Behavioral Health Services Act
Three Year Integrated Plan FY26-29

Behavioral Health Commission

Imo Momoh
Director of Managed Care, Behavioral Health Services
SAN FRANCISCO DEPARTMENT OF PUBLIC HEALTH

Agenda

- CA Behavioral Health Services Act (BHSA)
  - Mental Health Services Act (MHSA) Reform
  - BHSA County Funding Allocations
- BHSA Three-Year Integrated Plan
  - Plan Requirements
  - Behavioral Health Goals
  - Community Planning Process in 2025
- BHSA Three-Year Integrated Plan Budget FY26-29
- BHSA Programming Changes
- Timeline and Next Steps

Behavioral Health Services Act

CA Behavioral Health Services Act: Mental Health Services Act Reform

- Mental Health Services Act (MHSA), approved by voters in 2004, established 1% tax on personal income above $1 million for prevention, early intervention, and mental health treatment services.

- Behavioral Health Services Act (BHSA), under Prop 1, approved by CA voters in 2024, goes into effect July 1, 2026.
  - First major reform of MHSA. Intended to improve transparency, accountability, and outcomes.

- BHSA expands target population to include individuals with substance use disorder; continues to prioritize services for children and youth; people who are chronically homeless, veterans.

- BHSA impacts on San Francisco:
  - **New** state-directed and required funding allocations, reduce San Francisco ability to allocate to prevention and non-specified behavioral health services.
  - **New** county planning and reporting requirements; must report all sources of revenue and expenditures to state.

Behavioral Health Commission Roles Related to the BHSA Program

Behavioral Health Commission members are responsible for reviewing the three items the County is required to submit to the State throughout the BHSA three-year cycle.

Integrated Plan

Goal: Global spending plan and roadmap for Behavioral Health Services Act.
Timing: Every three years (Draft submission: Mar 31 | Final: Jun 30)

Annual Update

Goal: Plan update driven by local changes and needs (Years 2 & 3)
Timing: Every year (Draft submission: Mar 31 | Final: Jun 30)

Behavioral Health Outcomes, Transparency, and Accountability Report (BHOATR)

Goal: Report on spending, services, and outcomes
Timing: Every year (Draft submission: Jan 30, 27 | Final: Jan 30, 28)

BHSA County Funding Allocations

Current MHSA Allocation (concluding June 30, 2026)		Future BHSA Allocation (effective July 1, 2026)	
County Allocation	**95%**	**County Allocation**	**90%**
Community Services and Supports	76%	Housing Interventions	30%
Prevention and Early Intervention (PEI)	19%	Full-Service Partnerships (FSPs)	35%
Innovation	5%	Behavioral Health Services and Supports (BHSS)	35%
State Directed	**5%**	**State Directed**	**10%**
State Administration	5%	Population-Based Prevention	4%
		Behavioral Health Workforce (Health Care Access and Information, HCAI)	3%
		State Administration	3%

Key Takeaway: BHSA adds new funding categories and reduces county allocations, requiring PEI and non-Full-Service Partnership reductions and shifts to other services. The State anticipated that these shifts would require counties to reduce and rebalance contracts.

BHSA Three-Year Integrated Plan

BHSA Three-Year Integrated Plan Contents

I. **County Behavioral Health System Overview**
   a. Populations served by County BH System
   b. Service delivery across all funding sources

II. **Community Planning Process (CPP)**
   a. Stakeholder outreach, engagement, and input

III. **State-defined Behavioral Health Goals**

IV. **BHSA-funded Programs**
   a. Behavioral Health Services and Supports (BHSS)
   b. Full-Service Partnerships
   c. Housing

V. **County Provider Monitoring and Oversight**

VI. **Workforce Strategy**

VII. **Budget and Prudent Reserve**

BHSA Three-Year Integrated Plan Requirements

- **BHSA Three-Year Integrated Plan must:**
  - Describe how the County will deliver high quality, culturally responsive, and timely access to services along the continuum of care.
  - Include <u>all</u> local, state, and federal behavioral health funding and services.
  - Developed in collaboration with local health jurisdiction and Medi-Cal Managed Care Plans, in alignment with the Community Health Assessment and Community Health Improvement Plan.
  - Informed by community stakeholders, with extensive engagement requirements.

- **Draft plan must be:**
  - Submitted to CA Department of Health Care Services (DHCS) with approval from Behavioral Health Director and Mayor by March 31, 2026.
  - Posted for a 30-day Public Comment Period.
  - Reviewed by the Behavioral Health Commission.

- **Final plan** must be submitted to DHCS with approval from Board of Supervisors by June 30, 2026.

State-Defined Behavioral Health Goals

- DHCS identified 14 statewide behavioral health goals to *inform state and county BHSA planning.*
- Counties are to address 6 priority goals + 1 additional goal in the BHSA Three-Year Integrated Plan FY26-29.
- In 2026, DHCS will develop performance measures to support accountability across delivery systems.

Priority Goals

» Access to Care
» Homelessness
» Institutionalization
» Justice-Involvement
» Removal of Children from Home
» Untreated Behavioral Health Conditions

Additional Goals

» Care Experience
» Engagement in School
» Engagement in Work
» Overdoses
» Prevention and Treatment of Co-occurring Physical Health Conditions
» Quality of Life
» Social Connection
» Suicides

Health equity will be incorporated in each of the BH Goals

BHSA Community Program Planning (CPP)

BHSA requires counties to engage with 26 stakeholder groups to inform Integrated Plan. To meet this requirement, SFDPH:

- **Held 15 CPP meetings (Fall 2025) with:**
  - Providers, Consumers, BHSA Advisory Committee, BHS Client Council, Behavioral Health Commission, and other required BHSA stakeholder groups.

- **Conducted targeted outreach to:**
  - City/County Departments
    - Population Health, Homelessness and Supportive Housing, Disability and Aging, and Children, Youth & Families
  - Medi-Cal Managed Care Plans
  - Labor Unions
  - Golden Gate Regional Center
  - Independent Living Center

- **Administered CPP Community Survey, Fall 2025** (1,191 responses)

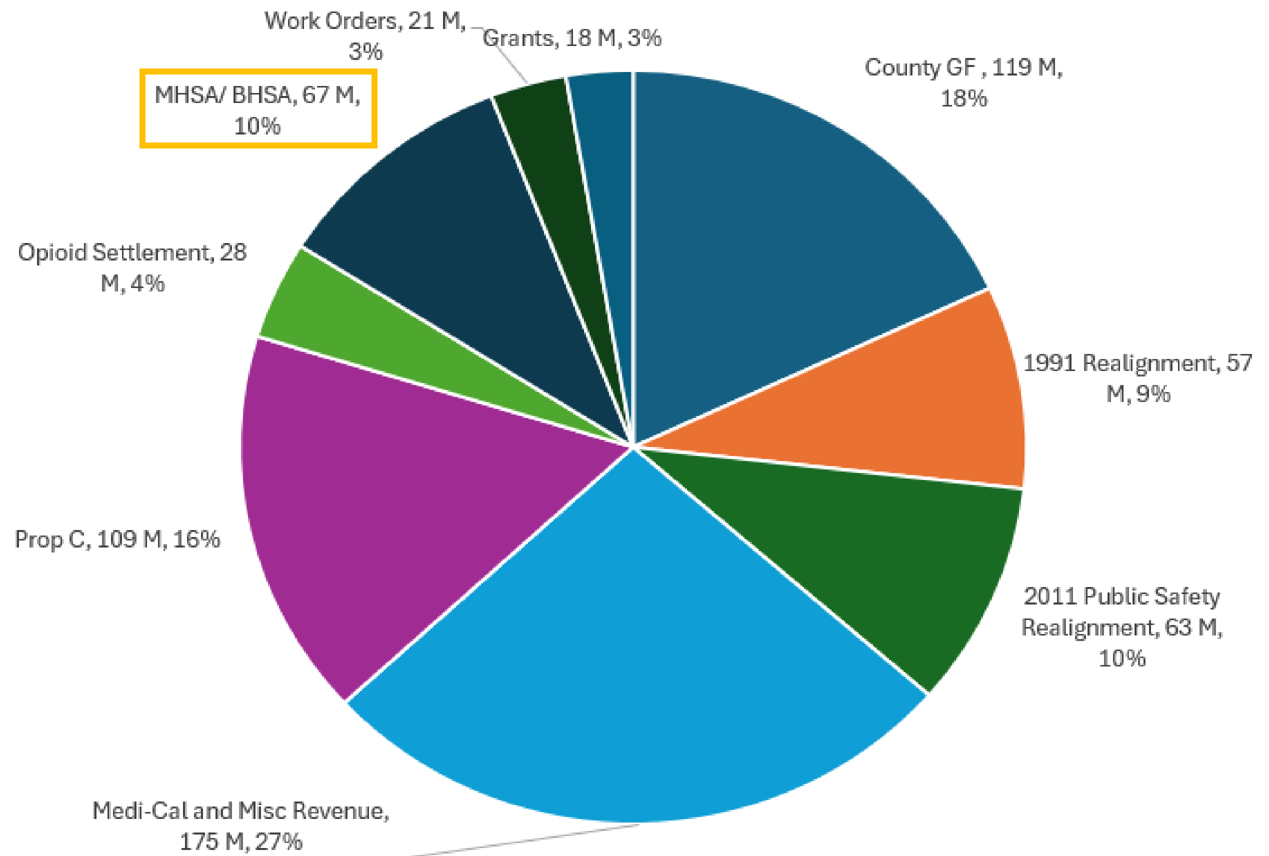
- **Leveraged SFDPH 2024 Community Health Assessment** (see appendix)

BHSA Three-Year Integrated Plan Budget FY26-29

FY25-26 Total Behavioral Health Services Sources of Revenue

$656M

Total Behavioral Health Services Sources of Revenue



Revenues (FY25-26)

BHSA Integrated Plan FY26-29 Budget Categorization

The BHSA Integrated Plan budget accounts for all BHS sources of funding. *All BHS programs & staff must be categorized by: (I) Behavioral Health Care Continuum; or (II) Other County Expenditures.*

The Behavioral Health Continuum consists of:

- Substance Use Disorder Services,
- Mental Health Services,
- Housing Services,
- Other Eligible Expenditures (capital infrastructure, workforce investment activities, quality & accountability, data analytics, plan management & administrative activities, and other agency services/activities).

- Total Behavioral Health Services budget (FY26-27): $795,622,383*
- Total Behavioral Health Services program and personnel expenses categorized: 469 programs and 890 personnel

*The Integrated Plan includes all applicable Behavioral Health expenditures including services provided at Zuckerberg San Francisco General (ZSFG) and Laguna Honda Hospital.

Behavioral Health Services Act Programming Changes

Our Approach for Programmatic Changes

Policy

- Implemented BHSA requirements to allocate and potentially modify existing MHSA programs and services

Budget

- Developed a spending plan based on historic MHSA funding allocation and projected state revenues to develop a BHSA budget FY26-29. These are subject to change.

Programming

- Evaluated MHSA program and staff expenditures against BHSA program requirements and funding allocations.
- Identified other DPH-funded programs that qualified for BHSA funding priorities
- Engaged various community stakeholders and receive their input throughout the process.
- Reviewed areas where program shifts were needed to meet new BHSA requirements, including difficult decisions to reduce and eliminate programs, particularly primary prevention.

Required BHSA Funding Allocations Overview

Housing Interventions: 30%

- 50%+ dedicated to chronically homeless
- ≤ 25% Capital development
- ≤ 7% Outreach and engagement

Full-Service Partnership: 35%

- Assertive Community Treatment (ACT)/Forensic ACT (FACT)
- Intensive Case Management (ICM)
- Individual Placement and Supported Employment (IPS)
- High Fidelity Wrap (HFW)

Behavioral Health Services and Supports: 35%

- Must include Early Intervention
  - At least 51% dedicated to early intervention (EI) programs
  - Of EI, at least 51% for individuals 25 years or younger
    - Required Coordinated Specialty Care (CSC) for First Episode Psychosis (FEP)
- Remaining funding can include
  - Other behavioral health services
  - Outreach and Engagement
  - Workforce Education and Training (WET)
  - Capital facilities and technological needs

MHSA v. BHSA Funding Allocations & Budgets

FY25-26 SF MHSA Budget

	Total $ (M) *Programs + staff*	**% allocation****
Community Services & Supports (CSS)	$34.7	76%
Innovation (INN)	$1.1	5%
Prevention & Early Intervention (PEI)	$17.6	19%
Workforce Education & Training (WET)	$11	***
Capital Facilities (CF) / Technology Needs (TN)	$2.4	***
Total	**$66.8**	**100%**

Proposed FY26-27 SF BHSA Budget

	Total $ (M) *Programs + staff*	**% allocation****
Housing	$30.8	34%
Full-Service Partnership (FSP)	$28.8	31%
Behavioral Health Services & Supports (BHSS)	$32.3	35%
Total	**$92.0***	**100%**

*Estimate, based on state revenues. Subject to changes based on tax revenue, finalized in March/April. **Funding transfers allowed up to 7% for in any 1 group, no more than 14% across total budget.
***While not part of the 76/19/5 allocation formula, per MHSA, counties may transfer up to 20% of their CSS funds to WET or CFTN to support staff development, recruitment, and infrastructure.

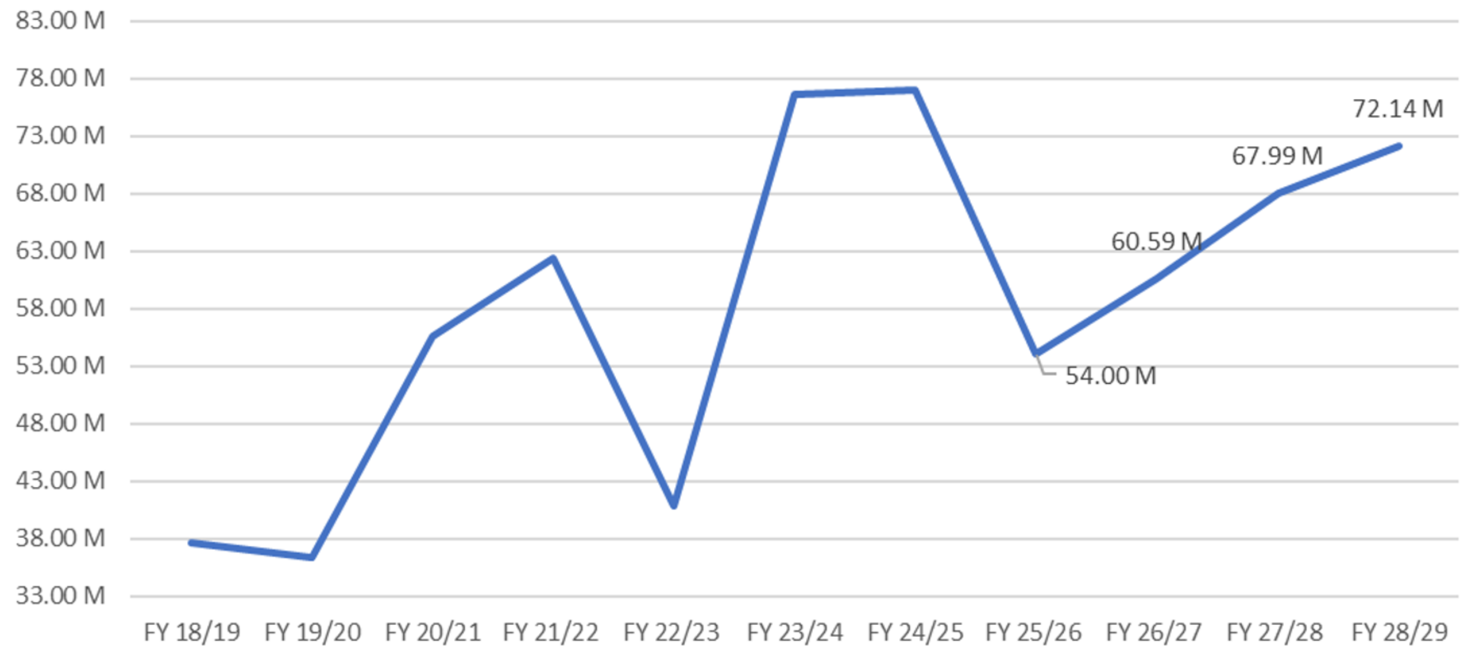
How DPH Developed the Proposed BHSA Budget

Volatile Revenue Source
BHSA funding fluctuates; depends on a 1% tax on personal income over $1M;
shifts significantly during economic ups and downs.

Conservative Planning
DPH planned conservatively to avoid overcomitting revenue. Revenues came in higher than projected, can result in unspent balances.

Rollover Funds
State permits counties to carry forward unspent funds.

Proposed BHSA Budget of $92M is based on projected revenues, unspent fund balances, and increased Medi-Cal revenue.



BHSA Program Impacts for FY26-27 and FY27-28

After reviewing all BHSA-funded programs, DPH determined fit for new categories and reduced programs in areas that were oversubscribed or did not meet BHSA priorities.

The programs impacted were the following:

Programs ending June 30, 2026:

- **$3.9M** - Workforce Education & Training* (14 programs)
- **$1.3M** - Early Childhood Prevention (1 program)
- **$978K** – Socially Isolated Adults (3 programs)

Programs ending June 30, 2027:

- **$1.1M** - Workforce Education & Training (4 programs)
- **$973K** - School-based Wellness (4 programs)
- **$750K** - Innovation Program (1 program)
- **$500K** - Prevention Program (1 program)

*Inclusive of previously announced $17M DPH CBO reductions

Integrated Plan Timeline and Next Steps

Integrated Plan Timeline and Next Steps

- **March 31:** Deadline to submit draft Integrated Plan to DHCS.
- **April 1-30:** Draft posted on SFGov for public comment.
- **April 6:** SF Health Commission reviews draft plan.
- **May 7:** Behavioral Health Commission receives a presentation to review the draft plan and provides input.
- **May 20:** Board of Supervisors Budget & Finance Committee reviews final plan.
- **June 2:** Board of Supervisors hearing on final plan.
- **June 30:** Deadline to submit final plan to DHCS.
- **July 1:** Plan goes into effect (implementation begins). Counties must meet new planning, fiscal transparency, and data reporting requirements.

Questions & Comments

Thank you

Appendix

BHSA Three-Year Integrated Plan Requirement – County Behavioral Health Funding Sources

BHSA Integrated Plan projected services and expenditures must include all local, state, and federal behavioral health funding and services. This includes:

- BHSA funds
- Bronzan-McCorquodale Act (1991 Realignment)
- 2011 Realignment
- Medi-Cal behavioral health programs, including Specialty Mental Health Services (SMHS), Drug Medi-Cal (DMC), Drug Medi-Cal Organized Delivery System (DMC-ODS)
- Federal block grants, including Community Mental Health Services Block Grant (MHBG), Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUBG), Projects for Assistance in Transition from Homelessness (PATH) grant
- Any other federal, state, or local funding directed towards county behavioral health department services, including Commercial/private insurance, Opioid settlement funding (only funds received by the County BH Dept.), County general fund, Grant revenue, Other

BHSA Housing Programs

Housing Key Requirements

- **30% of County BHSA funding must be spent on housing**
  - 50%+ must prioritize chronically unhoused individuals
- Must adhere to **housing-first principles**
- Cannot supplant Medi-Cal MCP Community Supports; counties must leverage CalAIM housing benefits first

Housing Eligible Programming

- Rental subsidies
- Operating subsidies
- Allowable Settings (Interim, Permanent, must not be congregate)
- Other Housing Supports
  - Landlord outreach & mitigation funds
  - Participant Assistance Funds
  - Transition Navigation and Tenancy Sustaining Services
  - Outreach and engagement (≤7%)
- Capital development (≤25%)

BHSA Full-Service Partnership (FSP) Programs

FSP Key Requirements

- **35% of County BHSA funding must be spent on FSPs**
- For individuals who have the most complex needs
- Must provide "whatever-it-takes" services to support recovery and community integration
- Service providers must operate in a team-based, intensive, field-based model (not clinic-only)

FSP Eligible Programming

- **ACT:** Assertive Community Treatment
- **FACT:** Forensic ACT
- **HFW**: High-Fidelity Wraparound; family-driven integrated BH for children
- **FSP/ICM**: FSP Intensive Case Management
- **IPS:** Individual Placement and Supported Employment
- Assertive field-based initiation for SUD treatment
- Other MH and SUD FSP services (outreach, peer support expansion, recovery services, etc.)

BHSA Behavioral Health Services and Supports (BHSS) - Early Intervention & Other Programs

BHSS Key Requirements

- **35% of County BHSA funding must be spent on BHSS**
  - Early intervention must make up 51% of all BHSS spend, with 51% of early intervention spend on youth services (25 and younger).* Early intervention programs must include:
    - Outreach
    - Access & linkage to care
    - Early mental health & substance use disorder treatment services and support

BHSS Eligible Programming

- Early Intervention
- Outreach and Engagement
- Workforce Education and Training (WET)
- Capital facilities and technological needs
- Other behavioral health services and supports

*Early intervention focuses on identifying and treating conditions at their earliest stages, including providing Coordinated Specialty Care (CSC) for First Episode Psychosis (FEP). This differs from primary prevention, which aims to prevent conditions before they occur. *Some MHSA-funded programs had to be eliminated because they focused on primary prevention.*