

Understanding Prop. 1 of 2024: Public Behavioral Health Reform in Every County

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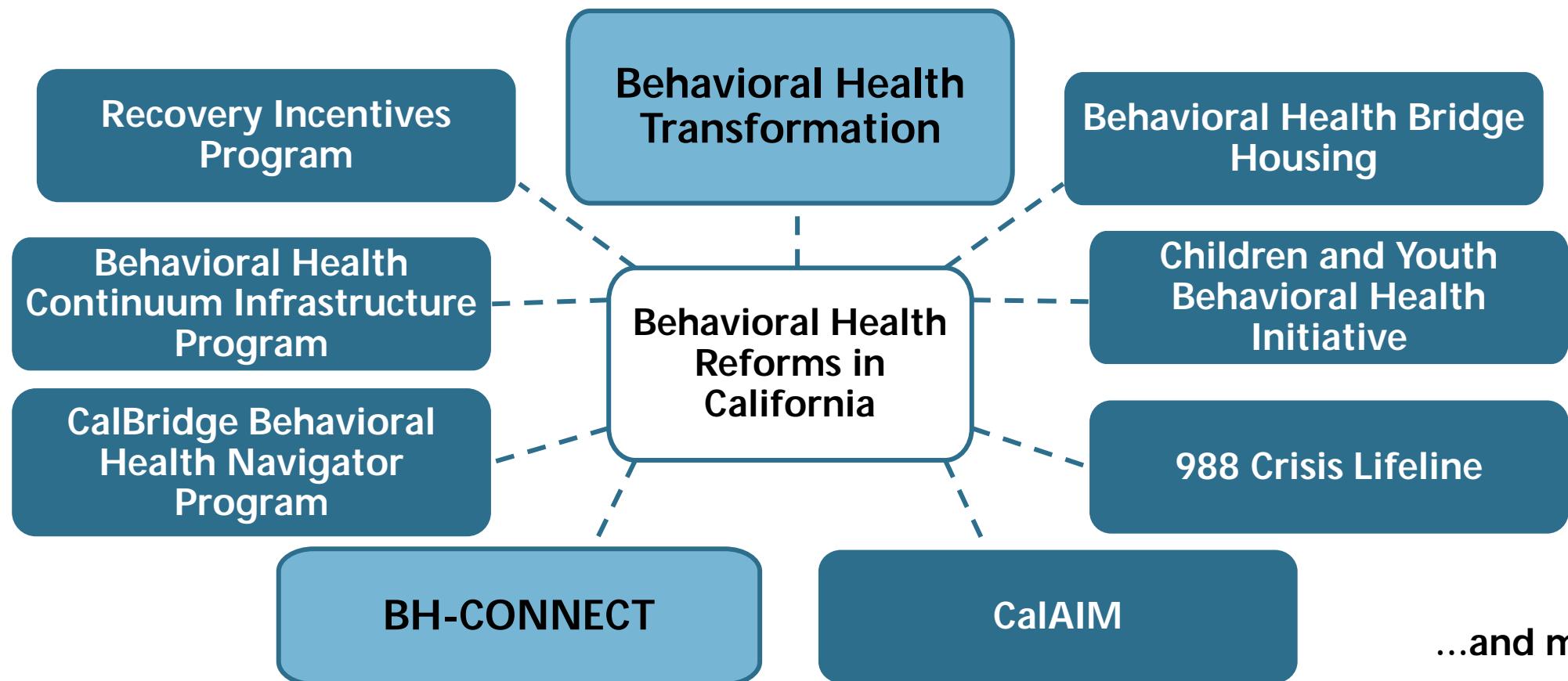


PURPOSE: PROVIDE EQUITABLE ACCESS TO QUALITY HEALTH CARE LEADING TO A HEALTHY CALIFORNIA FOR ALL

- » DHCS is the state agency **responsible for financing and administering Medi-Cal**, the state's Medicaid Program.
- » DHCS oversees county-operated community behavioral health and substance use disorder treatment programs.
- » DHCS has a **budget of \$202.7 billion** (\$45.6 billion General Fund) and 4,945 positions for the support of programs and services.

California's Behavioral Health Landscape

State has implemented major ongoing efforts to improve behavioral health care for Californians living with the greatest needs.



Behavioral Health Transformation: Behavioral Health Services Act (BHSA) & Behavioral Health Continuum Infrastructure Program (BHCIP) Updates

Behavioral Health Transformation

In March 2024, California voters passed Proposition 1, a two-bill package, to modernize the state's behavioral health care system. It includes a substantial investment in housing for people with behavioral health care needs.

Behavioral Health Services Act

- » Reforms behavioral health care funding to provide services to Californians with the most significant behavioral health needs.
- » Expands the behavioral health workforce to reflect and connect with California's diverse population.
- » Focuses on outcomes, accountability, and equity.

Behavioral Health Bond

- » Funds behavioral health treatment beds, supportive housing, and community sites.
- » Directs funding for housing to veterans with behavioral health needs.

Behavioral Health Transformation Milestones

2024

- » **Bond BHCIP Round 1: Launch Ready** Request for Applications was announced July 17th, 2024, and applications were due December 13th, 2024.
- » Public comment for the draft **Policy Manual Modules 1 & 2** was made available through the BHT webpage, where users provided feedback via our **new user-friendly, online platform**.

2025

- » **Finalized Integrated Plan guidance** was released in early 2025.
- » Additional modules will be released for **public comment** throughout 2025.
- » Bond BHCIP Round 1: Launch Ready awards announced May 6, 2025.
- » **Bond BHCIP Round 2: Unmet Needs** Request for Applications announced May 30, 2025.
- » The **County Portal** was launched August 6, 2025.

2026

- » **Bond BHCIP Round 2: Unmet Needs** award announcements anticipated Spring 2026.
- » Draft Integrated Plan due to DHCS March 31; Integrated Plans open locally for public comment.
- » New **Integrated Plan**, fiscal transparency, and data reporting requirements go-live in July 2026 (for next three-year cycle).

Bond BHCIP Round 1: Launch Ready High-level Snapshot



Facilities:
209

Added Beds:
5,015

New Outpatient
Slots:
21,592

- » Number of Applications Received: **294**
- » Awarded Projects: **121**
- » Total Facilities: **209**
- » Total Funding Requested: **\$8,797,073,405**
- » Total Round 1 Funding Awarded: ~**\$3,300,000**

Overview of a Population Behavioral Health Approach



High-Level Aims of the BHSA

Improving
**Behavioral Health
Outcomes and
Equity**

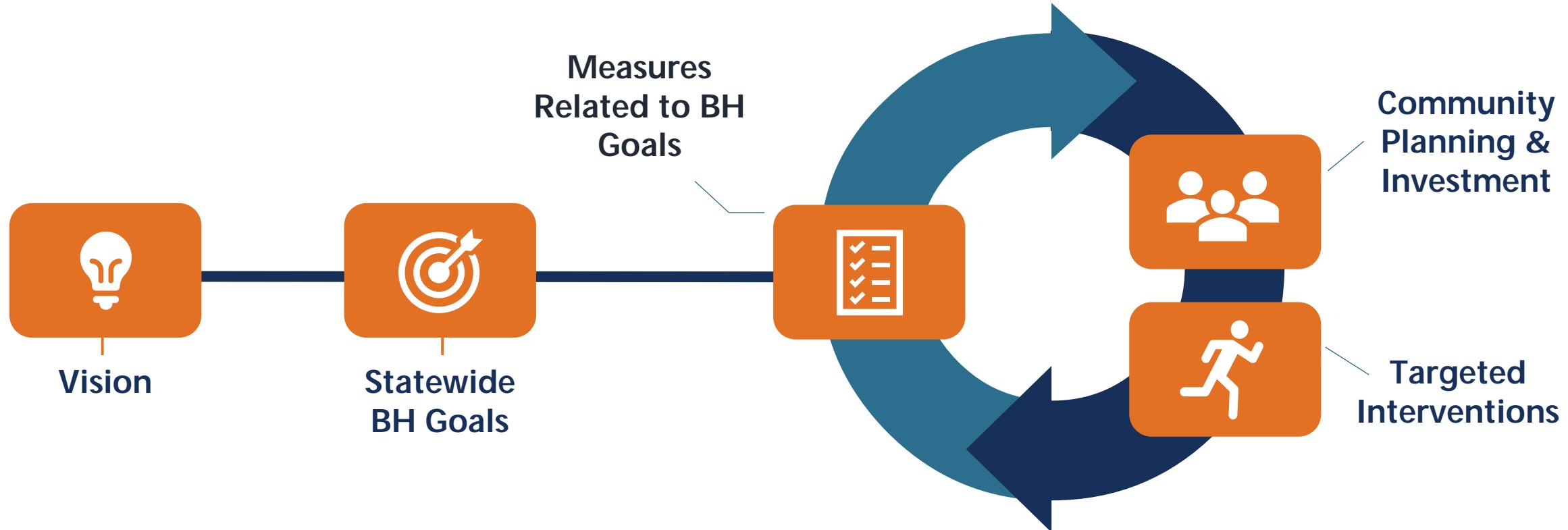
**Expanding
Capacity of**
Behavioral Health
Facilities

Improving
Accountability

Increasing
Transparency

Population Behavioral Health Framework

DHCS is developing a **Population Behavioral Health Framework** to meet the needs of all individuals eligible for behavioral health services, improve community well-being, and promote health equity. The Framework is designed to enable the behavioral health delivery system to make data-informed decisions to better meet the needs of individuals within the communities they serve.

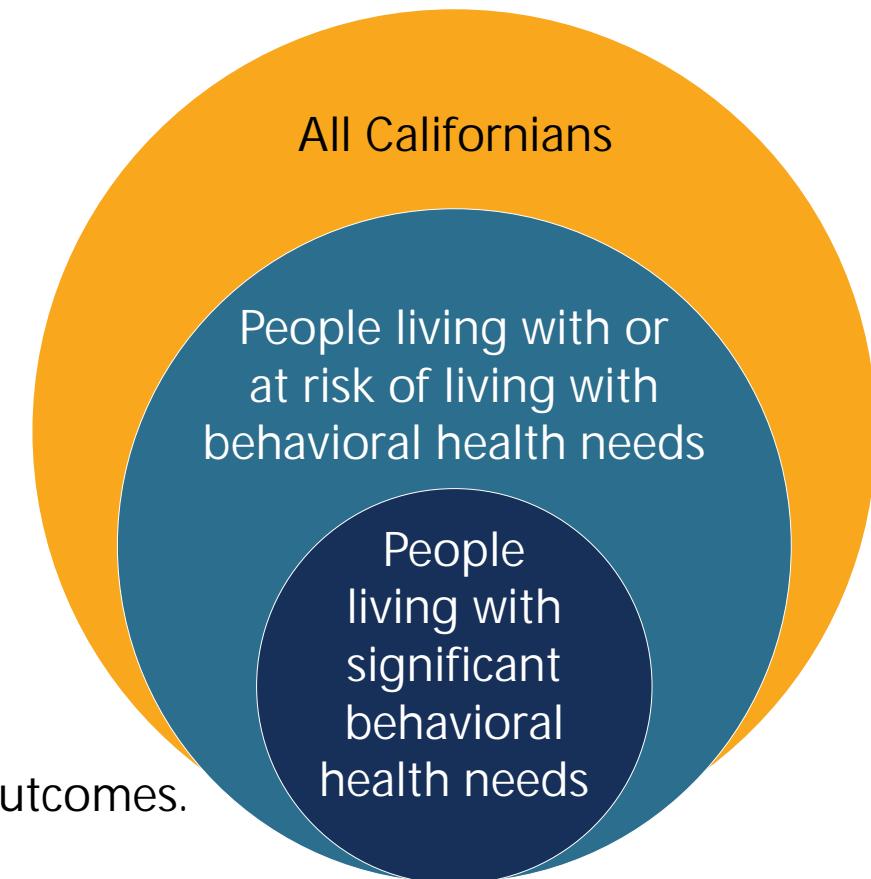


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The Need to Reach Everyone

DHCS, in collaboration with the Quality and Equity Advisory Committee (QEAC), is developing a population behavioral health approach that will:

- » **Consider the entire population that may benefit from behavioral health services**, not only those currently receiving or seeking care.
- » Deploy **whole-person care interventions**, including addressing social drivers of health.
- » **Coordinate across service delivery systems.**
- » **Use data to:**
 - Identify populations for targeted outreach and interventions.
 - Improve quality across the behavioral health continuum.
 - Monitor the effectiveness of interventions across populations.
 - Support continuous improvement.
 - Identify and track racial and ethnic disparities in behavioral health outcomes.



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A Full Delivery System Effort

The behavioral health delivery system is designed to meet the diverse treatment needs of Californians through **varying levels of care and shared responsibility among delivery system partners**. The population behavioral health framework **establishes common goals and standards to improve quality and equity** across the continuum of care.



Includes the following service delivery systems:

- » Public health
- » Schools
- » Child welfare
- » Legal system
- » Commercial insurance plans
- » Community-based organizations
- » Housing partners

Statewide Behavioral Health Goals

California has established the following 14 statewide behavioral health (BH) goals. Planning and progress on these goals will require coordination across multiple service delivery systems. Additional information on the goals is available in the [BHSA Policy Manual](#).

Goals for Improvement

- » Care experience
- » Access to care
- » Prevention and treatment of co-occurring physical health conditions
- » Quality of life
- » Social connection
- » Engagement in school
- » Engagement in work



Goals for Reduction

- » Suicides
- » Overdoses
- » Untreated behavioral health conditions
- » Institutionalization
- » Homelessness
- » Justice-Involvement
- » Removal of children from home



Health equity will be incorporated in each of the BH Goals.

Measures in Two Phases

DHCS is developing measures for each of the 14 statewide BH goals in two phases.

PHASE 1

Publicly available measures that:

- » Focus on population-level BH measurement
- » Inform system planning & resource allocation
- » Promote transparency

Measures were finalized with the Integrated Plan in June 2025.

PHASE 2

Measures calculated by DHCS based on individual-level data to enable clear delineation of responsibility across the BH delivery system that:

- » Focus on performance measurement
- » Inform system planning & resource allocation
- » Promote transparency
- » Include accountability

DHCS began work on Phase 2 in Q1 2025.

Developing Measures for Phase 2 in Three Cohorts

DHCS will develop Theories of Change and the Phase 2 measures in three cohorts to allow time for meaningful stakeholder engagement and deliberation on each goal.

Cohort 1 (March 2025 – October 2025)

1. Homelessness
2. Institutionalization
3. Justice-Involvement
4. Removal of Children from Home

Cohort 2 (May 2025 – December 2025)

1. Access to Care
2. Care Experience
3. Overdoses
4. Prevention & Treatment of Co-occurring Physical Health Conditions
5. Suicides
6. Untreated Behavioral Health Conditions

Cohort 3 (November 2025 – April 2026)

1. Engagement in School
2. Engagement in Work
3. Quality of Life
4. Social Connection

Community Planning Process



Community Planning Process



Counties already engage in extensive community program planning and engagement with their communities under the **Mental Health Services Act** (MHSA).

The **Behavioral Health Services Act** (BHSA) builds upon the MHSA requirements to meaningfully engage with stakeholders with a few key changes.

Key changes to community planning process:

- » Stakeholder list expanded to include SUD.
- » Key stakeholder groups updated to include but are not limited to:
 - Historically marginalized communities.
 - Representatives from organizations specializing in working with underserved racially and ethnically diverse communities.
 - Representatives from LGBTQ+ communities.
 - Victims of domestic violence and sexual abuse.
 - People with lived experience of homelessness.
 - Health Plans, Education, Housing and Social Services.

Integrated Plan for Behavioral Health Services and Outcomes

| Three-Year County Integrated Plan | |
|--|---|
| Purpose | Prospective plan and budget for all county behavioral health services. |
| Goal | Standardize data collection and reporting to increase transparency, promote stakeholder engagement, and improve local outcomes. |
| Frequency | Developed every three years. |
| Timing | Draft due on March 31, 2026. Final due on June 30, 2026. |
| Documents | A narrative and budget will be required. |

Key Stakeholder Groups

WIC 5963.03(a)(1): Each Integrated Plan shall be developed with local stakeholders, including, but not limited to, all of the following:

Bold = Newly Added

- » Eligible adults and older adults.
- » Providers of mental health services and **substance use disorder treatment services**.
- » Higher education partners.
- » **Local public health jurisdictions.**
- » **Labor representative organizations.**
- » Veterans.
- » Families of eligible children and **youth**, eligible adults, and eligible older adults.
- » Representatives from veteran's organizations.
- » Health care organizations, including hospitals.
- » Health care service plans, including Medi-Cal managed care plans.
- » **Disability insurers.**
- » **Tribal and Indian Health Program designees.**
- » Youths or youth mental health or **substance use disorder organizations**.
- » **The five most populous cities in counties with a population greater than 200,000.**
- » **Area agencies on aging.**
- » **Independent living centers.**
- » Local educational agencies.
- » Public safety partners, including county juvenile justice agencies.
- » **Continuums of care, including representatives from the homeless service provider community.**
- » County social services and child welfare agencies.
- » **Regional Centers**
- » **Emergency medical services.**
- » **Early childhood organizations.**
- » **Community-based organizations (CBO) serving culturally and linguistically diverse constituents.**

Community Planning Process – Collaboration with Local Planning

- » As part of the Community Planning Process, the BHSA establishes **local planning requirements** to align County IP community planning with local health jurisdiction (LHJ) Community Health Assessments (CHAs) and/or Community Health Improvement Plans (CHIPs) processes.
- » **Local Planning Requirements**
 - Starting January 2025, Counties must engage with their LHJ, along with MCPs, to develop the CHA/CHIP.
 - **Required Areas of Engagement:** Collaboration, data-sharing, and stakeholder activities.
 - Counties are encouraged to work with their LHJ to streamline processes and reduce community fatigue.
- » **For 2026 IP submissions**, counties may consider the most recent LHJ CHA, CHIP or strategic plan when developing its IP.

Deep Dive: Aligning Community Planning Processes

Recognizing the importance of community planning to improve outcomes and advance health equity, this section focus on policies to strengthen and align community planning processes across behavioral health, managed care and local health.

Objectives of this Section:

- » Provide historical context of county behavioral health, managed care, and local health community planning processes
- » Highlight the need for alignment among these disparate processes
- » Review policies to align community planning processes among sectors

Key:

These slides use the following colors to describe different sectors' policies and activities:

- Behavioral Health*
- Local Health Jurisdiction (LHJ)[^]
- Medi-Cal Managed Care Plans (MCPs)⁺

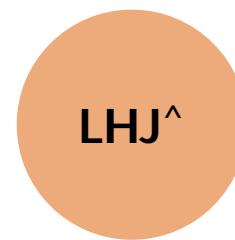
Historical Context

County Behavioral Health, LHJs, and MCPs historically have conducted separate and distinct community planning processes.



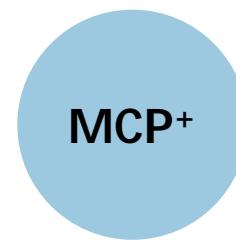
Mental Health Services Act (MHSA) Expenditure Plans Community Program Planning:

Mandated by the MHSA to shape mental health services funding. Involved gathering input from various stakeholders—individuals with lived experience, families, providers, and community members to identify needs, evaluate existing programs, and recommending improvements.



Community Health Assessment (CHA) and Community Health Improvement Process (CHIP):

Community-driven processes that involve participation from a broad cross-section of the community and integration of myriad data sources to describe the status of a community's health and set an action plan for improving it. Focus on upstream interventions.



Population Needs Assessment (PNA):
Deliverable to DHCS that identified (1) priority needs of their local communities and members and (2) health disparities. Required input from MCP community advisory committee.

The Need for Aligned Community Planning

County Behavioral Health, MCP and LHJ community planning processes have the power to bring together community voices to collectively identify goals and mobilize local action on targeted interventions. This is critical to achieving statewide behavioral health goals and improving the overall health and wellbeing of California communities. BHSA creates an opportunity to further align these processes, which have traditionally operated independently.

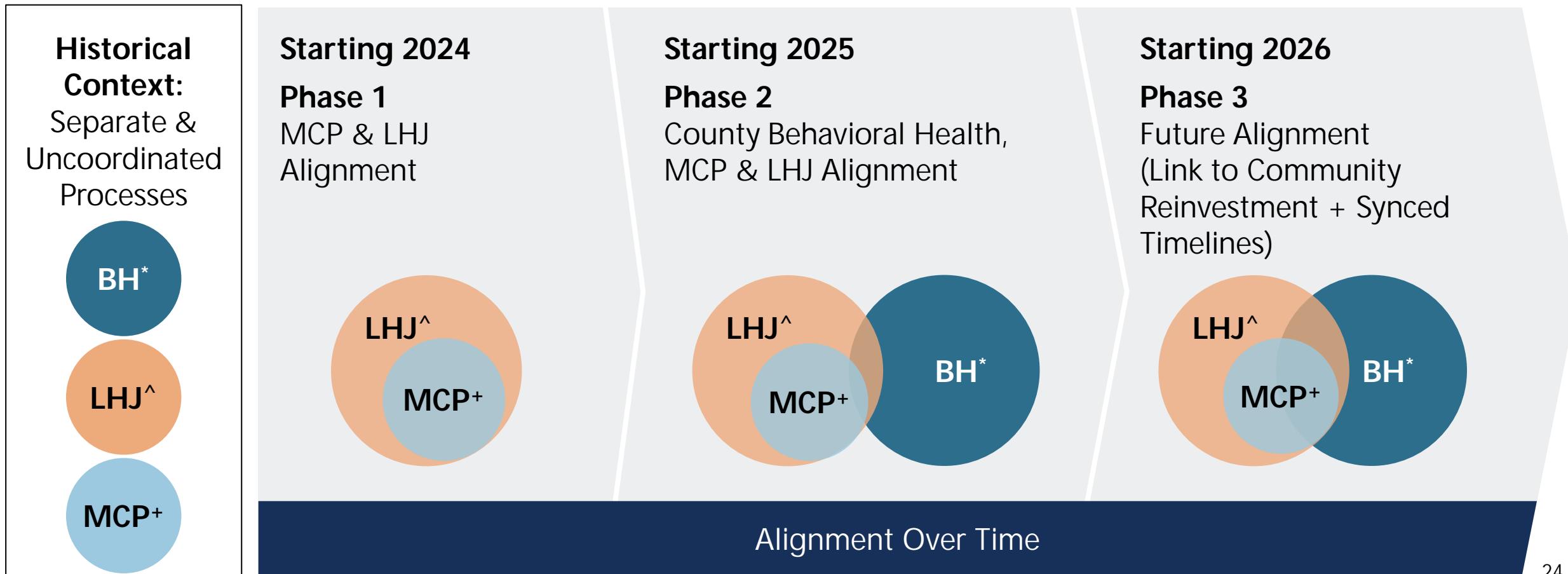
Aligned community planning provide an opportunity to:



Overview: Policies to Align Community Planning

To support BHT and population health efforts, DHCS and CDPH are implementing a cohesive set of policies to align community planning processes among County Behavioral Health, LHJs and MCPs.

These policies are being implemented over time in three phases.



Moving Towards Alignment

LHJs Serving as the Backbone for Aligned Community Planning Processes

Core Features of LHJ CHAs/CHIPs:

- » **Community-driven** with focus on the community-at large, and not on any one stakeholder group
- » Rely upon **inclusive governance structure and diverse participation** from numerous stakeholders beyond the public health sector
- » Use of **robust and methodological stakeholder engagement**
- » Use of **comprehensive broad-based data**, including primary and secondary sources
- » Focus on **upstream interventions** addressing the root of most health outcomes

The features make CHAs/CHIPs ideal forums to:

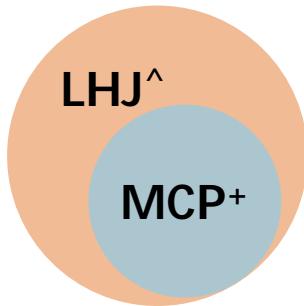
- » Drive towards their shared goals of improving overall health and wellbeing in the community
- » Advance statewide population behavioral health goals
- » Support other stakeholder initiatives

Phase 1: MCP and LHJ Alignment

Background

- » In 2023, DHCS launched the Population Health Management (PHM) program, which establishes a cohesive framework for MCPs to respond to health and social members' needs and preferences across the continuum of care.
- » To support the goals of the PHM program, DHCS reimagined the existing PNA requirements, which were solely focused on Medi-Cal members, to align with LHJ CHA/CHIP process
- » The modification shifts MCPs from the previous focus of PNA, to:
 - Expanding focus to upstream
 - Strengthening community partnerships
 - Leveraging diverse data sources

Phase 1: MCP and LHJ Alignment (Continued)



Streamlining Two Processes into One

Rather than completing their own separate community planning and assessment process, MCPs must meaningfully participate in terms of collaboration, data-sharing, stakeholder engagement and resources.

Key Features of Alignment



NO PNA Deliverable
Due to DHCS



Annual PHM Strategy Deliverable

Must report to DHCS on CHA/CHIP participation and other PHM updates, including community reinvestment and statewide BH goal progress.

Phase 2: County Behavioral Health, MCP and LHJ Alignment

Background

- » Previously, the Mental Health Services Act (MHSA) required submission of a three-year expenditure plan, solely focused only MHSA dollars.
- » The BHSA now requires submission of an IP, a three-year prospective plan and global budget for all funding (beyond BHSA) and County Behavioral Health services.
- » Compared to MHSA community planning, the BHSA IP community planning process requires
 - Greater stakeholder engagement (> 20 stakeholders)
 - **Alignment with LHJ CHA/CHIP processes- referred to as the local planning requirement** (not required by MHSA). See next slide for more details.
 - Data on statewide measures (MHSA did not require reporting of statewide measures)

Phase 2: County Behavioral Health, MCP and LHJ Alignment

Key Features of Alignment

- » **Shared Stakeholders:**

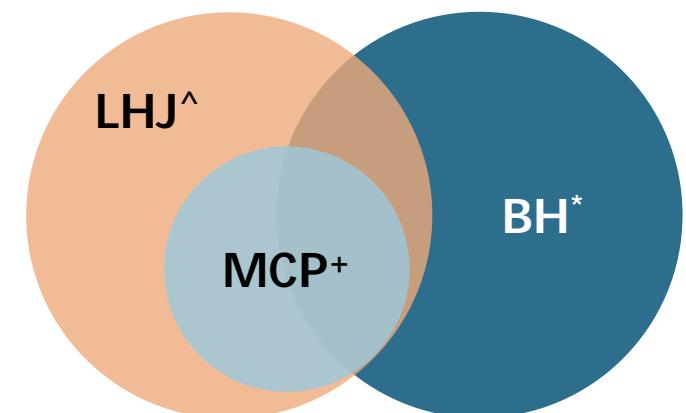
LHJ CHAs/CHIPs involve many of the same stakeholders—including MCPs, who are required to participate in IP community planning. County Behavioral Health must identify stakeholders who participate in both.

- » **Streamlined Engagement:**

County Behavioral Health are required to conduct stakeholder activities (e.g., surveys, focus groups, town halls) that many LHJs already conduct and must coordinate wherever possible.

- » **Streamlined Data Collection & Analysis:**

Many CHA/CHIPs have focus areas related to statewide behavioral health goals. County Behavioral Health are required to share relevant data to support CHA/CHIP BH priorities and use relevant CHA/CHIP data to inform IP.



Current MCP and County Behavioral Health Responsibilities



Phase 1 and Phase 2 policies establish similar requirements for MCPs and County Behavioral to engage on LHJ CHA/CHIPs.

County Behavioral Health and MCPs must:

- » Attend key **meetings** and serve on CHA/CHIP governance structures, as requested by LHJs. Coordinate **stakeholder engagement** activities to the extent possible.
- » Share relevant **data** to support CHA/CHIPs. Use relevant data to support their respective strategy and plans (County Behavioral Health: IP; MCP: PHM Strategy Deliverable)
- » Report on their progress towards statewide population BH goals and their participation in LHJ CHAs/CHIPs as part of DHCS **deliverables**
- » Since January 2025, MCPs **must** contribute **funding and/or in-kind staffing** to support CHA/CHIP processes. Counties **may** use a portion of local Behavioral Health Service Funding (BHSF) towards IP stakeholder engagement activities that overlap with CHA/CHIPs.

Phase 3: Aligning with Community Reinvestment

As part of Phase 3, DHCS is aligning community reinvestment policies as part of this cohesive community planning framework to further advance health equity and statewide behavioral health goals.

Like community planning, community reinvestment activities have been disparate.
They also have been not been synced to community planning efforts.



Note: DHCS is committed to aligning reinvestment across multiple payors. These slides focus on efforts to align County Behavioral Health IPs, MCP Community Reinvestment Plans, and CDPH Prevention Dollars, and do not address other alignment efforts underway.

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Phase 3: Aligning with Community Reinvestment Cont.

The below table outlines how specific community investment initiatives are informed by local planning and support behavioral health and public health interventions and goals.

| Community Investment Initiative | Behavioral Health Link | Public Health Link |
|--|---|---|
| BHSA Funding | Must demonstrate alignment with statewide BH Goals | Must be informed by CHA and CHIP |
| MCP Community Reinvestment MCPs must allocate 5-15% of net income based on revenues and performance on quality measures to communities | <ul style="list-style-type: none">» Strongly encouraged to be directed to activities identified in the IP» Requires BH Director Attestation | <ul style="list-style-type: none">» Must be informed by CHA» Strongly encouraged to be directed to CHIP activities» Requires Public Health Director attestation |
| CDPH Prevention Dollars | DHCS is collaborating with CDPH to develop policies that align public health prevention dollars with statewide population BH goals. | |

Phase 3: Synced Timelines

Future alignment will be further supported by syncing community planning and community reinvestment timelines.

Currently, CHA/CHIPs are on different cycles; either being completed every three or five years.

In 2028, CHA/CHIP development cycles will become standardized across California and synced with the County Behavioral Health IP submission processes and MCP Community Reinvestment planning.

June 2026

- » First County Integrated Plan due
- » First MCP Community Reinvestment Plans due

June 2026

December 2028

December 2028

LHJ CHA due
(Aligned CHA timelines statewide)

June 2020 - Ongoing

- » Next County Integrated Plan due
- » LHJ CHIP due
(Aligned CHIP timelines statewide)

June 2029 - Ongoing

Additional Resources



BHT Website and Monthly Newsletter

Explore the [Behavioral Health Transformation](#) website to discover additional information and access resources.

Please sign up on the DHCS [website](#) to receive monthly Behavioral Health Transformation updates.



Technical Assistance – New!

DHCS will provide technical assistance, including developing informational materials, that counties can use in their stakeholder engagement activities and sharing best practices. More information to come.



Questions and Feedback

Please send any questions or feedback about Behavioral Health Transformation to BHTInfo@dhcs.ca.gov.



Public Listening Sessions

Attend recurring public listening sessions to provide feedback on Behavioral Health Transformation-related topics.

Registration links for all public listening sessions will be posted on the [Behavioral Health Transformation website](#), along with their recordings, once available.

Questions?



Thank you!

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