



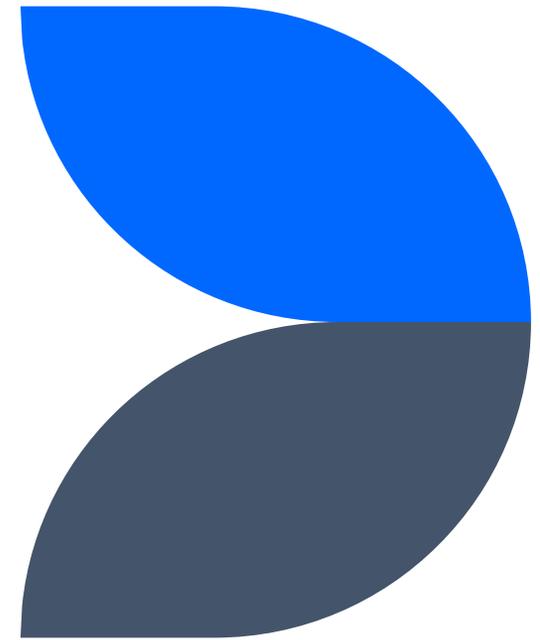
Proposition 1

MHSA Steering Committee Presentation

April 18, 2024

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PROPOSITION 1: OVERVIEW

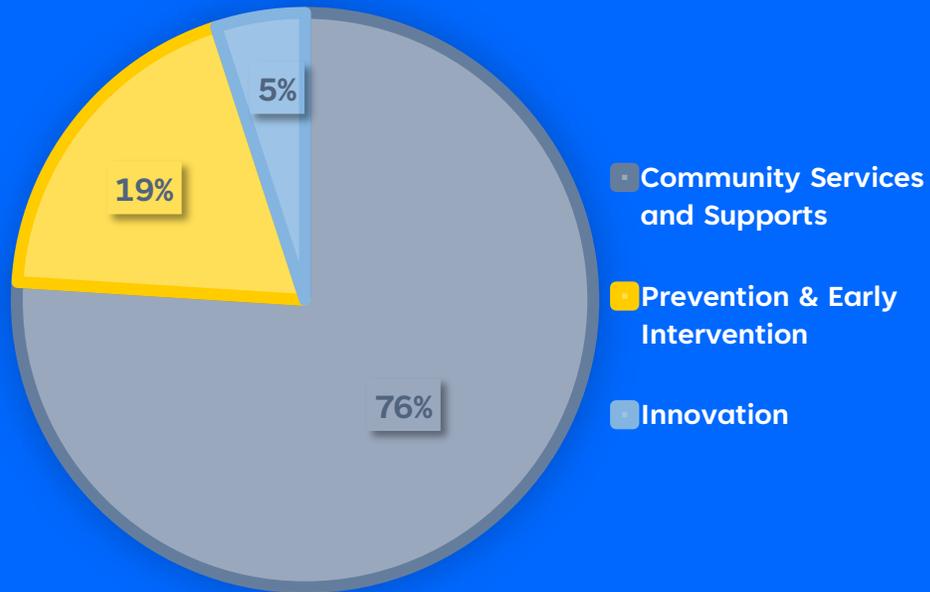
Proposition 1 makes significant revisions to the Mental Health Services Act (MHSA), including:

- Changes its name to Behavioral Health Services Act (BHSA)
- Modifies how MHSA funds are allocated
 - Counties will continue to receive the bulk of BHSA funds (90%)
 - The allocation across different spending categories changes without an increase in revenues
- Introduces changes related to the oversight, accountability, and the community planning process

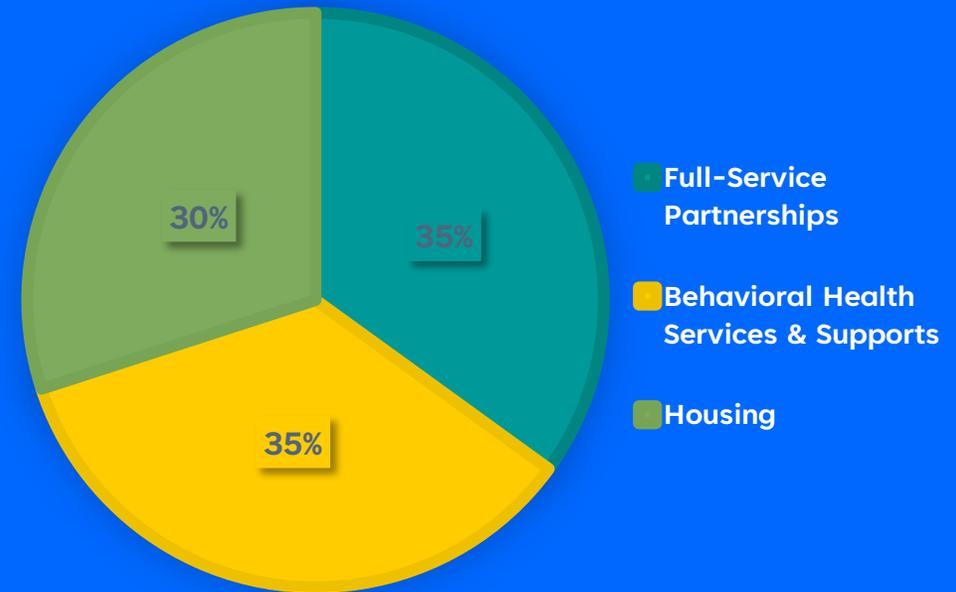
FUNDING COMPONENTS

Modified from 5 Components to 3 Components

MHSA – Current Model



BHSA Model



SB 326 (Eggman) BHSA Timeline

Detailed Timeline Related to Community Program Planning & the Transition from MHSA to BHSA



January 31, 2024
 MHSA ARER for FY 2022/23 was due to state. Counties required to post ARER on public facing website.

Before June 30, 2024
 Conduct the local review process, e.g., post AU document for 30 day public comment, hold public hearing at local advisory board and plan to get on BOS calendar to ensure BOS approval of AU FY 2024/25 by June 30, 2024. Submit document to DHCS and MHSOAC.

Starting January 1, 2025
 Counties to start implementing expanded CPP process; e.g., engage expanded stakeholders; participate in MCPs and Public Health community assessments; and begin developing new Integrated Plan for ALL BH funding sources. Information can inform final MHSA Annual Update

Before June 30, 2025
 Conduct the local CPP and local review process, e.g., post AU document for 30-day public comment, hold public hearing at local advisory board and plan to get on BOS calendar to ensure BOS approval of AU FY 2025/26 by June 30, 2025. Submit document to DHCS and MHSOAC.

By June 30, 2026
 The county BOS must approve the **BHSA Three-Year Integrated Plan for FYs 2026/27-2028/29** and counties must submit approved document to both DHCS and the BHSOAC.

July 1, 2026
 Transition to new funding categories and new **BHSA Three-Year Integrated Plan FYs 2026/27- 2028/29** is in place.

June 30, 2027
 Submit first **Annual Update FY 2027/28** under BHSA. The local review process re posting for 30-day public comment and public hearing are not required for annual updates or mid-cycle adjustments.

Between February – June 2024
 Conduct the CPP process to develop the Annual Update FY 2024/25. Counties will need to continue to fund programs based on the current MHSA funding structure, e.g., 5 components. Counties to continue to educate stakeholders in CPP meetings about the forthcoming transition to BHSA. Pending where the county is in their CPP process and development of the AU document can include content noting pending transition that will take place between now and July 1, 2026.

Between March – December 2024
 County BH Director, BH leadership, BHSA Coordinator, and fiscal team to finalize fiscal modeling to determine which programs and services will continue to be funded, programs that will have budgets reduced and programs that will be defunded.

January 31, 2025
 MHSA ARER for FY 2023/24 due to state. Counties required to post ARER on public facing website.

Between July 2025 – June 2026
 Conduct the CPP process to develop the **BHSA Three-Year Integrated Plan for FYs 2026/27- 2028/29**.

- Rural/Small counties can request an exemption from 30% to Housing and FSP EBPs
- All counties can request to transfer funds between the 3 funding categories, e.g., 7% from any one category up to 14% cumulatively

Note counties will need to build in 30 days for DHCS to approve requests outlined above prior to posting document for 30-day public comment as counties will be required to demonstrate stakeholder involvement in plan to request exemptions and/or transfers. Counties will need to complete the local review process including stakeholder engagement, post Plan document for 30-day public comment, hold public hearing with local advisory board and get on BOS calendar in order to have the Plan approved on time.

TBD 2028
 Counties will submit first **County Behavioral Health Outcomes, Accountability, and Transparency Report** which replaces the ARER.

What Happens Now?





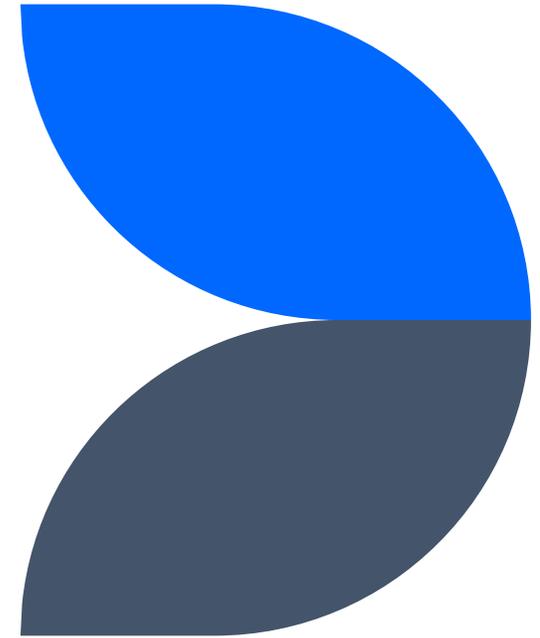
State guidance is needed:

- Prevention and Early Intervention
- Full-Service Partnership (FSP) Programs
- Innovation Projects



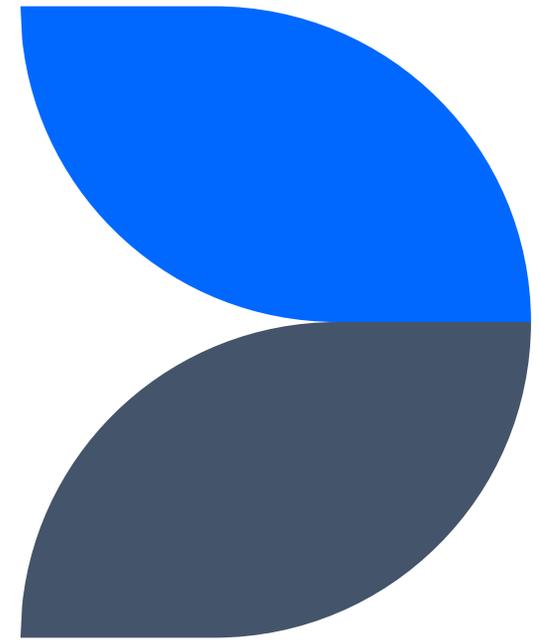
Prevention and Early Intervention

- Beginning July 1, 2026, Prevention will be a state responsibility, and Early Intervention will remain a county responsibility.
- Counties will need to see how the State defines this distinction to ensure counties complement and not duplicate State programs.



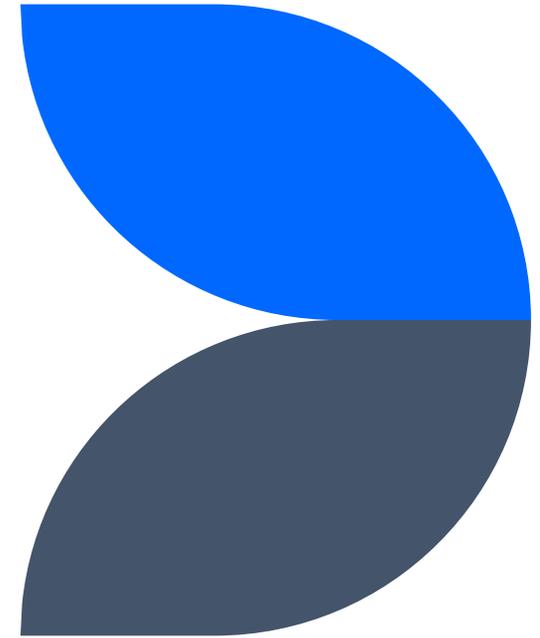
FSP Programs

- The bill references varying levels of programs within this category.
- Counties need clarification on what programs are permissible to inform decisions about which existing programs may need to change or evolve to fit within this category.



Innovation Projects

- The bill does not address approved Innovation projects under MHSA.
- Counties will need clarification on how they may or may not transition under BHSA.



New reporting requirements – Language in the bill requires the State to work with CBHDA and CSAC to develop a funding estimate for the May Revision that ensures adequate funding support for new data collection, reporting requirements, and the expanded community planning process.

Counties will need to expand public reporting and community engagement to cover all county Behavioral Health revenue streams, a new breakdown of county expenditures, and new outcomes/accountability metrics.

Counties will need to build the administrative staff and capacity to contract with and bill commercial insurance for any privately insured individuals served by the county.

Workforce development funding will be administered at the State level. Much discussion needs to happen to ensure behavioral health workforce investments prioritize the county behavioral health safety net, including county direct services and contracted providers.

More clarity needs to be established around the bond funds. We want to ensure infrastructure investments are dedicated to building out and improving the county safety net specialty substance use disorder (SUD) and mental health delivery system.

Contact Information

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