CalHHS
California Health & Human Services Agency

MENTAL HEALTH FOR ALL

Transforming Behavioral Health

Table of Contents

Governor Newsom at a roundtable with behavioral health advocates. Shortly afterward, he signed the historic reform to the Mental Health Services Act and the Infrastructure Bond.

Introduction

California is in the process of reimagining its approach to mental health and substance use disorders, collectively known as behavioral health. Under Governor Gavin Newsom's leadership, California has launched **Mental Health for All** — a bold initiative to build a stronger, more equitable, and more accountable behavioral health system for Californians across their lifespans. This transformation will ensure that every Californian, especially those who have struggled to get help, can access timely, high-quality mental health care and substance use disorder treatment and services.

This work has been accelerated by the passage of Proposition 1 in March 2024. It included two parts: a $6.4 billion Behavioral Health Infrastructure Bond, which will build 11,150 new behavioral health treatment beds and supportive housing units, and the Behavioral Health Services Act, which reforms behavioral health care funding to prioritize services for people with the most significant needs. The State is implementing Proposition 1 at an incredible speed — funding awards began rolling out a year after it was approved by voters. This timeline reflects a strong sense of urgency and a commitment to getting resources into communities quickly.

With the sustained funding of the bond, California envisions a nation-leading behavioral health care continuum where a parent whose child is beginning to show early signs of behavioral health needs will be connected to timely assessment and, if needed, comprehensive treatment. Where an unhoused veteran, struggling with co-occurring mental health and substance use disorders who has fallen through every crack in the system, will finally have access to housing, treatment, and a path to recovery.

Key elements of the Behavioral Health Services Act include:

- Improving statewide access to behavioral health services, with a focus on people with high needs and vulnerabilities, all while reducing health disparities.
- Adding care for individuals with a substance use disorder and no co-occurring mental illness, who were not previously included.
- Expanding housing services for Californians with the most significant behavioral health needs.
- Increasing investment to expand the behavioral health workforce.
- Expanding investment in early intervention services, with a focus on children and youth.
- Enhancing oversight and accountability at the state and local levels and transparency to the public.
- Creating pathways to ensure equitable access to care by reducing disparities for individuals with behavioral health needs.

The Behavioral Health Services Act and the Behavioral Health Infrastructure Bond build on more than $14 billion in state investments. They align with transformative initiatives such as these:

- **Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) Initiative**
- **Children and Youth Behavioral Health Initiative (CYBHI)**
- **Behavioral Health Continuum Infrastructure Program (BHCIP)**
- **Behavioral Health Bridge Housing Program**
- **Justice-Involved Reentry Initiative**
- **CalAIM BH Initiative**, **Medi-Cal Transformation**
- **988 Suicide & Crisis Lifeline**
- **Community Assistance, Recovery and Empowerment (CARE) Act**, and others

BH-CONNECT is another key pillar of the **Mental Health for All** initiative increasing access to evidence-based service models and addressing the housing needs of Californians with significant behavioral health conditions. This Medi-Cal waiver aims to expand access, improve outcomes, and address longstanding gaps in mental health and substance use disorder services. Key features include workforce investments, supports for children and youth, performance-based incentives, new evidence-based services, short-term inpatient psychiatric care, community transition services, and transitional rent.

The need could not be more urgent, especially for groups carrying the heaviest burden, including communities of color, people involved with the criminal justice system, and those who are LGBTQIA+.

Recognizing this urgency, the Newsom Administration has invested historic resources across the full spectrum of behavioral health services to improve the lives of Californians across their lifespan.

Transforming Behavioral Health for the Whole Population

The Behavioral Health Services Act presents a historic opportunity to transform behavioral health service delivery by:

- Creating a unified approach to behavioral health care throughout the state, ensuring services meet the needs of all communities.
- Establishing a vision for quality and equity and setting statewide goals to drive progress across the behavioral health delivery system.
- Using data to support continuous quality improvement of these vital behavioral health services.

The overarching approach, known as population health, focuses on closing gaps in access to care by making sure people receive the right services, in the right place, at the right time. It relies on common goals and enhanced coordination across service delivery systems and payers, including County Behavioral Health Plans, Medi-Cal Managed Care Plans, commercial plans, public health, and other key partners.

PROPOSITION 1 at the Core

Proposition 1, passed by California voters in March 2024, is a two-bill package supporting statewide reform and expansion of California's behavioral health system. It has two components:

- **Behavioral Health Services Act**

  Reforms the state's behavioral health care delivery system by prioritizing those with the most significant mental health and substance use disorder needs; expands treatment, housing, and workforce capacity; and increases equity and accountability.

- **Behavioral Health Infrastructure Bond Act**

  Authorizes $6.4 billion to finance behavioral health treatment beds, residential care, supportive housing, community sites, and housing for veterans with behavioral health needs.

The Behavioral Health Services Act and the Behavioral Health Infrastructure Bond Act will complement and build on California's other major behavioral health initiatives to re-envision and transform the state's behavioral health care system.

Increasing Access by Building Care Facilities and Housing

California's efforts include major investments to build the physical infrastructure needed for behavioral health services. Brick-and-mortar spaces for care are needed to address gaps and to meet growing demand for services across the lifespan.

California is working to ensure care can be provided within the community through a wide range of supportive options. This began with the **BHCIP** which invested in outpatient, residential, and treatment facilities.

BHCIP/Bond BHCIP All Rounds Dashboard

Visit the dashboard to see all rounds of BHCIP awards visualized on a map. Filter the map via BHCIP round, county, entity type, and facility type.

BHCIP Rounds 1 - 5 and Bond BHCIP Round 1 Awardees

Select Round: (All)
Select County: (All)
Select Entity Type: (All)
Select Facility Type: (All)

Selected Filters
Round: **All**
County: **All**
Entity Type: **All**
Facility Type: **All**

Funding Round
- BHCIP Round 1: Crisis Care Mobile Units
- BHCIP Round 2: County & Tribal Planning Grants
- BHCIP Round 3: Launch Ready
- BHCIP Round 4: Children and Youth
- BHCIP Round 5: Crisis and Behavioral Health Continuum
- Bond BHCIP Round 1: Launch Ready

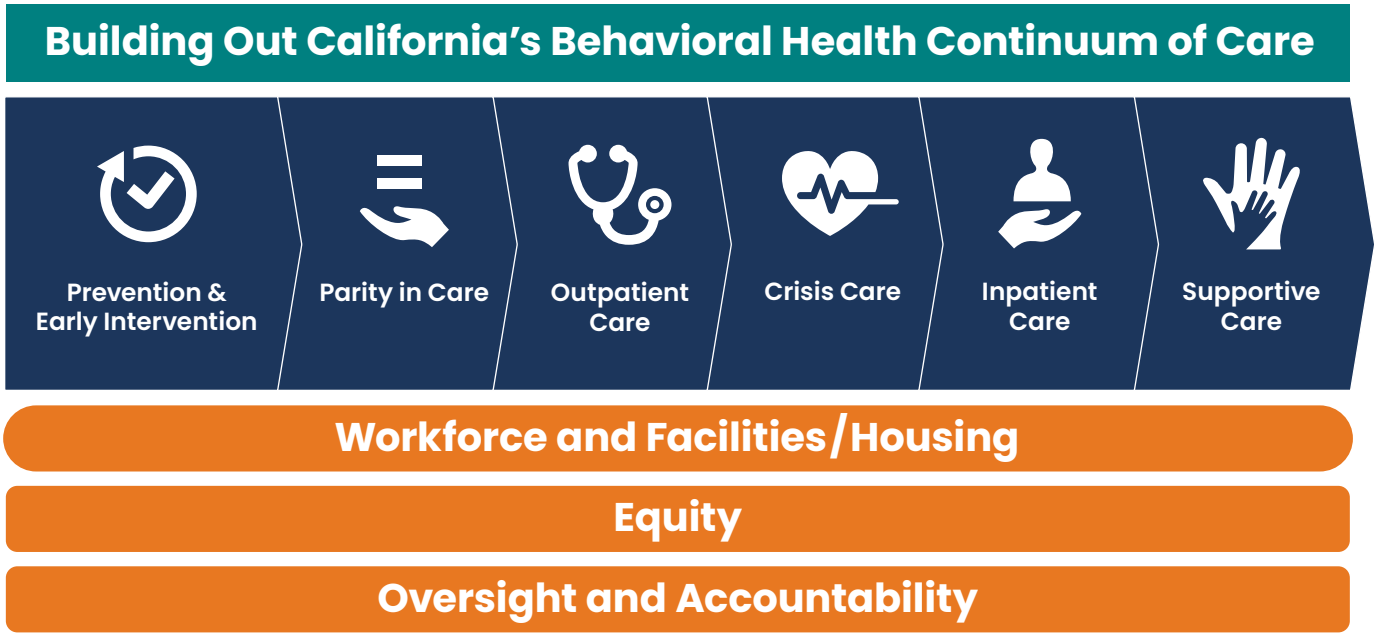
Notes:
-- Projected individuals served annually is only for outpatient setting.
-- Data on beds and individuals served are projections based on grantee self-reporting. Data collection continues to be updated.
-- Behavioral Health Integrated is mental health and/or SUD outpatient services integrated with community wellness/ prevention centers.

Increasing Access by Growing the Behavioral Health Workforce

For behavioral health care to be truly accessible, services should be available when Californians need them. Providers should speak Californians' languages, reflect the state's diversity, and come from the state's varied communities.

That's why the Behavioral Health Services Act devotes three percent of its total funding to workforce development, managed by the California Department of Health Care Access and Information. Significantly, these funds will help bring in an unprecedented investment of federal funding through BH-CONNECT to expand the diversity, expertise, and supply of California's behavioral health workforce.

The BH-CONNECT Workforce Initiative aims to address provider shortages by supporting the identification, training, and retention of people who provide services across the full continuum of care for Medi-Cal members living with significant behavioral health needs. Its funding opportunities to expand the behavioral health workforce include scholarships, loan repayment, recruitment and retention incentives, provider development programs for allied health professionals, and residency and fellowship expansions.



Prevention and Early Intervention

It is important to recognize that many Californians still face stigma around seeking help for their mental health and substance use challenges. For this reason, California is both normalizing the conversation around behavioral health and emphasizing prevention.

In August 2022, the Administration announced a **Master Plan for Kids' Mental Health**, a multi-year effort to improve mental and emotional health for California's children, youth, and families. At it's core is the **CYBHI**, a more than $4 billion effort that brings behavioral health services and supports for children to schools, homes, health care settings, and digital spaces.

To date, over 1,300 California organizations have been awarded more than $2 billion to conduct more than 1,800 activities that advance behavioral health supports and services under CYBHI.

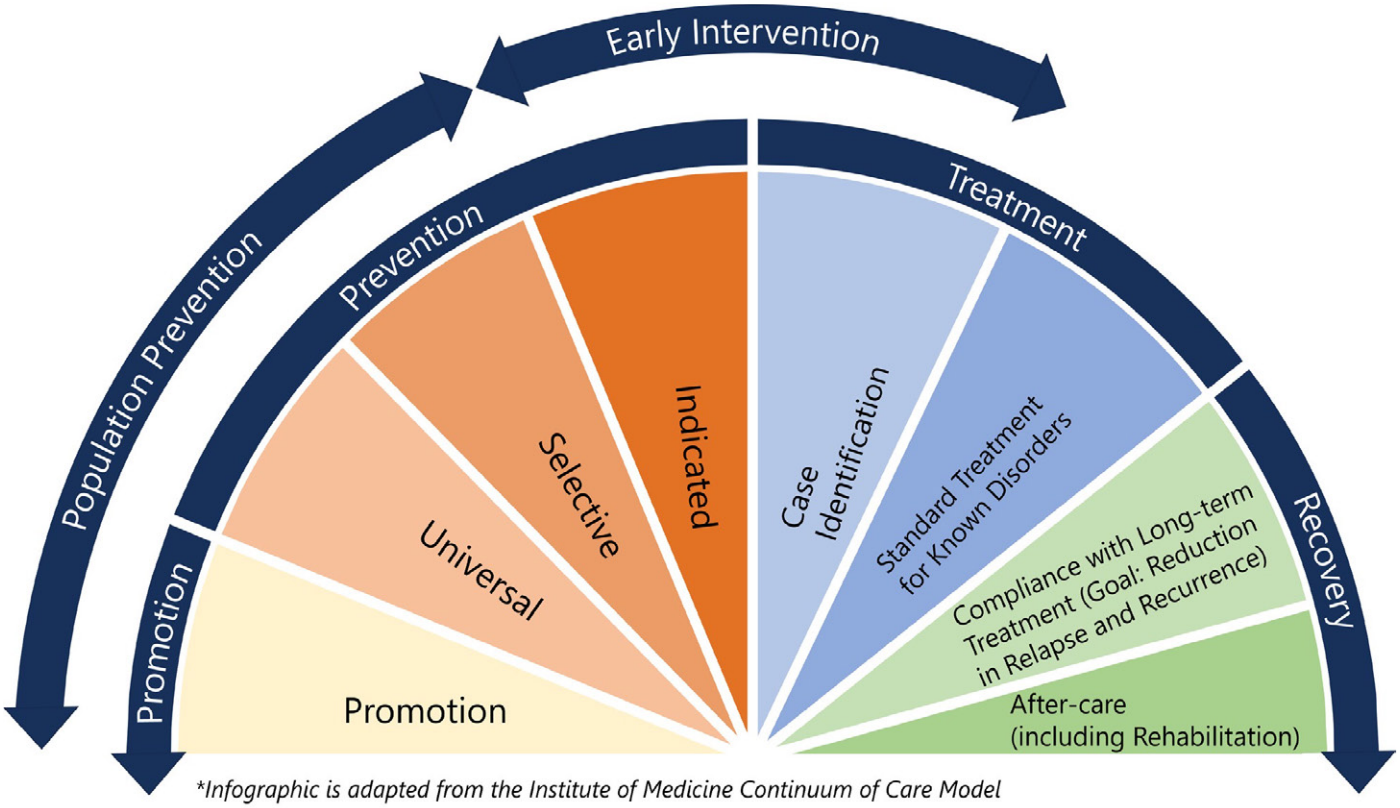
Digital platforms, including **Soluna**, **BrightLife Kids**, and **Mirror**, are now available to connect children, youth, families, and caregivers with behavioral health resources and professionals at no cost. Campaigns are ongoing to let our youth know they are **Never a Bother**, that they can **Live Beyond Adverse Childhood Experiences (ACEs)**, and to **Take Space to Pause**. Educators and other professionals are learning to create **Safe Spaces**, a free, online training to recognize and respond to signs of trauma and stress.

Under the Behavioral Health Services Act, counties are required to allocate 35 percent of their total local Behavioral Health Services Act allocations for behavioral health services and supports, which includes

early intervention programs, with specific set asides for people who are 25 years of age or younger. Early intervention means identifying and addressing behavioral health concerns in their early stages, before they become more serious or long-term conditions.

BH-CONNECT also seeks to strengthen services for children and youth in Medi-Cal, California's Medicaid program, in a variety of ways, including new coverage of Activity Funds. This coverage allows child welfare-involved youth to participate in activities that promote community inclusion and improved physical and behavioral health outcomes, such as music and art lessons, sports and therapeutic summer camps.

Prevention & Early Intervention



**Infographic is adapted from the Institute of Medicine Continuum of Care Model*

The Continuum of Care Model categorizes behavioral health services into four areas — promotion, prevention, treatment, and recovery — with a delineation between population prevention and early intervention. The model provides a framework for addressing behavioral health conditions across the stages of care, ensuring comprehensive support for individuals and communities.

James B. Kirkbride et al., "The Social Determinants of Mental Health and Disorder: Evidence, Prevention and Recommendations," World Psychiatry: Official Journal of the World Psychiatric Association (WPA) 23, no. 1 (February 2024): 58–90, **https://doi.org/10.1002/wps.21160**.

Parity in Care

For all Californians to be able to access behavioral health care when they need it, the state is holding commercial health plans, which cover more than half of all Californians, accountable to provide medically necessary behavioral health services before crisis strikes. Commercial health plans are health plans that are sold and administered by a private company rather than provided by the government and are most commonly received through one's employer.

On the commercial side, California has some of the strongest behavioral health parity requirements in the country, ensuring commercial health plans treat mental health and substance use disorder benefits the same as medical and surgical benefits. The treatment cannot be limited to short-term or acute treatment.

To enforce these laws, the California Department of Managed Health Care is conducting behavioral health-focused investigations of commercial health plans to understand the barriers members face when accessing behavioral health care and to ensure health plans are following the law — and taking enforcement action against those that are not.

Outpatient Care

California is investing in outpatient services to ensure care can be provided in the least restrictive settings and within the community through a wide range of options.

For example, Medi-Cal has vastly expanded the use of telehealth, which makes behavioral health care far more accessible for many. And California is in the process of completely updating Medi-Cal behavioral health delivery through Medi-Cal transformation, or **California Advancing and Innovating Medi-Cal (CalAIM)**, and BH-CONNECT. Under Medi-Cal transformation, California instituted a "no wrong door" approach to ensure Medi-Cal members receive behavioral health services regardless of where they seek care.

Under BH-CONNECT, California is expanding Medi-Cal service coverage, driving performance improvement, and supporting key interventions proven to improve outcomes for Medi-Cal members experiencing the greatest inequities, including children and youth involved in child welfare, individuals with lived experience in the criminal justice system, and individuals at risk of or experiencing homelessness. It standardizes and scales evidence-based models so Medi-Cal members with the greatest needs receive timely care before problems worsen. As a result, members can avoid unnecessary emergency department visits, hospitalizations, and inpatient or residential facility stays, reduce involvement with the criminal justice system, and feel healthier.

Through CalAIM and BH-CONNECT, additional outpatient benefits available under Medi-Cal in counties that choose to cover them will include:

- **Assertive Community Treatment (ACT) and Forensic Assertive Community Treatment (FACT).** ACT offers a wide range of medical, behavioral health, and social services to people living with serious mental illness. Provided by a multidisciplinary team, the services are provided 24/7 for as long as needed and wherever they are needed. FACT builds on this model with a focus on meeting the needs of criminal justice-involved individuals.

- **Contingency Management** promotes healthy behaviors through positive reinforcement for people living with stimulant use disorder who reduce or stop their stimulant use.
- **Coordinated Specialty Care for First Episode Psychosis** is a comprehensive, community-based, interdisciplinary team-based service model to help individuals cope with the symptoms of early psychosis and remain integrated in the community.
- **The Individual Placement and Support Model of Supported Employment** helps individuals with behavioral health conditions achieve recovery goals and live and work in the community, including acquiring and/or maintaining competitive employment.
- **Enhanced Community Health Worker Services** allows trained community members to provide health education, advocacy, and navigation services to support people who need specialty behavioral health care in accessing community resources.
- **Clubhouses** are community-based environments that support recovery from a mental health condition by providing opportunities for employment, socialization, education, and skill development. Clubhouses use a social practice model in which members voluntarily participate alongside providers trained in the model.

Through **CYBHI's Fee Schedule program**, work is underway to hold the majority of California's insurance plans accountable to cover specified mental health and substance use services delivered to children and youth through their public school or college. Also, through CYBHI, the California Department of Health Care Services recently launched the **California Child and Adolescent Mental Health Access Portal**, a statewide pediatric mental health program providing no-cost consultation and resources to primary care providers treating youth ages 0-25.

Critically, for individuals with substance use disorders, medications for addiction treatment, as well as counseling and supports that are offered and available along with medications, must be covered by county behavioral health systems and Medi-Cal Managed Care Plans. Through the **California Opioid Response Project**, the state has also made sustained investments to increase access to treatment and reduce opioid overdose deaths with a special focus on underserved communities, including youth, rural areas, and American Indian and Alaska Native tribal communities.

In response to the exponential increase in overdoses, the state is aggressively fighting the opioid and fentanyl epidemic. California's **CalRx Naloxone Access Initiative** combats the opioid crisis by making the lifesaving, overdose-reversing medication naloxone more affordable and accessible. The initiative supplies CalRx-branded naloxone to the California Department of Health Care Services' **Naloxone Distribution Project**, which shares the life-saving medication with entities such as first responders, community organizations, and schools around the state. The public can also directly purchase the medication through a direct-to-consumer **online store** — at the low price of $24 for a twin-pack of 4 mg naloxone nasal spray.

Crisis Care

Sometimes people have more urgent needs than can be covered by outpatient services, which is why California is building a robust crisis care system.

Through the implementation of Assembly Bill 988, the Miles Hall Lifeline and Suicide Prevention Act, the state is building the capacity of the **988 24/7 helpline that provides free and confidential support for people experiencing a behavioral health crisis via call, text, and online chat.** This is a historic opportunity to improve services that prevent, respond to, and stabilize crisis.

In cases where a crisis cannot be deescalated via phone, text or chat, Mobile Crisis Services are available, including as a Medi-Cal benefit. Mobile Crisis Services provide real-time, community-based interventions to reduce immediate risk and connect individuals to care to reduce hospitalization and law enforcement involvement. As of September 2024, there were 458 mobile crisis teams created or enhanced through the BHCIP Crisis Care Mobile Units (CCMU) Program.

Inpatient Care

There are times when the best setting for someone's care is in a hospital or residential setting. California is not only expanding infrastructure to ensure the availability of beds but also improving the quality of care in these settings.

BH-CONNECT enhances care in psychiatric hospitals and residential settings by addressing patients' physical, mental, and substance use needs, and ensuring patients remain in inpatient care only until they can safely transition to community-based care. Medi-Cal members will receive support before discharge from inpatient and residential treatment, aiding their transition and connecting them to community-based services and supports, including housing assistance.

Another form of inpatient care occurs at state hospitals, which predominantly serve a criminal justice-involved population committed for placement by criminal courts, board, or parole hearings. California is investing new resources to help these individuals access treatment quickly and to create options to support community-based care and housing stability while reducing recidivism.

Supportive Care

California is providing ongoing support to people with extensive needs, addressing mental illness and/or substance use disorders. Services include:

- **The CARE Act,** a compassionate civil court process in which certain people — such as family members, first responders, and providers — may file a petition to the court to create a voluntary CARE agreement or a court-ordered CARE plan. The CARE Act is a timely intervention for individuals experiencing severe impairment to prevent avoidable hospitalizations, incarcerations, and Lanterman-Petris-Short Mental Health Conservatorships. The CARE Act process provides earlier action and accountability to provide behavioral health services to these individuals.

- **Medi-Cal Peer Support Services,** which are delivered by certified Peer Support Specialists, with relevant lived experiences, who promote recovery and resiliency.
- **Behavioral Health Bridge Housing,** which creates and funds new clinically enhanced housing for people experiencing homelessness who also have complex behavioral health conditions.
- **The Behavioral Health Services Act** provides Housing Interventions and funding for a range of housing services and supports, such as rental and operating subsidies, to meet the needs of individuals living with significant behavioral health needs who are at risk of or experiencing homelessness, including those who are chronically homeless.
- **BH-CONNECT** expands housing supports through Transitional Rent assistance that will be available through Medi-Cal Managed Care Plans. Transitional Rent provides up to six months of rental support for eligible Medi-Cal members experiencing or at risk of homelessness or transitioning out of institutional or congregate settings, carceral settings, or other eligible group care.
- Through the **CalAIM Justice-Involved Reentry Initiative,** California is the first state in the nation to offer a targeted set of Medi-Cal services that connect youth and adults leaving incarceration to the physical and behavioral health services they need before release.
- **Community Supports under CalAIM** include housing deposits, housing transition and navigation services, housing tenancy and sustaining services, short-term post-hospitalization housing, recuperative care, and sobering centers.
- **Enhanced Care Management under CalAIM** provides high-needs Medi-Cal members with a lead care manager to coordinate health and social services across medical, dental, and community settings. This ensures eligible individuals with complex needs have a single point of contact to oversee and coordinate all health and health-related services.
- **Supported Employment Services** help individuals with behavioral health conditions get and maintain competitive employment. Participation in Supported Employment is tied to improved self-esteem, community inclusion, and overall quality of life, as well as reductions in homelessness and criminal justice system involvement.

Conclusion

To achieve this transformation of the state's behavioral health system, California is taking a population health management approach to improve community well-being and advance health equity. This approach considers all factors that affect health, connecting services across systems, and using data to guide outreach and improvements so that every Californian receives the care they need. The following outcomes will be measured through state and local goals to ensure transparency and accountability:

- **Better Health and Well-Being:** More people get the mental and physical health care they need, when they need it.
- **Improved Care Experiences:** Stigma goes down, and people have better experiences with the health system, including faster access to providers who speak their language and understand their culture.
- **Higher Quality of Life:** People face fewer untreated mental health and substance use issues and are more likely to succeed in school, work, and life.
- **Fewer Negative Outcomes:** Easier access to effective care helps lower rates of suicide, overdose, and homelessness.
- **Stronger Families:** Families are more likely to stay together, with fewer children removed from their homes because of untreated mental health needs.
- **More Community-Based Care:** People can get the care they need in their own communities, so there's less need for institutions or emergency rooms.
- **Reduced Justice System Involvement:** Fewer people with untreated behavioral health conditions end up in jail or prison.

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