

San Francisco Department of Public Health

Behavioral Health Services Director's Update for the
Behavioral Health Commission

December 18, 2025

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Behavioral Health Services

San Francisco Department of Public Health



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Department of Public Health

Agenda

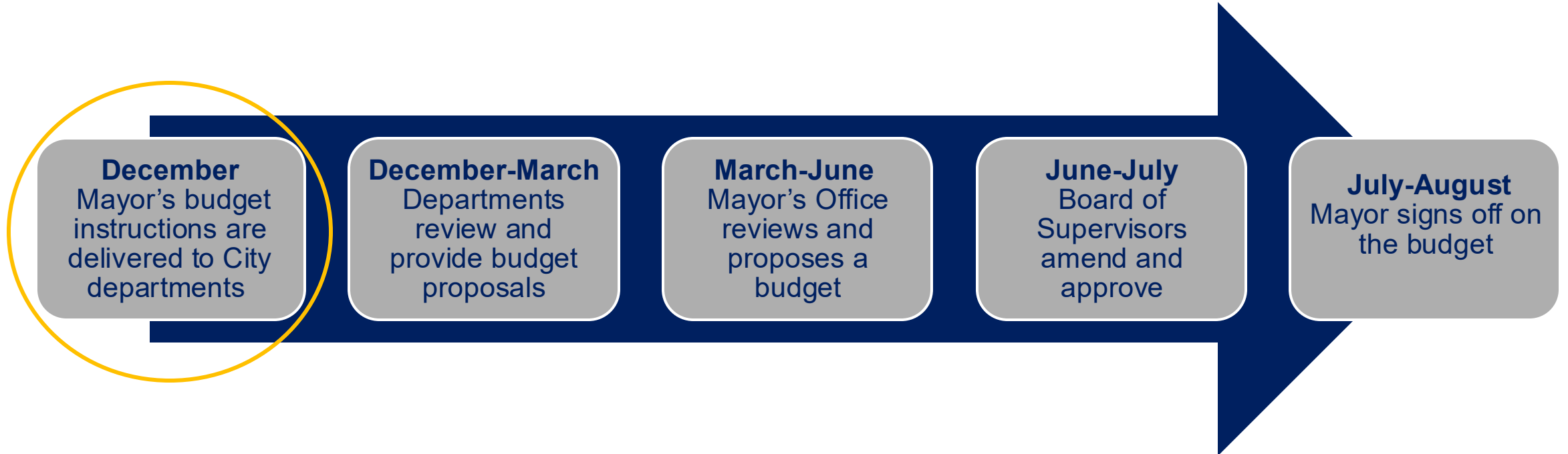
- Budget Update
- Peer Support Specialist Update



Budget Update



Budget Timeline Overview



Key Upcoming Budget Milestones

For FY26-27 reductions already budgeted:

- **Jan 16:** Draft cuts identified and shared with CBOs
- **Mid-Jan:** CBO next step briefing session
- **Feb 2:** Opportunity to provide public comment at SF Health Commission
- **Feb 4:** Deadline for comments via email (dphbudgetideas@sfdph.org)
- **Mar 6:** Finalized list of allocated cuts available

For next budget cycle projections FY26-27 & FY27-28

- **Early Dec:** Mayor and Controller prepared 5-year financial forecast
- **Mid-Dec:** Mayor's budget instructions were received
- **Jan 5:** Review of DPH budget instructions at SF Health Commission
- **Feb 2:** Review of DPH budget submission at SF Health Commission



H.R.1 and State FY25-26 Budget Impacts

Eligibility/Access Requirements	Financing Restrictions and Penalties	Abortion Providers Ban	Immigrant Coverage Limitations
<ul style="list-style-type: none">» Work requirements for CalFresh and Medi-Cal» 6-month Medi-Cal renewal requirement» Cost sharing for Medi-Cal (premiums and copays)» Enrollment freeze for State-only Medi-Cal for undocumented adults	<ul style="list-style-type: none">» Managed care and provider tax limitations» Cuts to federal funding for providing uncompensated health care» CalFresh admin. cut from 50% to 25% of costs» Substantial new penalties for CalFresh payment errors	<ul style="list-style-type: none">» One-year ban on federal Medicaid funding for "prohibited entities" that provide abortion services	<ul style="list-style-type: none">» Reduction in federal funding for emergency Medi-Cal for undocumented adults» Restrictions on lawful immigrants' eligibility for federal reimbursement for CalFresh» Reduction in benefits to State-only Medi-Cal for undocumented adults

Potential Impacts: Preliminary projections up to **\$400M** in annual revenue losses when fully implemented and up to **50,000 San Franciscans losing Medi-Cal** coverage.



Keeping People Connected to Care

Medi-Cal enrollment restrictions starting January 1, 2026:

- Undocumented Californians age 19 and above who don't currently receive Medi-Cal benefits will not be eligible for full healthcare coverage through Medi-Cal.
- If patients have coverage, they remain eligible as long as you stay enrolled.

Keeping people connected to care by encouraging them to:

- Apply for Medi-Cal before January 1, 2026
- Online: [BenefitsCal.com](https://www.benefitscal.com)
- Phone: (415) 557-5000
- In person: 1235 Mission St, 1440 Harrison St, 3120 Mission St, or 2 Gough St
- Recertify benefits to stay enrolled



Review of Contracts

Two related, but distinct efforts we are pursuing:

1. As a result of CalAIM payment reform, outpatient behavioral health and residential care providers are moving onto a rate schedule in line with the State's reimbursement for Medi-Cal services. For outpatient programs, these efforts are achieved through rate consolidation in the blended rate process.
2. Ongoing review of CBO contracts to allocate \$17M cut from FY26-27 budget: Reviewing all the programs across the Department by Modality according to alignment with specific prioritization factors for DPH



Program Evaluation and Use of Framework

Core Evaluation Criteria

- **Strategic alignment:** advances key DPH priorities
- **Programmatic Fit:** Degree of alignment with divisional area of practice/ expertise
- **Equity & Reach:** Serves underserved or uniquely impacted populations
- **Cost efficiency:** Delivers measurable outcomes relative to cost
- **Revenue Potential:** Generates or attracts Medi-Cal or grant funding
- **Performance:** Demonstrates accountability, quality, and impact.
- **Population Health Outcomes:** Improves measurable community health indicators.

How We Will Use This Framework

- **Guide, Not a Scorecard:** Programs will show strengths and weaknesses across criteria.
- **Targeted Re-Prioritization:** Identify a subset of programs for deeper review and potential resource shifts.
- **Holistic Decision-Making:** Weigh cumulative impacts, balance equity, and consider system-wide effects.
- **Mitigation Strategies:** Explore partnerships, alternative funding, or scaled delivery to preserve critical services.

Peer Support Specialist Update



Peer Support Specialist Update

- As of November 17, there are 15 certified peers that have been credentialed across various BHS programs including RAMS, Sunset Mental Health Services, Transitional Aged Youth (TAY) Services, UCSF Alliance, SF AIDS Foundation, and Felton.
- Currently, peer services are being billed by credentialed peers working in BHS programs that are contracted to provide these services. Some programs do not yet offer peer services as a part of their contract, which means credentialed peers with those programs may not currently bill for peer services.
- BHS is actively developing streamlined workflows to help programs move more efficiently from credentialing to billing for peer services through Medi-Cal.
- To learn more about the Medi-Cal Peer Support Specialist Certification, please visit: www.capeercertification.org.



Thank you