

Lake County Integrated Plan FY 2026-2029

Final Integrated Plan Overview

June 23, 2026



Behavioral Health Services Act (BHSA): A Brief Overview



LCBHS

Proposition 1 Overview

What is Proposition 1?

- Proposition 1 is a legislative statute intended to **“modernize” the Mental Health Services Act (MHSA)** and expand housing and treatment options for those with serious mental illness.
- **Key Priorities for Prop 1:**
 - A focus on the most vulnerable individuals living with serious mental illness and/or substance use disorders and are at risk of homelessness, unhoused, and/or justice involved.
 - Increasing access to permanent supportive housing and residential treatment
 - Increasing access to substance use disorder treatment and co-occurring services
 - Creating transparency in behavioral health planning, fiscal expenditures, and client outcomes
- Full implementation is expected by **July 1, 2026** but began in 2025

Proposition 1 Overview

Proposition 1 has two key components:

1. Behavioral Health Infrastructure Bond Act (AB 531) authorizes ~\$6.4 billion to build or develop behavioral health housing and treatment

- ~\$4.4 billion for inpatient and residential treatment beds
- ~\$2 billion for permanent supportive housing, including ~\$1 billion for veterans

2. The Behavioral Health Services Act (SB 326) amends the Mental Health Services Act

- Renames the MHSA the Behavioral Health Services Act (BHSA)
- Expands funded services to include substance use treatment
- Revises the distribution of MHSA funding to prioritize housing
- Emphasizes Full-Service Partnerships and evidence-based practices
- Shifts funding for Prevention programs from local level to state level
- Mandates an Integrated Plan for department-wide behavioral health services (not just those funded by BHSA)
- Establishes statewide population Behavioral Health Goals to inform county planning and resource allocation
- Requires collaboration and input from a broader group of community partners



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BHSA Funding Categories

FSP: Full-Service Partnership (35%)

Comprehensive and intensive care for people at any age with the most complex needs (also known as the “whatever it takes” model).

BHSS: Behavioral Health Services & Supports (35%)

Includes early intervention; outreach and engagement; workforce; education and training; capital facilities and technological needs; and innovative pilots and projects.

Housing (30%)

Behavioral health housing interventions that increase access to permanent supportive housing for people meeting BHSA eligibility who are chronically homeless, experiencing homelessness, or are at risk of homelessness.

Developing the Integrated Plan

Changes from MHSA to BHSA

MHSA Plan vs. BHSA Integrated Plan Overview

Area	MHSA Plan	BHSA Integrated Plan
Reporting Focus	<p>Planned activities and MHSA spending plan only for MHSA-funded programs and services</p> <p>Includes MHSA program expense, service, and outcome reporting for prior fiscal year</p>	<p>Spending plan for entire County Behavioral Health Department programs and services (including MH, SUD, and Housing Interventions)</p> <p>New data reporting requirements at County and program-level</p> <p>Does not include program expense, service, and outcome reporting for prior fiscal year (reported in separate Behavioral Health Outcomes, Accountability, and Transparency Report due January 2028)</p>
Community Program Planning	<p>Required for 3-Year Plan and Annual Updates</p>	<p>Only required for 3-Year Plan but highly encouraged for Annual Updates</p> <p>Expanded list of community partners required in planning process</p>
Plan Format	<p>Plan format at discretion of County as long as met reporting requirements</p> <p>Narrative report format</p>	<p>Standardized Integrated Plan template submitted via online County Portal</p> <p>Format is a combination of narrative text boxes, radio buttons, multiple select answer dropdowns, and optional file uploads</p>
Draft Plan Due	<p>N/A</p>	<p>March 31</p>
Final Plan Due	<p>June 30</p>	<p>June 30</p>

MHSA Plan vs. BHSA Integrated Plan

MHSA Plan Components

- **Community Program Planning Process (CPP)**
- **Community Needs Assessment**
- **MHSA Program Updates** for previous fiscal year, including
 - Number of individuals served
 - Total program expenditure
 - Program activities, successes, and outcomes
- **MHSA Program Plan** for upcoming fiscal year(s)
- **MHSA Expenditure Plan and Prudent Reserve** for upcoming fiscal year(s), including funding transfers
- **Compliance Certifications**
 - Behavioral Health Director Certification
 - Fiscal Accountability Certification

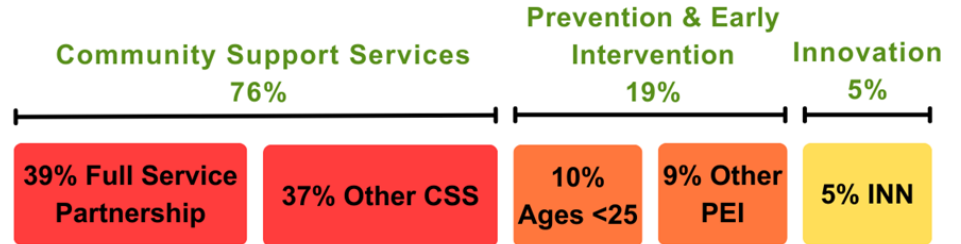
BHSA Plan Components

- **General Information:** contact information for several positions / roles in the county
- **BHSA Exemption Requests:** requests for exemption from some BHSA Housing Intervention requirements
- **BHSA Funding Transfer Requests:** requests for funding transfers from one BHSA component to another
- **Statewide Behavioral Health Goals:** county performance on 7 behavioral health goals and plan to address goal areas where county is underperforming the statewide average
- **Community Program Planning Process:** what and how stakeholders were engaged and contributed to the integrated plan
- **County Behavioral Health Services Continuum:** county mental health and substance use programs offered across the continuum of care
- **County Provider Monitoring and Oversight:** information about county Medi-Cal quality improvement plans and BHSA MH and SUD provider locations
- **BHSA Program Plan:** BHSA program descriptions and anticipated numbers for upcoming fiscal year(s), with additional reporting for FSP and Housing interventions
- **County Workforce Strategy:** county workforce strategy and plan to assess and address workforce gaps
- **Budget and Prudent Reserve:** budget plan for county behavioral health programming
- **Compliance Certifications and Plan Approval:** compliance certifications and Board of Supervisor certification of plan approval

Funding Changes from MHSA to BHSA

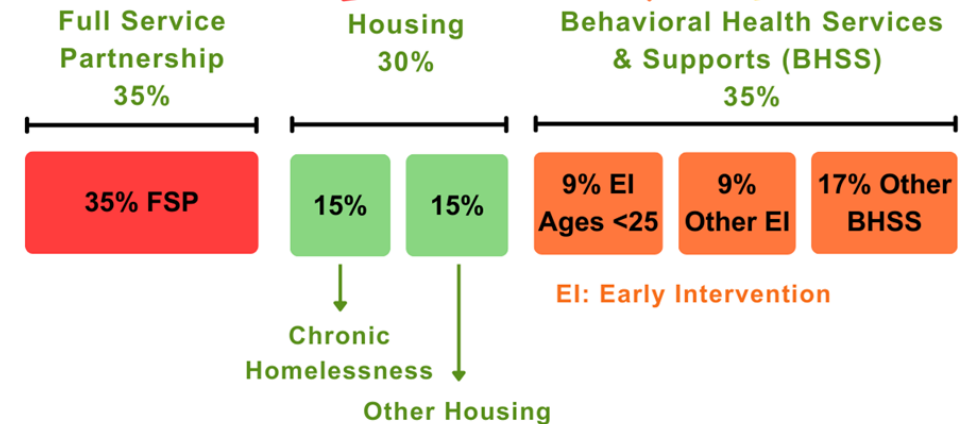
MHSA Allocation

State Allocation: 5%
County Allocation: 95%



BHSA Allocation

State Allocation: 10%
County Allocation: 90%



LCBHS BHSA FY 2026 – 2029
Integrated Plan (IP)
Budget & Service Overview



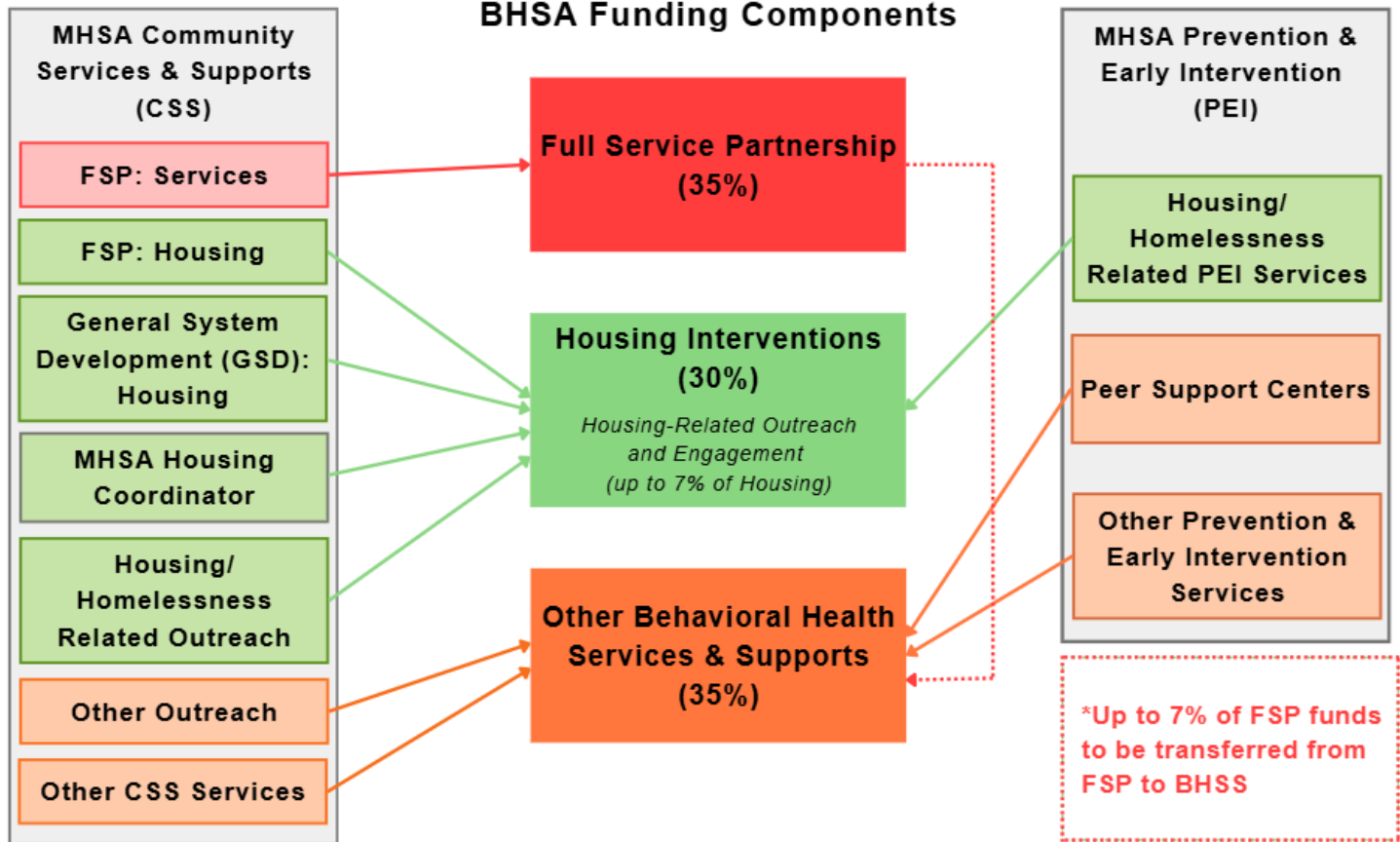
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BHSA Integrated Plan(IP) Development Timeline



Ongoing BHSA Learning (Policy Manual Updates, Template Updates) & Navigating Change

Proposed Funding Shifts from MHSA to BHSA



FY24-25 Expenses & Estimated BHSA Funding Allocations

These changes reflect a structural shift from the prior MHSA-supported service model to the new BHSA funding framework; the County is adjusting accordingly to remain compliant and sustainable, not simply redesigning services by choice.



LCBHS BHSA Funding Expenditures FY26-27

Funding Category	BHSA 26-27 Funding
Full Service Partnership (<i>FSP</i>)	\$1,963,333
Behavioral Health Services & Supports (<i>BHSS</i>)	\$4,025,776
Housing Interventions	\$1,802,663
Total	\$7,791,772

While the statutory framework allocates 35% to FSP, 35% to BHSS, and 30% to Housing, Lake County is requesting an allowable 3% transfer from FSP to BHSS, resulting in a local allocation of 32% FSP, 38% BHSS, and 30% Housing.

Estimated BHSA Funding Expenditures FY27-29

Funding Category	Estimated BHSA 27-28	Estimated BHSA 28-29
Full Service Partnership (<i>FSP</i>)	\$1,963,333	\$1,963,333
Behavioral Health Services & Supports (<i>BHSS</i>)	\$2,233,833	\$2,328,333
Housing Interventions	\$1,802,663	\$1,802,663
Total	\$5,999,829	\$6,094,329

While the statutory framework allocates 35% to FSP, 35% to BHSS, and 30% to Housing, Lake County is requesting an allowable 3% transfer from FSP to BHSS, resulting in a local allocation of 32% FSP, 38% BHSS, and 30% Housing.

BHSA Funding Categories



Full Service Partnerships (32%)*

Required high-acuity service and supports*

- Full Service Partnerships
 - FSP Intensive Case Management
 - Assertive Community Treatment (ACT)
 - Forensic Assertive Community Treatment (FACT)
 - High Fidelity Wrap Around
 - Individual Placement & Support / Supported Employment
 - Assertive Field-Based Initiation of SUD Treatment Services
 - Peer support and care coordination when tied to FSP service Needs
- FSP Operating Costs

**Up to 7% of BHSA funds may be transferred from FSP to BHSS;
LCBHS requested an allowable 3% transfer.*

Housing Interventions (30%)*

Required housing supports for BHSA-eligible individuals*

- Rental Assistance & Interim Housing
- Housing Coordination and navigation
- Family Stabilization & Well-Being Housing Supports
- Street Outreach / Housing-Related Outreach
- Coordination with the Lake County Continuum of Care, Coordinated Entry, HMIS, ECM, Community Supports, and Transitional Rent

**At least 50% of Housing Intervention funding must support programs serving individuals who are chronically homeless, as required.*

Behavioral Health Services & Supports (38%)

Required early intervention, access, workforce, and system supports*

- Early Intervention (EI) Services
 - Coordinated Specialty Care for First Episode of Psychosis
 - Native American Early Intervention
 - Youth, Transitional Age Youth (TAY), and Family-focused Supports
 - Parent Partner / Family Support Services, where allowable
- Targeted Outreach & Engagement for Access, EI services, Housing, and Care Transitions
- Workforce, Education, and Training Projects
- Capital Facilities and Technological Needs Projects
- Innovation or pilot projects only where allowable
- Peer Support Integrated into SMHS, DMC-ODS, crisis, housing, FSP, youth/family, and justice-involved pathways, where appropriate

**50% of BHSS funding must be allocated to Early Intervention (EI) Programs, with at least half of EI funding serving children and youth under 25.*

FY26-27 BHSA Programs & Significant Modifications



Significant Program Modifications

- **Peer Support and Recovery Service Restructuring.** LCBHS will redesign peer support and recovery services to preserve core peer capacity while aligning services with BHSA requirements, Medi-Cal claiming opportunities, and sustainable service delivery models. This includes shifting away from legacy MHSA-funded stand-alone models and integrating peer support more intentionally across required behavioral health service pathways.

Peer support may be deployed across:

- Specialty Mental Health Services
- DMC-ODS services
- Crisis and post-crisis follow-up
- Full Service Partnerships
- Housing interventions
- Youth, TAY, and family supports
- Justice-involved and reentry services
- Outreach and engagement activities tied to access, early intervention, or housing

FY26-27 BHSA Programs & Significant Modifications



Significant Program Modifications

- **Integrating Evidence-Based Practices.** LCBHS will prioritize required BHSA/BHT implementation activities, including FSP Intensive Case Management, ACT/FACT readiness, IPS Supported Employment, High Fidelity Wraparound, and Coordinated Specialty Care for First Episode Psychosis. Implementation will be right-sized for Lake County's rural service system, workforce capacity, fiscal position, SmartCare readiness, and available claiming pathways.

FY26-27 BHSA Programs & Significant Modifications



Significant Program Modifications

Programs No Longer Able to Be Funded Under the Same Model

Due to the transition from MHSA to BHSA and the shift in allowable funding categories, some previous programs are no longer able to continue under the same funding model. These include:

- Peer-Run Wellness Centers
- Postpartum Depression and Screening Program
- Older Adult Outreach and Prevention Program
- Prevention Mini Grants

Where possible, LCBHS will explore whether elements of these services can be redirected into allowable early intervention, access, care coordination, or Medi-Cal reimbursable service pathways.

LCBHS Strategies to Accommodate Funding Shifts & Support Community Need

▶ **Full Service Partnerships (FSP):**

- ▶ Strengthen FSP as the required high-acuity service platform.
- ▶ Right-size implementation of required BHSA/BHT practices, including FSP Intensive Case Management, ACT/FACT readiness, IPS Supported Employment, High Fidelity Wraparound, and field-based engagement.
- ▶ Prioritize individuals with serious behavioral health needs who are unhoused, at risk of homelessness, justice-involved, cycling through crisis or acute care, or experiencing significant functional impairment.

▶ **Behavioral Health Services & Supports (BHSS):**

- ▶ Prioritize Early Intervention requirements, including services for children, youth, and TAY.
- ▶ Maintain Coordinated Specialty Care for First Episode Psychosis as a required Early Intervention pathway.
- ▶ Redesign peer-based services to support required access, engagement, recovery, housing, crisis, SUD, FSP, and youth/family service pathways.
- ▶ Increase focus on Medi-Cal claiming, documentation, and payer routing to maximize Federal Financial Participation and sustain existing services.
- ▶ Evaluate optional models, including Clubhouse or other peer-based recovery models, only as future-state options after fiscal, staffing, SmartCare, contracting, and claiming readiness are confirmed.

LCBHS Strategies to Accommodate Funding Shifts & Support Community Need

▶ **Housing:**

- ▶ Maintain required BHSAs Housing Interventions investment.
- ▶ Strengthen coordination with the Lake County Continuum of Care, Coordinated Entry, HMIS, Partnership HealthPlan, ECM, Community Supports, and Transitional Rent.
- ▶ Prioritize housing supports for individuals with serious mental illness and/or substance use disorder who are chronically homeless, experiencing homelessness, or at risk of homelessness.

Overarching Strategy

LCBHS will focus BHSAs implementation on required services, sustainable funding, Medi-Cal revenue maximization, and partnerships that help preserve access while avoiding overcommitment to optional programs that are not currently required or fiscally sustainable.

Other LCBHS Strategies to Address Community Needs

Access, Outreach, and Awareness

- Continue refining Access workflows, closed-loop referrals, and **timely connection to services**.
- Continue supporting **Mobile Crisis services** and post-crisis linkages.
- **Focus outreach** on access, early intervention, suicide prevention education, housing engagement, and connection to medically-necessary care.
- **Maintain public information tools**, including the Department website, newsletter, social media, public radio programming, and community education activities.

Coordination and Partnerships

- **Strengthen coordination** with Partnership Health Plan, Enhanced Care Management, Community Supports, and Transitional Rent pathways*
- **Coordinate with** the Lake County Continuum of Care, Coordinated Entry, HMIS, and **housing partners**.
- **Continue partnership** development with Probation, Child Welfare, schools, hospitals, tribal partners, Managed Care Plan partners, and community providers.

Specific Populations

- **Improve culturally responsive access and engagement** for Native American communities, youth/TAY, families, older adults, justice-involved individuals, and people experiencing homelessness.
- **Integrate peer support** into required and sustainable service pathways, including SMHS and DMC-ODS, Crisis, Housing, Full Service Partnership, youth/family, and justice-involved services where appropriate.
- Evaluate optional peer-based recovery models and wellness supports only as future-state options after readiness is confirmed.

Workforce, Technology, and Infrastructure

- Continue workforce development and required BHSA/BHT implementation training.
- Use statewide scholarship, loan repayment, and workforce pipeline resources where available.
- Strengthen SmartCare documentation, KPI tracking, and BHOATR/BOTAR reporting capacity.
- Implement facility, safety, and technology improvements that support required service delivery and operational efficiency. *

*Denotes initiatives using other funding sources beside BHSA funding



To learn more about BHSA, please visit
LCBHS' BHSA webpage:

<https://www.lakecountycalifornia.gov/1689/Behavioral-Health-Transformation-BHSA>



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Thank you!