BHSA: Fiscal Components

The Behavioral Health Services Act (approved by CA voters in 2024) replaces the Mental Health Services Act of 2004. It reforms behavioral health care funding to prioritize services for people of all ages with the most significant mental health needs while adding the treatment of substance use disorders (SUD), expanding housing interventions, and increasing the behavioral health workforce. It also enhances oversight, transparency, and accountability at the state and local levels.

The Behavioral Health Services Act builds on many strategies to meet communities' needs for culturally responsive services that improve health and reduce health disparities for all, including:

- Reducing the silos for planning and service delivery.
- Requiring stratified data and strategies for reducing health disparities in planning, services, and outcomes.
- Advancing community-defined practices as a key strategy for reducing health disparities and increasing diverse community representation.

THREE *LOCAL* FUNDING CATEGORIES:

Local behavioral health agencies are required to develop detailed plans for the use of BHSA funds in each of the following components, then submit those plans to the Commission for Behavioral Health (CBH) (also known as the Behavioral Health Services Oversight and Accountability Commission (BHSOAC)) and the CA Department of Health Care Services (DHCS) for approval.

A. **Housing Interventions**
   - **30%** of local BHSA funding shall be dedicated to housing interventions for people living with serious mental illness/serious emotional disturbance and/or substance use disorder who are experiencing homelessness.
     - Exemptions:
       - Counties with a population of 200,000 or less may request an exemption from this requirement.
       - All counties may request exemptions from this requirement (commencing with the 2032-2035 planning cycle)
   - Funding can be used for the full spectrum of housing services and supports, rental subsidies, operating subsidies, and non-federal share for Medi-Cal covered services, including clinically enriched housing. It also can be used to further the California BH-CONNECT.
   - Funding may also be used for capital development projects, subject to DHCS limits.

B. **Full Service Partnerships**
35% of the local assistance for Full Service Partnership (FSP) which should be optimized to leverage Medicaid as much as possible. FSPs include comprehensive and intensive care for people at any age with the most complex needs (also known as the "whatever it takes" model).

C. **Behavioral Health Services and Supports** (non-FSP) and **Additional Components**
35% for other services including Behavioral Health Services and Supports (non FSP), Outreach & Engagement, Prevention and Early Intervention*, Capital Facilities and Technological Needs, Workforce Education and Training, and prudent reserve.

* A county shall utilize at least 51 percent of Behavioral Health Services and Supports funding for early intervention programs *and of that 51 percent*, 51 percent must be allocated for early intervention programs to serve individuals who are 25 years of age and younger.