

Individual Placement and Support Model of Supported Employment under BH-CONNECT

California Behavioral Health Planning Council Workforce and Employment Committee

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Agenda

- » BH-CONNECT overview
 - Workforce Initiative
- » Individual Placement and Support (IPS) Supported Employment
 - Medi-Cal coverage
 - Model overview
- » Centers of Excellence (COEs)
- » IPS COE
- » Questions

BH-CONNECT: An Overview

- » BH-CONNECT is a historic, multi-pronged initiative to transform and improve behavioral health services for California residents living with significant behavioral health needs.
- » The initiative is comprised of a five-year Medicaid Section 1115 demonstration, State Plan Amendments (SPAs) to expand coverage of evidence-based practices (EBPs) available under Medi-Cal, and complementary guidance and policies to strengthen behavioral health services statewide.

BH-CONNECT: Goals

- **Expand the continuum of community-based services and evidence-based practices (EBPs)** available through Medi-Cal for children, youth, and adults living with mental health and substance use disorders (SUD).
- **Access federal funds for short-term stays in facility-based care**, for Behavioral Health Plans (BHPs) that commit to providing robust community-based services and meeting quality of care standards for such stays.
- **Promote transitions out of facility-based care** and support successful transitions to community-based care settings and community reintegration.
- **Strengthen family-based services and supports** for children and youth living with significant behavioral health needs, including children and youth involved in child welfare.
- **Expand the Specialty Behavioral Health Workforce** to serve **Medi-Cal and uninsured individuals** through loan repayment, scholarships, training, recruitment, and residency programs.

Key BH-CONNECT Federal Approvals (1 of 2)

Section 1115 Demonstration Approvals

- » Workforce Initiative
- » Activity Funds
- » Access, Reform and Outcomes Incentive Program
- » Community Transition In-Reach Services
- » Short-term Inpatient Psychiatric Care in Institutions for Mental Diseases ("MH IMD FFP Program")
- » Transitional Rent*

** Transitional Rent coverage will be available in the Medi-Cal Managed Care delivery system.*

Key BH-CONNECT Federal Approvals (2 of 2)

State Plan Amendment (SPA) Approvals

- » Assertive Community Treatment (ACT)
- » Forensic ACT (FACT)
- » Coordinated Specialty Care for First Episode Psychosis (CSC for FEP)
- » Clubhouse Services
- » **Individual Placement and Support (IPS) Model of Supported Employment**
- » Enhanced Community Health Worker (ECHW) Services

» **Several BH-CONNECT components focused on children and youth rely on existing authorities and do not require federal waiver or SPA approval.*

Workforce Initiative (1/2)

- » As part of the BH-CONNECT Section 1115 demonstration, CMS approved up to \$1.9 billion in short- and long-term investments in the behavioral health workforce between 2025 and 2029.
- » The Workforce Initiative will support the **recruitment, training, and retention** of behavioral health practitioners to provide services across the continuum of care.
- » Recipients of workforce funding will commit to **serving Medi-Cal members** living with significant behavioral health needs for **2-4 years**.

Workforce Initiative (2/2)

- » Between 2025 and 2029, in partnership with the Department of Healthcare Access and Information (HCAI), DHCS will invest up to **\$1.9 billion** in five workforce programs:
- Medi-Cal Behavioral Health **Student Loan Repayment Program**
 - Medi-Cal Behavioral Health **Scholarship Program**
 - Medi-Cal Behavioral Health **Recruitment and Retention Program**
 - Medi-Cal Behavioral Health **Community-Based Provider Training Program**
 - Medi-Cal Behavioral Health **Residency Training Program**

Awards Granted To Date

- » In October 2025, HCAI awarded **Medi-Cal Residency Training Program (MBH-RTP)** funding to five organizations, totaling \$15,807,400.
- » In December 2025/January 2026, HCAI awarded 1,615 grants through the **Medi-Cal Behavioral Health Student Loan Repayment Program (MBH SLRP)** program totaling \$134,063,349 in funding
- » The first round of the Medi-Cal Behavioral Health Scholarship Program (MBH-SP) will open February 2026 and Medi-Cal Behavioral Health Community-Based Provider Training Program (MBH-CBPTP) applications will open March 2026.

State Plan Amendments

- » In 2024, CMS approved three SPAs that expand Medi-Cal coverage for five EBPs:
 - [SPA 24-0042](#) covers Assertive Community Treatment (ACT) and Forensic ACT (FACT), Coordinated Specialty Care (CSC) for First Episode Psychosis, Clubhouse Services,
 - [SPA 24-0052](#) covers Enhanced Community Health Worker (CHW) Services, and
 - [SPA 24-0051](#) **adds IPS Supported Employment as a covered service.**
- » [**BHIN 25-009 Coverage of BH-CONNECT Evidence-Based Practices**](#) was released in April 2025 and the [**BH-CONNECT EBP Policy Guide**](#) was published in May 2025.

County Option for IPS Supported Employment

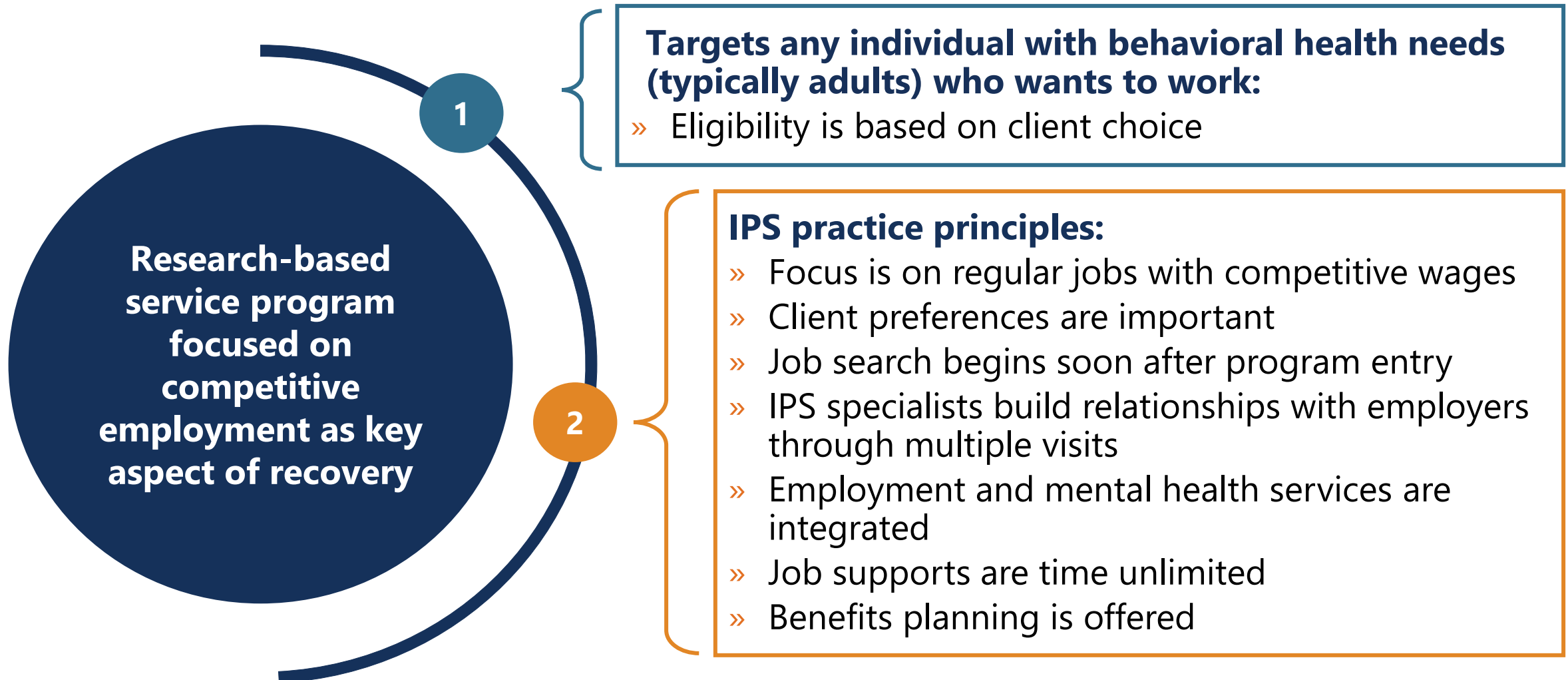
- » Under BH-CONNECT, counties may opt in to offer IPS Supported Employment as a covered Medi-Cal service.
 - Counties that opt in to BH-CONNECT may bill for IPS Supported Employment using a monthly bundled rate.
 - The bundled rate is designed to support a team-based IPS model and delivery of services with fidelity.
 - IPS services include job development and placement, career advancement, and ongoing follow-along supports.
 - No prior authorization is required for members to access IPS supported employment.

Provider Requirements

- » **National Coverage of IPS Under Medicaid.** States typically use a variety of Medicaid authorities, including Section 1115 waivers, 1915(c) waivers, or the 1915(i) State Plan option, to cover the full scope of IPS services.
 - These pathways require states to adhere to Home and Community-Based Services (HCBS) requirements when providing IPS, including conflict-free case management requirements.
- » IPS providers must meet CMS requirements to deliver IPS to Medi-Cal members.
- » Key Requirements:
 - Notify Members that they will be enrolled in Alternative Benefit Plan (ABP) and document consent.
 - Deliver IPS in community-based settings.
 - Engage in a “person-centered planning process” when developing the member’s career profile.
 - Coordinate with local Department of Rehabilitation (DOR) Vocational Rehabilitation (VR) Program, if it offers IPS.

Overview of Evidence-Based Practice (EBP): IPS Supported Employment

IPS Model and Principles



IPS Supported Employment – Eligibility Criteria

- » Available to anyone wanting to work, regardless of clinical or behavioral health factors.
- » Express interest in Supported Employment.
- » In most cases, IPS Supported Employment will be appropriate for members who:
 - » Have a diagnosed or suspected mental health/substance use disorder causing functional impairment.
 - » Who require assistance to attain or maintain competitive employment.
 - » Meet criteria for SMHS and/or DMC/DMC-ODS services per BHIN 21-073

Zero Exclusion Criteria

People are not denied IPS services based on any of the following:

- » Mental health symptoms
- » Choices about taking/not taking
- » Prescribed medications
- » Active substance use disorders (SUD)
- » Lack of housing
- » Missed appointments
- » Personal presentation
- » Legal system involvement

IPS Implementation Considerations

- » **Small, rural, and frontier counties:** delivering IPS services in these areas can present challenges such as limited resources, transportation, and geography, as well as workforce shortages and limited job opportunities.
- » IPS teams can make adaptations for rural contexts, such as flexible staffing and telehealth without compromising IPS's evidence-based principles.
 - IPS services can be delivered to fidelity in small, rural, and frontier counties that coordinate closely with local vocational rehabilitation, local businesses, and services.
- » **Integration of SUD Treatment:** A multidisciplinary care team should combine both mental health and substance abuse interventions with IPS services.

Centers of Excellence

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Centers of Excellence (COEs)

- » DHCS has established the Centers of Excellence (COEs) to offer training, technical assistance and fidelity monitoring to Medi-Cal specialty behavioral health providers and county behavioral health plans implementing EBPs as part of the BH-CONNECT initiative and the BHSA.
- » Training and support are free of charge for counties and behavioral health providers that serve the Medi-Cal and/or uninsured population.
- » In August 2025, COEs began supporting counties and providers.

Role of COEs

DHCS has partnered with **Health Management Associates (HMA)** to serve as the **COE Administrative Entity** to provide oversight, infrastructure and alignment for selected COEs.

» COE Administrative Entity Functions:

- Serve as liaison between DHCS and COEs.
- Subcontract with COEs to ensure completion of deliverables within timelines submitted to CMS.
- Manage funding process from DHCS to COEs.
- Support COEs on:
 - County readiness/assessment
 - Training and technical assistance
 - Data collection and reporting

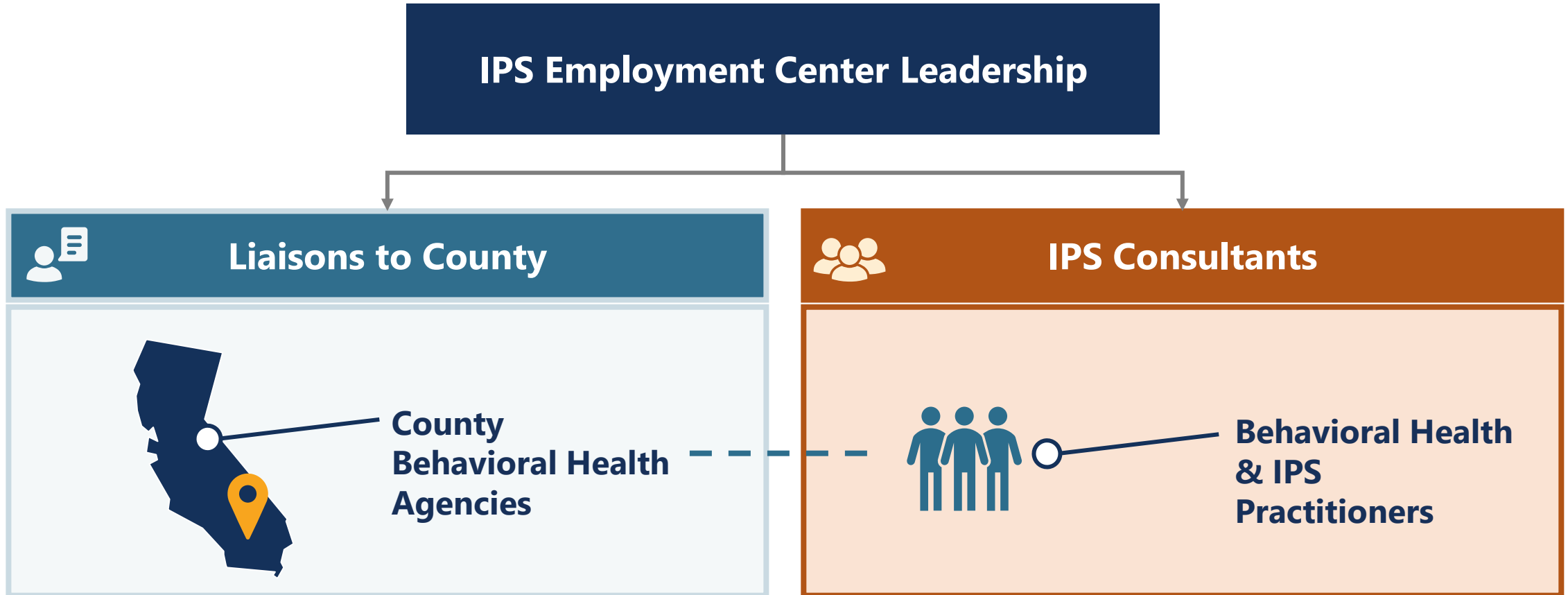
» COE Functions

- Training
- Technical assistance and coaching/mentoring
- Fidelity monitoring
- Outcomes monitoring
- Other supports to deliver EBPs through a culturally sensitive lens
- Data collection

Selected COEs

Entity Name	EBP
MST Services	Multisystemic Therapy (MST)
FFT LLC	Functional Family Therapy (FFT)
PCIT International	Parent-Child Interaction Therapy (PCIT)
EPI-CAL (UC Davis)	Coordinated Specialty Care for First-Episode Psychosis (CSC for FEP)
IPS Employment Center	IPS Supported Employment
UCLA- Public Mental Health Partnership (PMHP)	Assertive Community Treatment (ACT) / Forensic ACT (FACT)
Clubhouse International	Clubhouse Services
Resource Center for Family-Focused Practice, Division of Continuing and Professional Education within UC Davis (RCFFP)	High Fidelity Wraparound (HFW)

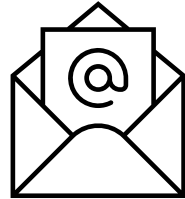
IPS Training & Technical Assistance Structure



IPS COE Training & Technical Assistance Approach

- » Preparation for training & technical assistance implementation:
 - Develop integrated mental health/IPS team meetings.
 - Prepare for community-based services.
 - Hire at least one IPS specialist and an FTE supervisor who will carry a small caseload.
 - Supervisor role includes field mentoring.
- » Training modalities:
 - In person (1.5 days) and virtual (2 sessions).
 - Online course: Eight-unit self-paced course including homework & feedback.
 - Technical assistance—in person visit (2 days). Trainer works alongside staff visiting employers, attending mental health team meeting, reviewing outcomes, etc.

Questions and Discussion



- » *Contact us with questions*
- » *About BH-CONNECT: bh-connect@dhcs.ca.gov*
- » *About COEs: bhcoe.info@dhcs.ca.gov*



Appendix



Three Tenets of IPS:

1. Community-Based Services



IPS specialists spend at least 65% of their time away from their offices (about 5.5 hours per day).

They meet clients at their homes, libraries, workplaces and businesses, family homes, schools or certificate training programs, parks, coffee shops, malls, workforce centers, VR offices, or other places people like to go.

Life is out **there**, not in a community mental health organization.

Three Tenets of IPS:

2. Individualized Services

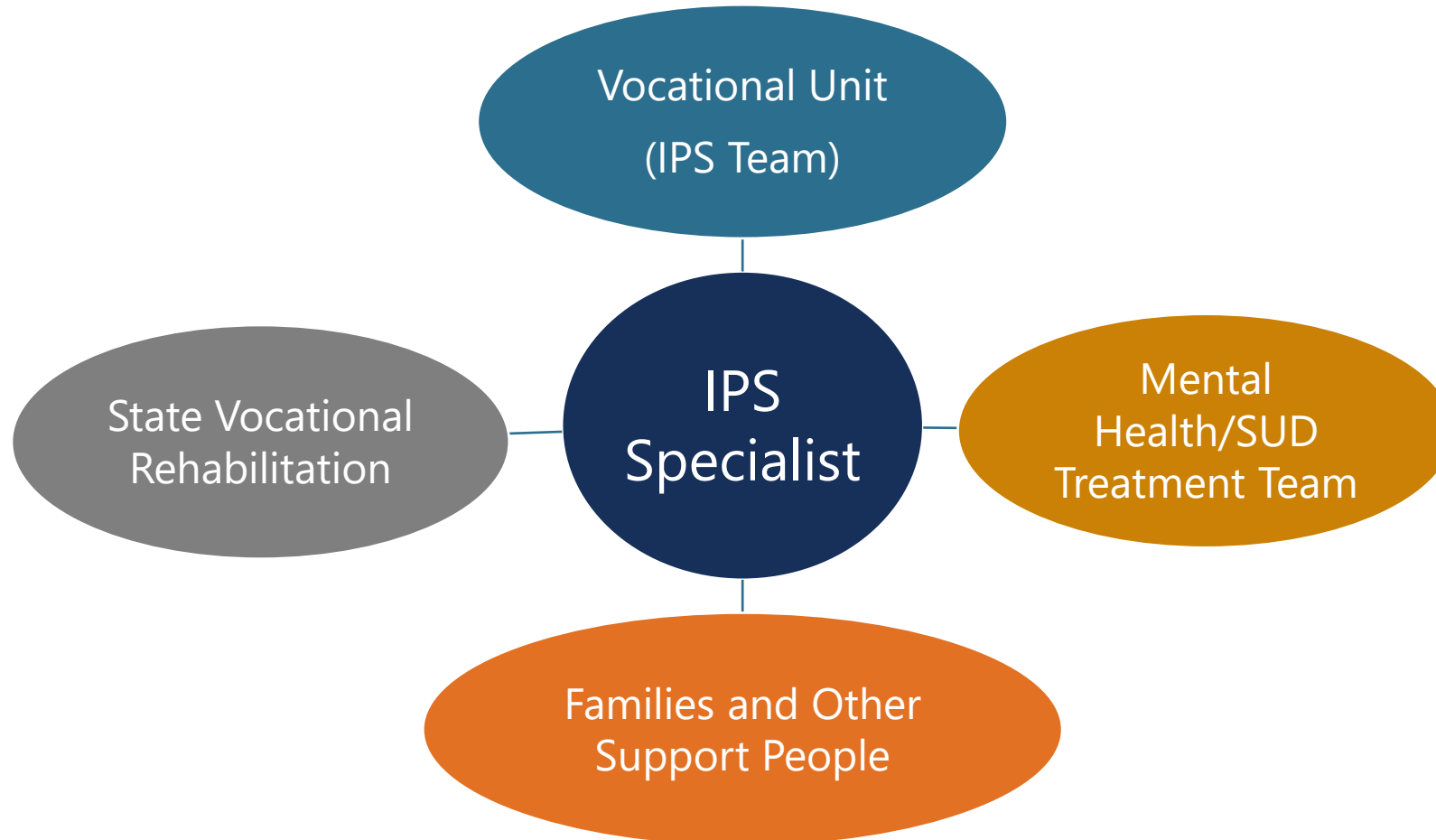
Services are based on:

- » Individual preferences.
- » Strengths.
- » Lessons learned from previous work/education experiences.
- » Factors related to disability.
- » Living situation.
- » Supports.



Three Tenets of IPS:

3. Team-Based Services



IPS Service Components (1/2)

Pre-Employment Services

- » **Job-related discovery or assessment.** The IPS team works with the member on an ongoing basis to understand their work experience, job skills, and goals.
- » **Person-centered employment planning.** The IPS team and the member work together to create a “career profile”.
- » **Job development and placement.** The member works with the IPS team to identify and secure work that aligns with the member’s strengths, preferences, and goals.
- » **Job carving.** The IPS team engages directly with employers to identify appropriate roles for the member.
- » **Benefits education and planning.** The member receives benefits counseling to understand how work may affect their benefits.

IPS Service Components (2/2)

Employment Sustaining Services

- » **Career advancement services.** The member works with the IPS team to identify opportunities for promotion or advancement in their role.
- » **Negotiation with employers.** The IPS team engages with employers to adjust or restructure the member's job.
- » **Job analysis.** IPS team and the member identify skills and/or training.
- » **Job coaching.** IPS team works with the member to support them in addressing challenges in the workplace and develop skills.
- » **Benefits education and planning.** The IPS team helps the member manage their benefits on an ongoing basis.
- » **Asset development.** The IPS team supports the member in understanding and managing the earnings.
- » **Follow-along supports.**

Expected Outcomes Based on Fidelity to the IPS Model

- » 28 randomized, controlled trials.
- » Improve competitive employment rates for a wide variety of populations:
 - Mental illness, co-occurring substance use, PTSD diagnosis, homeless, justice involved, older adults, individuals with disability, first episode psychosis, etc.
- » Mean competitive employment rate:
 - 55% for IPS (learning community: 42% any given quarter).
 - 24% for traditional employment program approaches.



Resource: Evidence for IPS