditor-Controller Concurrence**

As to form: N/A

**Recommended Actions:**

That the Board of Supervisors:

- a) Approve and authorize the County Executive Officer to certify that the draft Behavioral Health Services Act County Integrated Plan for Fiscal Years 2026–29 is in compliance with specific fiscal accountability requirements and that all planned expenditures are consistent with state and federal law; and
- b) 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:**

This item is on the agenda to gain approval for the CEO to certify certain aspects of the Draft Behavioral Health Services Act Plan for Fiscal Years 2026–29. The Behavioral Health Services Act requires counties to submit three-year Integrated Plans for Behavioral Health Services and Outcomes. Counties must first submit a Draft Integrated Plan by March 31, 2026 prior to submission of the Final Integrated Plan on June 30, 2026. In accordance with the Behavioral Health Services Act (BHSA), the Draft Integrated Plan provides a description of how counties will plan expenditures across a range of behavioral health funding sources and deliver high-quality, culturally

responsive, and timely care along the Behavioral Health Care Continuum for FY 2026-29. This item is on the agenda to authorize the County Executive Officer to certify, that the Draft Integrated Plan for Fiscal Years 2026–29 is in compliance with specific fiscal accountability requirements and that all planned expenditures are consistent with state and federal law.

**Discussion:** The Draft BHSA Integrated Plan for Fiscal Years (FY) 2026–29 was developed in accordance with Senate Bill (SB) 326 and DHCS Behavioral Health Services Act County Policy Manual. The BHSA established the Integrated Plan to serve as a three-year prospective global spending plan that describes how county behavioral health departments plan to use all available behavioral health funding to meet statewide and local outcome measures, reduce disparities, and address the unmet need in their community. Unlike under MHSA, the new BHSA Integrated Plan requires reporting on all BWell funding sources, not just BHSA funding. DHCS requires the County Executive Officer to certify the Draft Integrated Plan, prior to submission to DHCS for review.

The County Executive Officer will certify the following:

- 1) The County will use Behavioral Health Services Act (BHSA) funds to serve the targeted population(s) (Welfare and Institutions Code 5600.3).
- 2) Behavioral Health funding from all sources will be spent only on allowable uses (Welfare and Institutions Code 5892).
- 3) BHSA funding will supplement, and not supplant, other funding available from existing state or county funds utilized to provide mental health services or substance use disorder treatment services (except that this non-supplant rule does not apply to the use of 2011 realignment funds) (California Code of Regulations Title 9 section 3410).

### **BHSA Plan Submission Timeline**

The certified Draft Integrated Plan must be submitted to DHCS for review by March 31<sup>st</sup>, 2026. DHCS will return the Plan to the County within 45 days for any requested revisions. The County has 15 days to make the requested revisions and resubmit. The Final Integrated Plan is then presented at the Behavioral Wellness Commission for public comment. After the public comment period has ended, BWell will return to the Board of Supervisors for approval of the Final Integrated Plan. The County will submit the Final Integrated Plan, no later than June 30<sup>th</sup>, 2026 as required by DHCS.

### **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 of 2024, voters passed Proposition 1, which includes the BHSA (SB 326) and the \$6.4 billion Behavioral Health Bond (Assembly Bill 531) to support Californians living with the most significant mental health and substance use disorder needs. The implementation of these changes is referred to as Behavioral Health Transformation (BHT).

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mental health and substance use disorder needs. The implementation of these changes is referred to as Behavioral Health Transformation (BHT).

The BHTSA replaces the Mental Health Services Act (MHSA) of 2004 and establishes new priority populations. The BHTSA 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 BHTSA, and there are no new or additional funding streams. Existing MHSA dollars are now reallocated to three categories: Full-Service Partnerships, Behavioral Health Supports and Services, and Housing Interventions. BHTSA also requires new Evidence-Based Practices (EBP) that will be implemented in the Full-Service Partnership and Early Intervention programs. Under the BHTSA, there is a focus on providing Medi-Cal and Medicare services and having programs that are designed to maximize Federal Financial Participation (FFP). This necessitates many of the existing programs at BWell to align with these new funding and EBP requirements.

The Community Planning Process is a state mandated community collaboration initiative aimed at assessing the current capacity, defining the populations to be served, and determining effective strategies for providing MHSA-funded programs. This is the process through which the Department provides meaningful stakeholder engagement with members of the public including community-based organizations, mental health and substance use consumers, service providers and others to assess local preferences and shape future programs to reflect mental health and substance use needs of the community. As part of BHTSA implementation, there were many changes to the Community Planning Process, including expansion of stakeholder groups to include additional members and strengthen participation from County Health and CenCal Health. To meet these new regulations, the Integrated Plan was developed through an extensive and inclusive stakeholder engagement process designed to ensure that diverse community perspectives meaningfully informed planning and priorities. The Department hosted a total of 76 listening sessions with 1,457 individuals from various stakeholder groups across Santa Barbara County. Additionally, four (4) community workshops were co-hosted with CenCal Health with 268 community members attending. These sessions generated many public comments and provided opportunities for participants to complete the BWell Outreach survey. Feedback for the Integrated Plan reflects input from individuals with lived experience, families, providers, community-based organizations, and other key partners across the county.

### **New Elements of the Integrated Plan**

The new Integrated Plan is composed of new reporting elements, including:

- 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
- Comment Period and Public Hearing: Confirms timeline
- County Behavioral Health Services Care Continuum
- County Provider Monitoring and Oversight: Quality Improvement Plan and provider information
- Behavioral Health Services Act Funded Programs: Details on all BHTSA programs
- Workforce Strategy: Department-wide workforce strategy
- Three Year Budget Summary: Entire BHTSA budget and Prudent Reserve
- Approvals and Compliance: Certifications for Plan approval

### **New Programs in the Integrated Plan**

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

For 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.

BWell must also implement a new funding requirement to spend 30% of BHSAs 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.

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

In the new funding category for housing interventions, BWell is planning the following:

- Maintain funding for all existing MHSA funded housing including Adult Residential Facilities, rental subsidies, Room and Board Homes, and Board and Care Homes.
- Beginning July 1 under BHSAs, funding will cover Recovery Residence Rentals.
- 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).

**Performance Measures:**

The Draft 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 (6) 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 (7) 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 one additional selected goal are:

- 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

**Fiscal and Facilities Impacts:**

Budgeted: The BHSA funding plan will be included in the department’s FY 2026-27 requested budget, subject to Board approval.

<b>Funding Source</b>	<b>FY 2026-27 BHSA Allocation</b>	<b>MHSA Reserves</b>	<b>FY 2026-27 TOTAL</b>
Full-Service Partnership	\$15,086,750		<b>\$15,086,750</b>
Behavioral Health Services and Supports	\$15,086,750	\$2,488,200	<b>\$17,574,950</b>
Housing Interventions	\$12,931,500		<b>\$12,931,500</b>
<b>Total</b>	<b>\$43,105,000</b>	<b>\$2,488,200</b>	<b>\$45,593,200</b>

**Fiscal Analysis:**

The anticipated total BHSA funding allocation for FY 2026-27 is \$43,105,000. Current fiscal guidance allows flexibility for departments to designate which categories they want to allocate MHSA funding. In FY 2026-27, BWell will be supplementing BHSA with \$2,488,200 in existing MHSA Reserves to meet the County’s service obligations.

Fiscal analysis will be provided with the Final BHSA County Integrated Plan for FY 2026-29 when it is presented to the Board of Supervisors for approval.

**Special Instructions:**

Please return one (1) Minute Order and the executed County Administrator or Designee Certification to [msimongersuk@sbcbswell.org](mailto:msimongersuk@sbcbswell.org) and [bwellcontractsstaff@sbcbswell.org](mailto:bwellcontractsstaff@sbcbswell.org).

**Attachments:**

**Attachment A:** BHSA Draft Plan FY 2026-29 PowerPoint Presentation

**Attachment B:** Draft Integrated Plan for FY 2026-29

**Attachment C:** Integrated Plan Attachment Documents

**Attachment D:** County Administrator or Designee Certification

**Attachment E:** BHSA Total Behavioral Health County Expenditures

**Authored by:**

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