

Lunch and Learn: Substance Use Disorder Services In California

November 6, 2025

Virtual Meeting Guidelines

Thank you for joining us today for this informational Lunch & Learn!

- This meeting is being recorded and will be available for viewing post-meeting
- American Sign Language interpretation is provided in pinned video
- Live captioning is provided – Select show/hide
- Participation: Following the presentations, as time permits, please use the Q&A section or the hand raise to get into queue to ask questions or share your thoughts

Agenda

Welcome and Overview – 5 mins

Substance Use Disorder Services In California

- **Marlise Perez**, Behavioral Health Transformation Project Executive and Chief of the Community Services Division

Closing & Adjourn – 5 mins

Welcome & Overview

Stephanie Welch, MSW. Deputy Secretary of
Behavioral Health, CalHHS

Substance Use Disorder Services In California

Marlies Perez, Division Chief
*Behavioral Health Transformation Project Executive
and Chief of the Community Services Division*
Department of Health Care Service

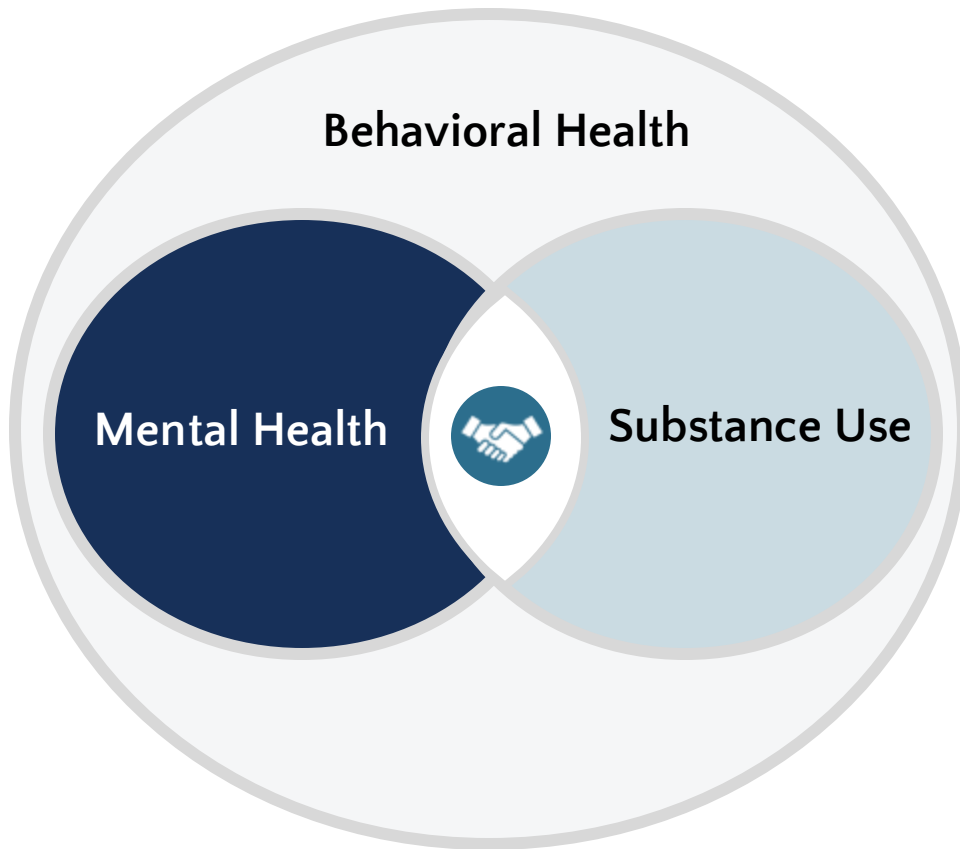
Substance Use Disorder Definitions and Prevalence

What is Behavioral Health?

Behavioral health services means SUD **and** mental health services.

- » According to the Substance Use and Mental Health Services Administration (SAMHSA), behavioral health refers to:
 - » "The promotion of mental health, resilience and wellbeing, the treatment of mental and substance use disorders; and the support of those who experience and/or are in recovery from these conditions, along with their families and communities."
- » Behavioral health covers both mental health and substance use.

Substance Use Disorder (SUD)



- » As defined under the Behavioral Health Services Act (BHSA), and in alignment with the definition under Medi-Cal the criteria for an SUD are: an adult, child, or youth who has at least one diagnosis of a **moderate or severe SUD** from the most current version of the Diagnostic and Statistical Manual of Mental Disorders for Substance-Related and Addictive Disorders, with the exception of tobacco-related disorders and non-substance-related disorders.
- » BHSA added Welfare and Institutions Code Section 5891.5 (b)(2), which defines SUD treatment services to include:
 - » **Harm reduction**
 - » **Treatment**
 - » **Recovery services**, including all federal Food and Drug Administration approved medications.

What is an SUD?

- » Many people mistakenly believe that addiction results from a lack of willpower or moral principles. In reality, addiction is a complex disease that alters the brain, making it hard to quit even for those who want to stop.
- » However, research has uncovered effective treatments that can help people recover and lead fulfilling lives.
- » Drug addiction is a chronic disease where people compulsively seek and use drugs despite harmful consequences.
- » Repeated drug use changes the brain, making it hard to resist intense cravings. These changes can persist, which is why addiction is considered a "relapsing" disease—people may return to drug use even after long periods of sobriety.
- » Relapse is common but doesn't mean treatment failed. Like other chronic illnesses, addiction treatment must be ongoing and adapted to fit the person's needs.



- » YouTube video: "Addiction Neuroscience 101" by Dr. Corey Waller.

The SUD Continuum of Care



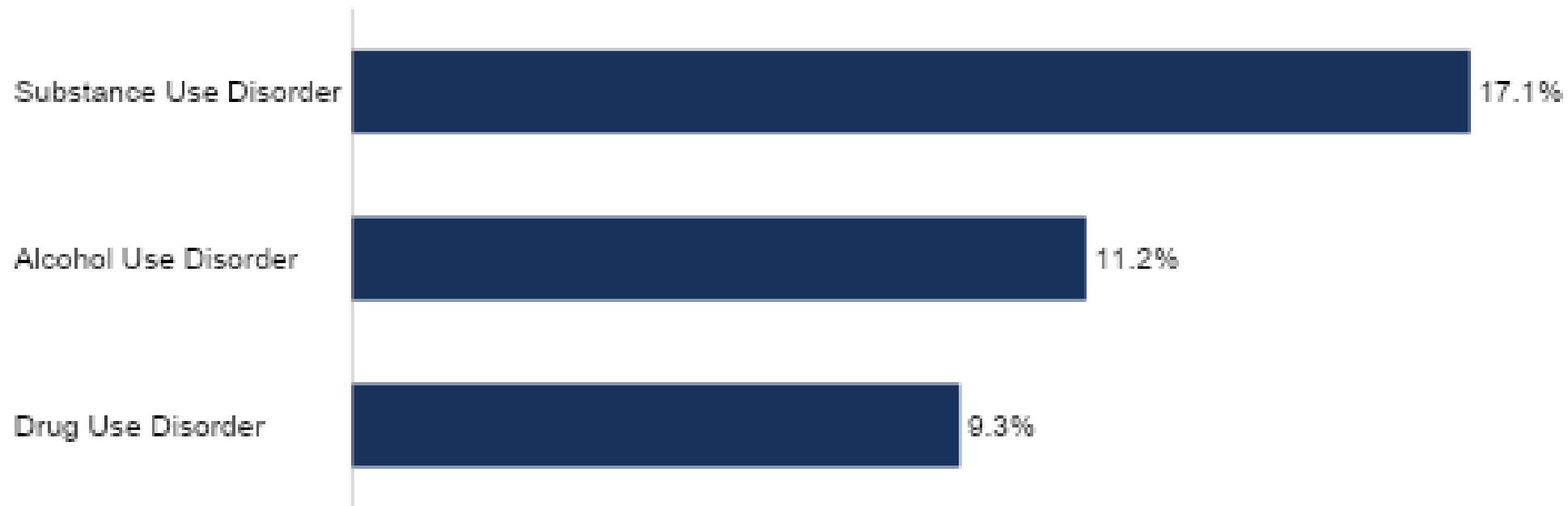
**Infographic is adapted from the Institute of Medicine Continuum of Care Model*

- » Overview of The Institute of Medicine's Continuum of Care is detailed by the Substance Abuse and Mental Health Services Administration (SAMHSA) Strategic Prevention Technical Assistance Center.

SUD Prevalence within California

Approximately 5.7 million Californians (17%) age 12 and older meet the criteria for SUD. Approximately 11% reported meeting criteria for alcohol use disorder, and 9% reported meeting criteria for drug use disorder.

Percentage of Population Age 12 and Over



Source: *National Survey on Drug Use and Health (2021-2022)*, Substance Abuse and Mental Health Services Administration, table 19A and 20A.

<https://www.samhsa.gov/data/report/2021-2022-nsduh-state-specific-tables>

SUD Prevalence and Unmet Treatment Needs in California

- » Over **80% of Californians** identified as needing substance use treatment did not receive **care** — a rate of unmet treatment need **higher than the national average of 76%.**⁺
- » Young adults aged **18 to 25** report the **highest percentages (29.77%) of past month illicit drug use and (40.89%) of past year marijuana use** compared to other age groups – a percentage significantly higher from adolescence.⁺⁺
- » Males report **using all drugs** (except methamphetamine) **more** than females.^{*}
- » **Since 2019**, prevalence and trends in self-reported drug use show **decreases** in the number of **adults** misusing prescription pain medications and prescription stimulants, heroin and methamphetamine.^{**}

⁺Source: *National Survey on Drug Use and Health (2021-2022)*, Substance Abuse and Mental Health Services Administration (SAMHSA), table 6.10A and 6.11.B. <https://www.samhsa.gov/data/report/2022-nsduh-detailed-tables>

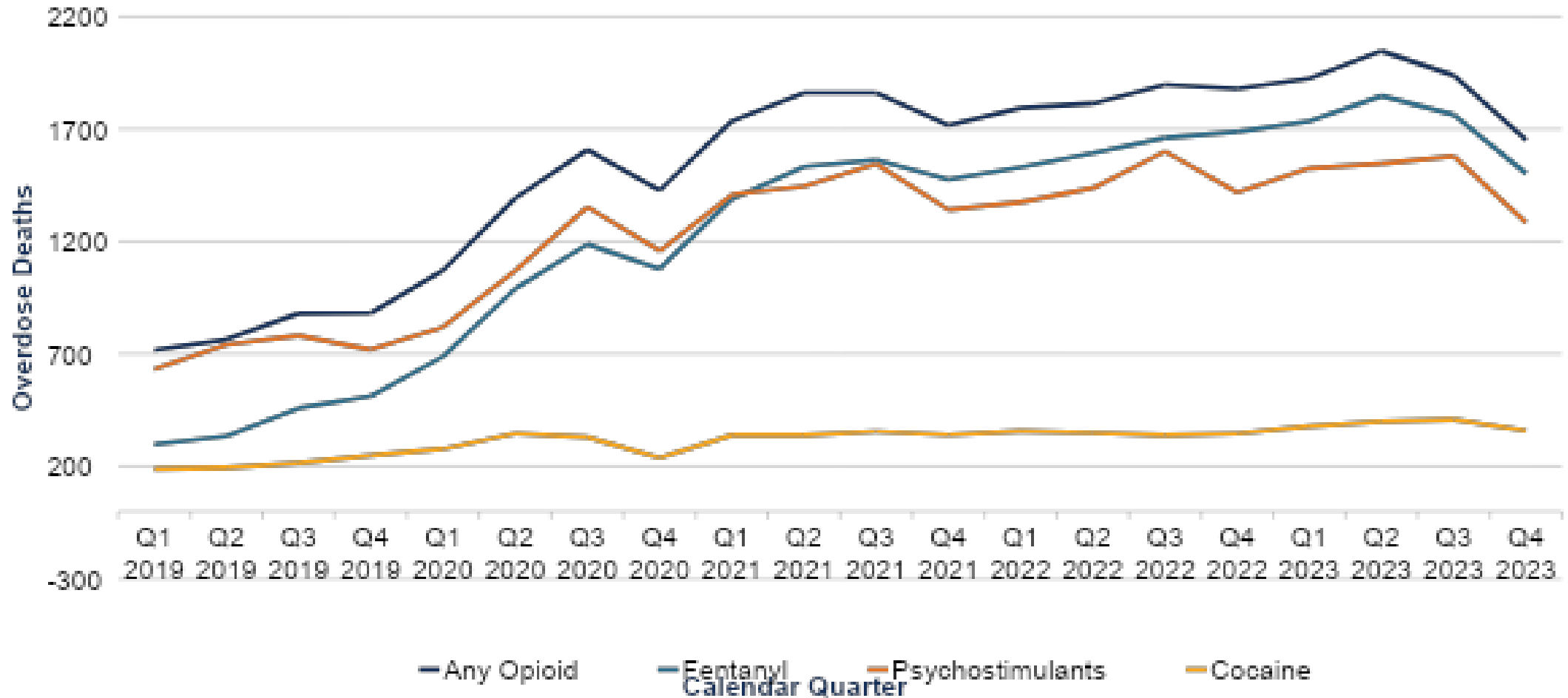
⁺⁺ Source: SAMHSA, Center for Behavioral Health Statistics and Quality, National Surveys on Drug Use and Health, 2022–2023, Table 20A https://www.samhsa.gov/data/sites/default/files/reports/rpt56188/2023-nsduh-sae-state-tables_0/2023-nsduh-sae-state-tabs-california.pdf

^{*}Source: Substance and Addiction Prevention Branch – Overdose Prevention Initiative, Combined California Health Interview Survey Dataset (2017-2021) derived 2025-10-30 at https://www.cdph.ca.gov/Programs/CCDPHP/sapb/CDPH%20Document%20Library/Prevalence_and_Trends_in_Self-Reported_Drug_use.pdf

^{**}ibid

California Overdose Deaths: 2019 – 2023

CA Overdose Deaths
Q1 2019 - Q4 2023



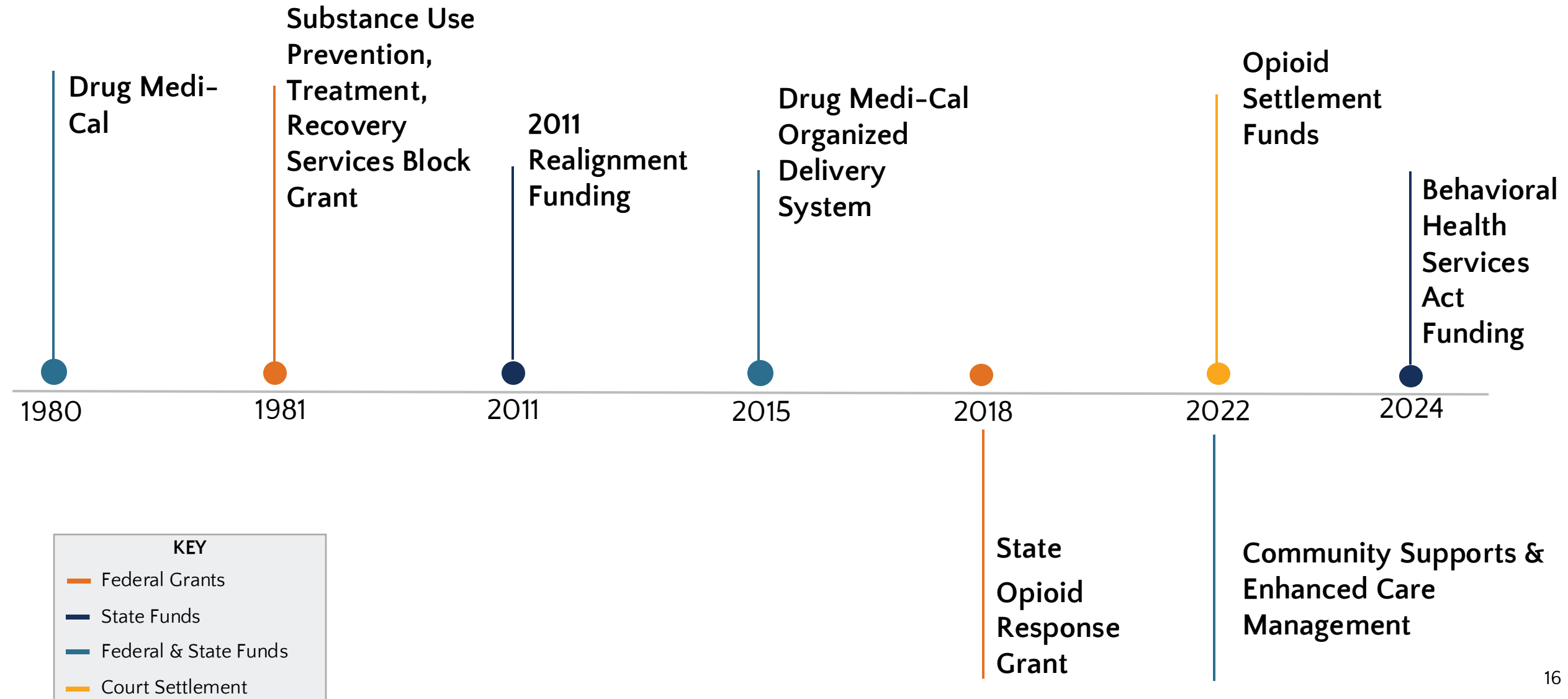
SUD Funding and Programs

Overview





California's SUD programs, services and funding has changed significantly over the past 10 years including:

- » Implementation of the Drug Medi-Cal Organized Delivery System created a continuum of care for Medi-Cal SUD benefits through a federal 1115 waiver.
- » Expansion of access to medications for addiction treatment (MAT) in various settings; including broader coverage of FDA approved medications through benefits, new infrastructure and new service settings.
- » Evolving behavioral-health delivery & payment reform through CalAIM and related initiatives.
- » Infusion of SUD funding from opioid settlement funds.
- » Saturation of naloxone across the state.
- » Expansion of the workforce with policy and funding to support SUD peers, Community Health Workers and various new programs.

SUD Funding Program Timeline



Behavioral Health Funding Overview

FUNDING CATEGORY	FUNDING SOURCE	FUNDING PROGRAM
 FEDERAL FUNDING	SAMHSA GRANTS Substance Abuse & Mental Health Services Administration	COMMUNITY MENTAL HEALTH SERVICES BLOCK GRANT (MHBG) ¹
		SUBSTANCE USE PREVENTION, TREATMENT, RECOVERY SERVICES BLOCK GRANT (SUBG)
 FEDERAL FUNDING + STATE ISSUED	MEDI-CAL Through the Department of Health Care Services	COMMUNITY SUPPORTS
		ENHANCED CARE MANAGEMENT (ECM)
		SPECIALTY MENTAL HEALTH SERVICES ¹
		DRUG MEDI-CAL /DRUG MEDI-CAL ORGANIZED DELIVERY SYSTEM
 STATE ISSUED	DHCS Department of Health Care Services	1991 REALIGNMENT FUNDING
		2011 REALIGNMENT FUNDING
	BHSA Behavioral Health Services Act	BEHAVIORAL HEALTH SERVICES FUND
		PRUDENT RESERVE
 COURT SETTLEMENT	NATIONAL OPIOID SETTLEMENTS Through the Department of Health Care Services	OPIOID SETTLEMENT FUNDS

Footnote: 1. Mental Health Funding

SUD Facility Types (BH Settings Infographic)

Prevention:

- » Prevention efforts are community based and take place in a variety of settings, including schools, religious institutions, and community organizations.

Residential:

- » Adult/Adolescent Residential SUD Treatment Facility
- » Chemical Dependency Recovery Hospital (CDRH)
- » Perinatal Residential SUD Facilities

Outpatient:

- » Hospital-Based Outpatient Treatment
- » Intensive Outpatient Treatment (SUD)
- » Narcotic Treatment Program (NTP)
- » Office-Based Opioid Treatment (OBOT)
- » Outpatient Treatment for SUD
- » Partial Hospitalization Program (PHP)

ASAM Level of Care Designation

- » The American Society of Addiction Medicine (ASAM) Criteria© uses a multidimensional patient assessment to direct medical management and the structure, safety, security, and intensity of treatment services.
- » DHCS has adopted the ASAM treatment criteria as the standard of care for licensed adult residential alcoholism or drug recovery or treatment (AOD) facilities.
- » All licensed AOD facilities must obtain at least one DHCS [LOC Designation](#) and/or at least one residential [ASAM LOC Certification](#) consistent with all of its program services.
- » ASAM Fourth Edition: The Continuum of care has also been updated in the Fourth Edition. The continuum still includes four broad treatment levels (1 through 4). And within these four broad levels of care, decimal numbers express further gradations of intensity and types of care provided.
- » DHCS will release guidance on the implementation of ASAM Fourth Edition updates by January 1, 2027.

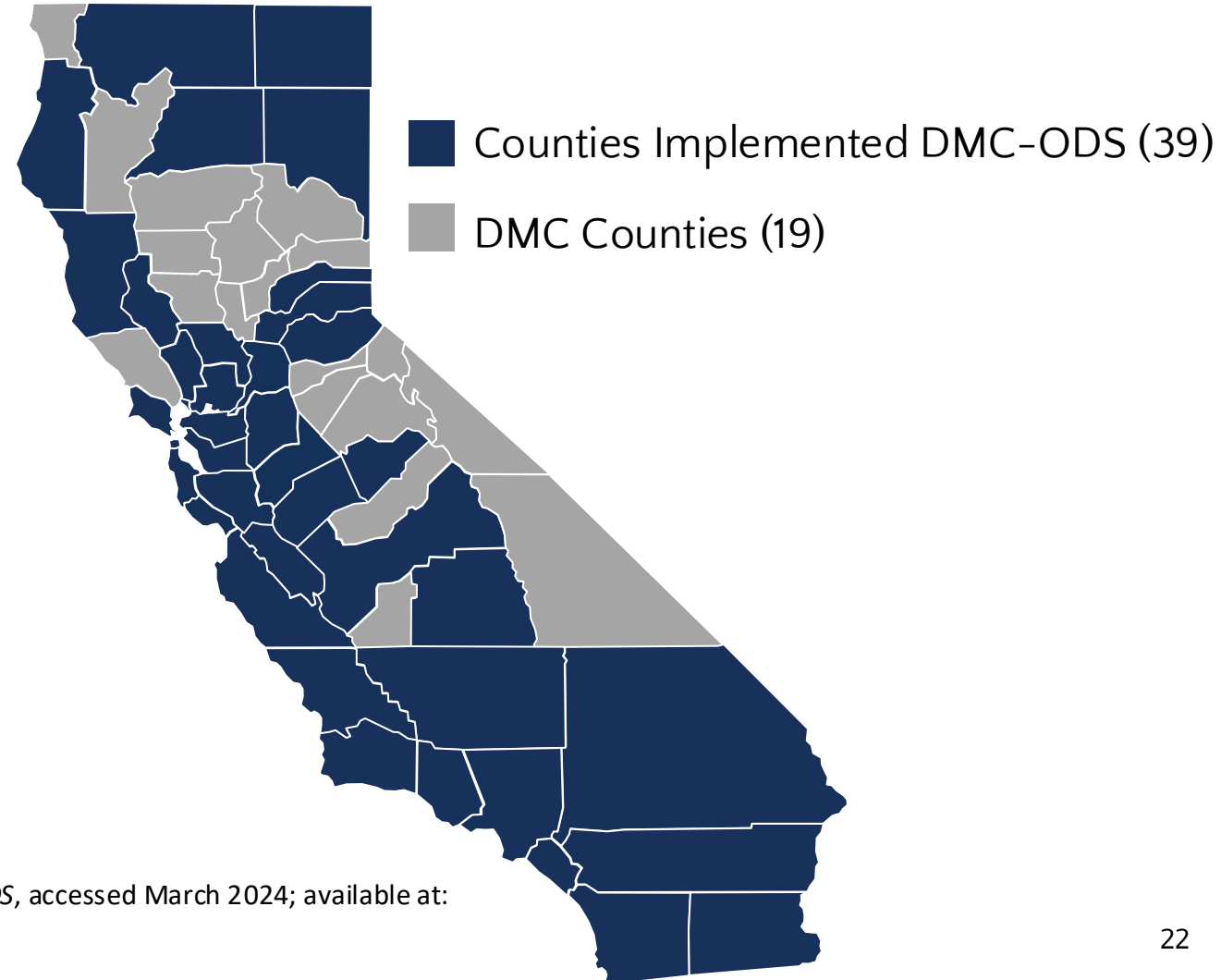
Medi-Cal Substance Use Disorder Treatment Services

Drug Medi-Cal and the Drug-Medi Cal-Organized Delivery System

- » Drug Medi-Cal (DMC) is California's historical Medicaid program that provides limited SUD treatment services, such as outpatient and medications for addiction treatment.
- » The Drug Medi-Cal-Organized Delivery System (DMC-ODS) is a voluntary pilot program which offers California counties the opportunity to expand access to a full continuum of SUD benefits modeled after the American Society of Addiction Medicine (ASAM) Criteria.
- » In 2015, California's DMC-ODS program was the nation's first SUD treatment demonstration project approved by the Centers for Medicare & Medicaid Services (CMS) under a Medicaid Section 1115 authority.
- » In December 2021, DHCS received approval from CMS to reauthorize DMC-ODS, shifting the managed care authority to the consolidated [CalAIM 1915\(b\) waiver](#) and using the Medicaid State Plan to authorize the majority of DMC-ODS benefits.

Drug Medi-Cal

- » Most Californians live in a county that has chosen to operate an expanded program, known as the DMC-ODS. They operate as a managed care plan for SUD services.
- » DMC-ODS counties support more than **96%** of the State's Medi-Cal population.
- » The Behavioral Health Services Act expands the scope of services under Medi-Cal, including those provided through Drug Medi-Cal.



Source: California Department of Health Care Services, *Counties Participating in DMC-ODS*, accessed March 2024; available at: <https://www.dhcs.ca.gov/provgovpart/Pages/county-implementation-plans.aspx>.

Drug Medi-Cal Organized Delivery System

The DMC-ODS is a program for the organized delivery of SUD treatment services by providing a continuum of care modeled after the American Society of Addiction Medicine (ASAM) Criteria for SUD treatment services.

DMC Benefits

- » Outpatient treatment services
- » Intensive outpatient treatment services
- » Medications for addiction treatment
- » Narcotic treatment programs
- » Perinatal and youth residential
- » Peer support services*
- » Mobile crisis services
- » Early intervention (youth under 21 years)

DMC-ODS Benefits

- » Outpatient treatment services
- » Intensive outpatient treatment services
- » Medications for addiction treatment
- » Narcotic treatment programs
- » Residential – all populations
- » Peer support services*
- » Mobile crisis services
- » Early intervention (youth under 21 years)
- » Withdrawal management
- » Recovery support services
- » Care coordination
- » Clinician consultation
- » Partial hospitalization*
- » Recovery Incentives*
- » Inpatient treatment/withdrawal management

All DMC and DMC-ODS services are covered pursuant to EPSDT.

* Optional services

DMC-ODS: Contingency Management

- » Contingency Management is an evidence-based treatment that provides motivational incentives for positive behavioral change.
- » Contingency Management is the only treatment that has demonstrated robust outcomes for individuals living with stimulant use disorder (e.g., methamphetamines and cocaine).
- » California was the first state in the nation to have contingency management approved as a Medicaid benefit.
- » California's Contingency Management program is called the **Recovery Incentives Program**, which focuses on stimulant use disorder.
 - As of June 2025, 21 DMC-ODS counties cover Recovery Incentives. Roughly 81 percent of all Medi-Cal members live in counties that offer this benefit.
 - As of April 30, 2025, the program achieved a 95.5% rate of negative urine drug tests (UDTs) among participants who completed the full 24-week protocol, which is nearly twice the rate recorded in existing literature (47.7% benchmark).

Recovery Incentives Program Overview

As part of the program, Medi-Cal members are eligible to:



Participate in a structured **24-week CM Program** -12 weeks with twice weekly testing/incentives and a 12-week continuation with once weekly testing/incentives



Receive incentives for testing **negative for stimulants only**, even if they test positive for other drugs



Earn a **maximum of \$599** over the 24-week period in the form of gift cards



Generate incentives and track progress using **Incentive Manager (IM)** software

Medi-Cal Peer Support Services

Individuals ages 18+ with lived experience with the process of recovery from mental illness, SUD, or both, as a consumer and/or as a family member.

Peer Support Services: Provide recovery-focused services that are trauma-aware, and culturally appropriate.

2020

» Senate Bill 803, authorized DHCS to:

- **Seek federal approval** to establish Medi-Cal Peer Specialists as a provider type; and
- **Provide distinct Medi-Cal Peer Support Specialist services** under the Specialty Mental Health Services (SMHS), and DMC and DMC-ODS programs

2022

- » **Effective July 2022**, counties can voluntarily opt-in to provide this valuable resource in one or both delivery systems (SMHS, and DMC or DMC-ODS).

2025

- » As of September: **53** counties include Medi-Cal Peer Support Services as a benefit in one or both of their delivery systems.
- » Currently, more than **7,500** individuals have obtained a Medi-Cal Peer Support Specialist Certification.
- » Over **4,100** of these individuals identify SUD as their personal recovery experience.

Mobile Crisis Services

- » An initial investment of over \$205M was made through the Behavioral Health Continuum Infrastructure Program. (\$150M State General Fund/\$55M Federal Funding)
- » This investment has resulted in 459 mobile crisis teams, including 270 vehicles and 178,360 service episodes.
- » The Centers for Medicare and Medicaid Services (CMS) approved the addition of community-based mobile crisis intervention services as a Medi-Cal benefit, effective January 1, 2023.
- » The benefit is designed to ensure all Medi-Cal members have access to coordinated crisis care.
- » Applies to county Mental Health Plans (MHPs), DMC, and DMC-ODS counties.
- » DHCS released [Behavioral Health Information Notice \(BHIN\) 23-025](#), which provides guidance to counties regarding the implementation of the benefit.



Mobile crisis services currently operate in most California counties, **covering 99% of Medi-Cal members.**

Traditional Health Care Practices (THCP)

- » As of October 2024, the Centers for Medicare and Medicaid Services approved THCP as a new Medi-Cal benefit under DMC-ODS that covers culturally rooted services provided by Indian Health Care Providers (IHCPs).
- » Recognizes and reimburses traditional healing practices—such as ceremonies, herbal remedies, drumming, and spiritual guidance—as essential components of behavioral health care for American Indian/Alaska Native (AI/AN) communities. ([Behavioral Health Information Notice 25-036](#))
- » Service Types:
 - Traditional Healer Services: Spiritual and cultural healing practices.
 - Natural Helper Services: Peer-based support, navigation, and trauma-informed care.

CalAIM

- » CalAIM is a multi-year DHCS initiative to improve the quality of life and health outcomes of our population by implementing broad delivery system, program, and payment reform across the Medi-Cal program.
- » CalAIM Behavioral Health Policy:
 - Criteria for Specialty Mental Health Services
 - Drug Medi-Cal Organized Delivery System Policy Improvements
 - Drug Medi-Cal ASAM Level of Care Determination
 - Documentation Redesign for SUD and Specialty Mental Health Services
 - No Wrong Door
 - Standardized Screening and Transition Tools
 - Behavioral Health Payment Reform
 - Traditional Health Care Practices
 - Behavioral Health Administrative Integration

Non Medi-Cal Substance Use Disorder Funding

SUD-Allowable Realignment Funding

2011 Realignment Funding: The 2011 Realignment provided counties with dedicated funding through a portion of sales tax revenue to provide service, like Medi-Cal Mental Health and Substance Use Disorder services.

Background: SB 1020 (Statutes of 2012) created the permanent structure for 2011 Realignment. It codified the Behavioral Health Subaccount, which funds:

- » Specialty Mental Health
- » **Drug Medi-Cal (DMC)**
- » **Residential perinatal drug services and treatment**
- » **Drug court operations**
- » Other non-DMC programs (Government Code Section 30025 (f)(16)(B))
- » Allocations of Realignment funds run on a fiscal year of October 1 – September 30. They are monthly allocations to counties from the State Controller's Office.

Prevention Programs

Youth Education Prevention, Early Intervention and Treatment Account



- » In 2016, Proposition 64 **legalized non-medical marijuana use for adults 21+** in California.
 - Two new taxes were created, the revenues of which are deposited into the California Cannabis Tax Fund.

- » Current law allocates **60 percent** of the **remaining California Cannabis Tax Fund** to be deposited into the Youth Education Prevention, Early Intervention and Treatment Account (YEPEITA) then disbursed to DHCS for **Elevate Youth California**, a statewide program that has provided 460 grant awards across 56 counties.

Elevate Youth California

Elevate Youth California (EYC) is a statewide program supporting community leaders who are addressing substance use disorder (SUD) prevention by investing in leadership development and civic engagement for youth of color and 2S/LGBTQIA+ youth ages 12 to 26 living in communities disproportionately impacted by the war on drugs.

During the FY 2023/24, EYC:

- » Engaged **2,524** new diverse community stakeholders
- » Held **47,983** prevention program community wide events
- » Convened **927** Youth Listening Sessions
- » **75,554** youth participated in multiple prevention programs (mentoring, peer support, and youth development/social justice programs)
- » Reached diverse communities with **93%** of all EYC participants self-identifying as a race or ethnic group other than white/Caucasian/or having origins in Europe, the Middle East, or North Africa*

**Definition derived at www.census.gov/population*

For more information, visit the [EYC 2024 Annual Report](#)

Friday Night Live

Friday Night Live (FNL) is a program in 55 of 58 California Counties. FNL engages youth as active leaders and resources in their community and builds partnerships for positive and healthy youth development.

Results of the 2024/25 Friday Night Live Youth Development Survey revealed that:

- » 94% of FNL youth formed caring/meaningful relationships
- » 93% of FNL youth engaged in action planning
- » 84% of FNL youth demonstrated public speaking skills
- » 97% of youth reported that their involvement in FNL helped them decide to do other things besides alcohol, tobacco or other drugs.
- » 97% of FNL youth report supporting other youth to make healthy choices that don't involve alcohol, tobacco or other drugs



Behavioral Health Services Act (BHSA)

Behavioral Health Services Act

Behavioral Health Services Act:

- » **Updates allocations** for local services and state-directed funding categories
- » Broadens the target population to **include individuals with Substance Used Disorders (SUDs)**
- » Focuses on the **most vulnerable and at-risk**, including children and youth
- » Advances community-defined practices as a key strategy for **reducing health disparities** and **increasing community representation**
- » Revises county processes and improves **transparency and accountability**

Behavioral Health Services Act Funding Overview

90% County
Allocation

10% State Directed

County Integrated Plan SUD Requirements

» Counties must submit three-year Integrated Plans that outline planned county activities and projected expenditures for all county mental health and **SUD services**.

- Bronzan-McCorquodale Act (1991 and 2011 Realignment)
- Medi-Cal behavioral health, including Specialty Mental Health Services, Drug Medi-Cal (DMC), and Drug MediOCal Organized Delivery System (DMC – ODS)
- Federal block grants
- Opioid settlement funding
- Behavioral Health Services Act

» Counties must use data to appropriately allocate funding between mental health and **SUD services** as well as identify strategies to address disparities between them.

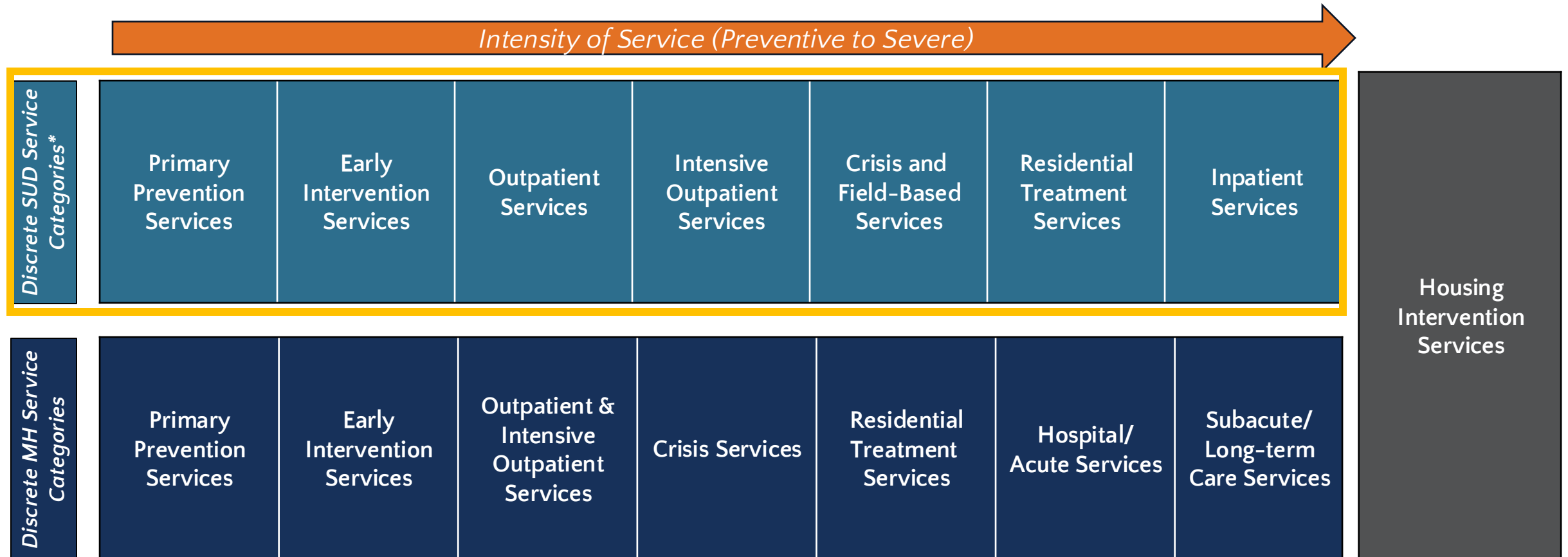
» Input from SUD stakeholders is a new requirement under the Behavioral Health Services Act in developing Integrated Plans.

» Stakeholder engagement must include but not limited to the following SUD stakeholders:

- Youths (individuals with lived experience) or youth mental health or **SUD organizations**.
- Providers of mental health services and **SUD treatment services**.

Behavioral Health Care Continuum Framework

The Behavioral Health Care Continuum articulates the continuum of services counties are required to demonstrate investment in under the Behavioral Health Services Act.



Housing Intervention Component

Per WIC 5830, counties are required to establish and administer a program for housing interventions.

- » Housing interventions to individuals with a **SUD** are allowable for counties. (WIC 5891.5)
- » Housing interventions must not deny access to housing for individuals that are utilizing **medications for addiction treatment** or other authorized medications.
- » Housing interventions must comply with the core components of [Housing First principles](#) and may include **recovery housing**.

Behavioral Health Services and Supports Component

Per WIC 5892, thirty-five percent of the funds distributed to counties must be used for Behavioral Health Services and Supports (BHSS).

- » Counties funded under BHSS may include the addition of **SUD services**.
- » Early Intervention Programs are designed to prevent mental illnesses **and SUDs** from becoming severe and disabling and to reduce disparities in behavioral health.
- » Outreach and Engagement activities may be targeted to individuals and communities in **the behavioral health system**.
- » Workforce Education and Training activities may target the **behavioral health workforce**.

Full Service Partnership Component

- » Per WIC 5887, each county must establish and administer a Full Service Partnership program
- » The program must include mental health services, supportive services, and **SUD treatment services**, as needed by the individual.
- » The program must include **assertive field-based initiation for SUD treatment services**, including the provision of medications for addiction treatment.

- » Examples of innovative models helping expand rapid access to medication for addiction treatment (MAT):
 - CA Bridge Programs
 - Street Medicine
 - Telehealth MAT
 - Tribal Health Programs
 - Mobile Narcotic Treatment Programs

Behavioral Health Continuum Infrastructure Program

Behavioral Health Continuum Infrastructure Program (BHCIP) Overview

- » In 2021, DHCS was authorized to establish BHCIP and award **\$2.2 billion** to eligible grantees to expand substance use disorder and mental health facilities across California.
- » **Behavioral Health Infrastructure Bond Act of 2024**
 - Passed in March 2024, the Behavioral Health Infrastructure Bond Act of 2024 (BHIBA) (Assembly Bill 531). The BHIBA portion is a \$6.38 billion general obligation bond:
 - DHCS will distribute up to **\$4.4 billion in bond funding** for BHCIP competitive grants.
 - Department of Housing and Community Development oversees the **remaining \$1.8 billion**.
- » BHCIP Rounds 3–5 and Bond BHCIP Round 1 to Date*

249

Projects Awarded

423

Facility Types Funded

- **208** SUD Facilities
- **215** MH Facilities

34

Facilities Open

BHCIP Launches: Release for Applications (RFA)

BHCIP Round 1 RFA: CCMU
July 2021



2021
DHCS was authorized through legislation to establish BHCIP



November 2021
BHCIP Round 2 RFA: County and Tribal Planning

BHCIP Round 3 RFA: Launch Ready
January 2022



June 2022
BHCIP Round 4 RFA: Children and Youth



BHCIP Round 5 RFA: Crisis and BH Continuum
October 2022



March 2024
Passage of Proposition 1

Bond BHCIP Round 1 RFA: Launch Ready
July 2024



May 2025
Bond BHCIP Round 2 RFA: Unmet Needs



Friends of the Mission: Yolo County (Nonprofit Corporation)

Open and providing services as of May 2, 2025.

**BHCIP
Round 3**

16 Beds

Adult Residential
Treatment Facility for
SUD

\$12,445,905

Award Amount

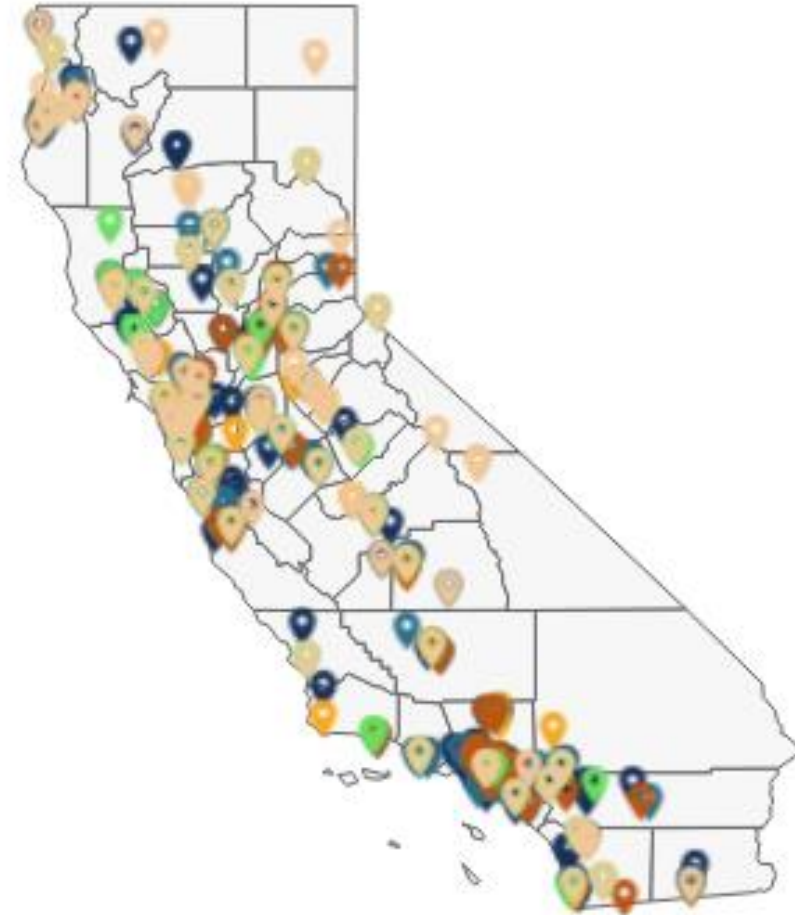
**1905 E Beamer Street,
Woodland, CA 95766**

Project Address



BHCIP/Bond BHCIP Data Dashboard

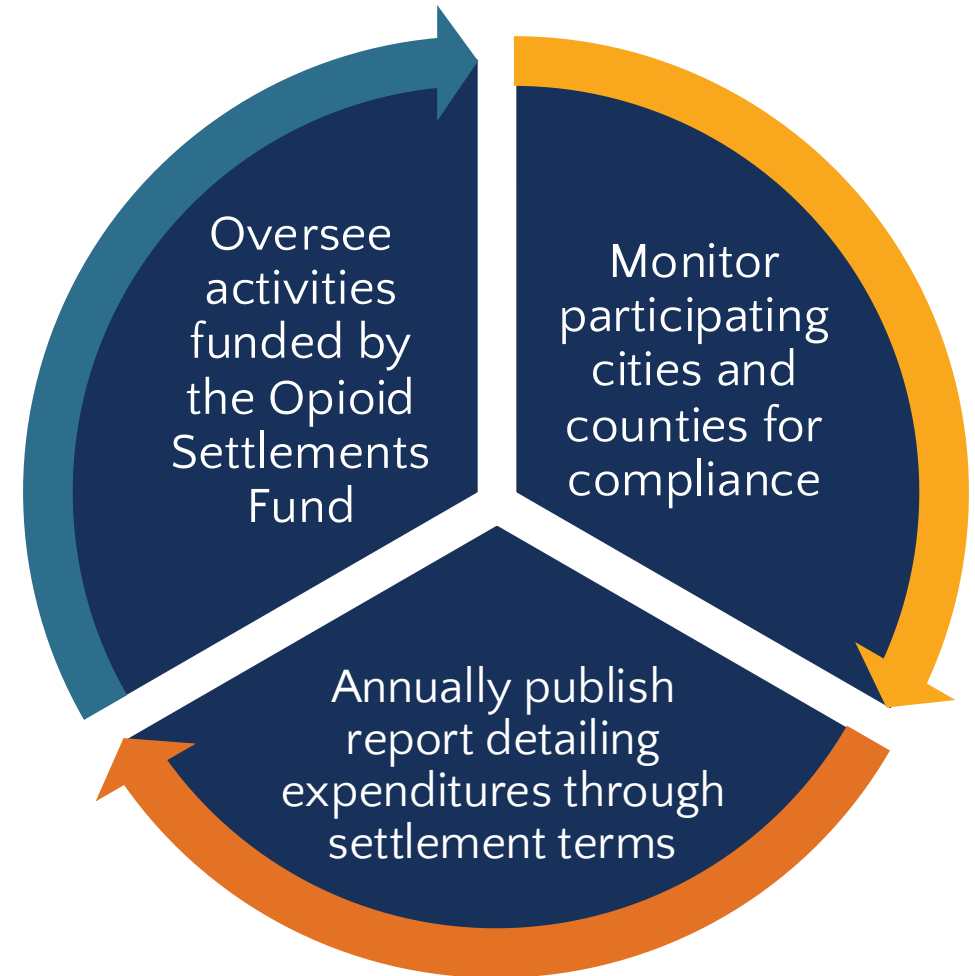
- » Link to dashboard:
<https://infrastructure.buildingcalhhs.com/bhcip-data-dashboards/all-rounds-dashboard/>
- » Link to BHCIP Video: **BHCIP 2025 Updates and What's Ahead**
<https://www.youtube.com/watch?v=hMQkx4dXQzc>



Opioid Settlement Funds

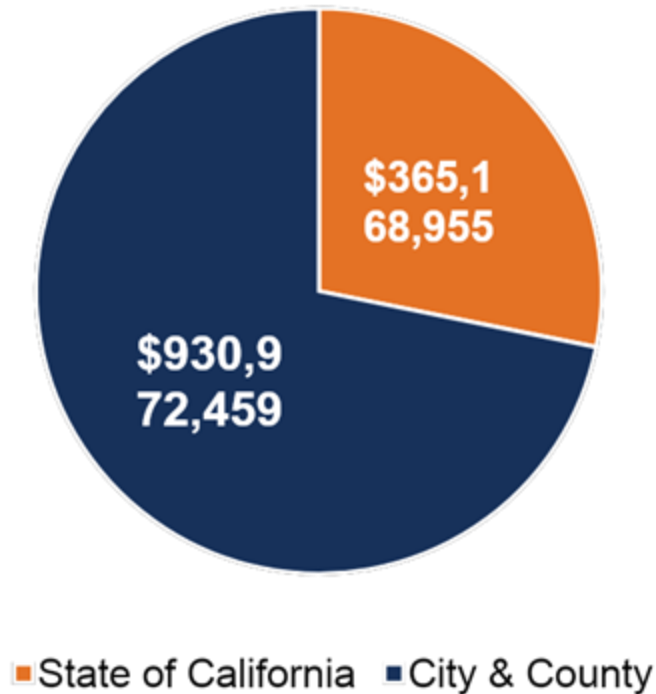
California Opioid Settlements

- » California has joined national lawsuits against entities responsible for aiding the opioid epidemic.
- » The state and its participating cities and counties receive funds from these settlements for opioid abatement projects.
- » DHCS oversees and monitors the use and expenditure of funds and provides technical assistance on eligible activities.



California Opioid Settlements – Today

**Total Payments
Received by Recipient**



Total Payments to
California:
\$1,296,141,414

Total State-Directed
Projects:
11

Cities & Counties
Receiving Funds:
267

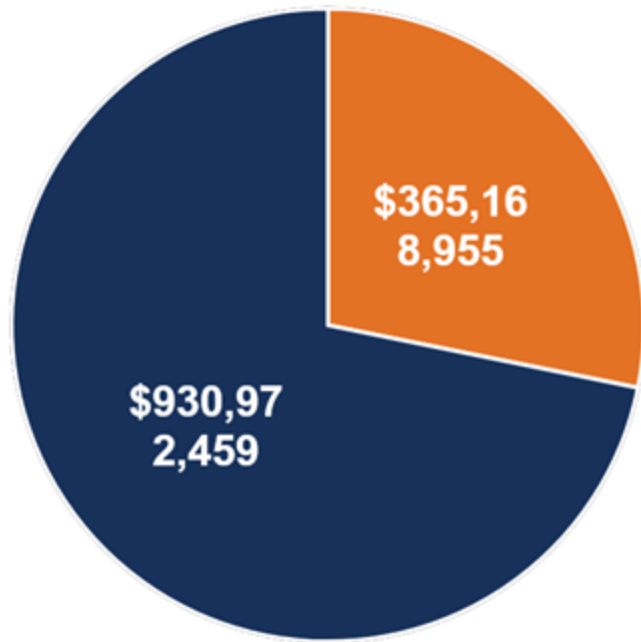
Settlements and Bankruptcies

Allergan	Walmart
CVS	<i>Alvogen (pending)</i>
Distributor	<i>Amneal (pending)</i>
Endo	<i>Apotex (pending)</i>
Janssen	<i>Hikma (pending)</i>
Kroger	<i>Indivior (pending)</i>
Mallinckrodt	<i>Mylan (pending)</i>
Publicis	<i>Purdue (pending)</i>
Teva	<i>Sun (pending)</i>
Walgreens	<i>Zydus (pending)</i>

*Data does not include payments made to cities and counties from the Endo Bankruptcy and McKinsey Settlement as these agreements are not under DHCS' oversight. Data does include payments made to the State of California from Endo and McKinsey. Data is as of June 30, 2025 and may contain preliminary data that is currently under review. State of California payments include State Cost Fund payments. City & County payments include payments from the CA Abatement Accounts Fund and the CA Subdivision Fund.

California Opioid Settlements – Today

**Total Payments
Received Breakdown**



■ State of California ■ City & County

**City & County Spent
vs. Unspent Funds**



■ Amount Spent ■ Amount Remaining

Total Payments to
California:

\$1,296,141,414

Total Amount of Reported
City & County Expenditures:

\$69,519,427

Total Amount of City &
County Unspent Funds:

\$861,453,032

*Data does not include payments made to cities and counties from the Endo Bankruptcy and McKinsey Settlement as these agreements are not under DHCS' oversight. Data does include payments made to the State of California from Endo and McKinsey. Payment data is as of June 30, 2025, and spending data is preliminary and currently under review. State of California payments include State Cost Fund payments. City & County payments include payments from the CA Abatement Accounts Fund and the CA Subdivision Fund. Expenditure data includes direct and indirect costs from CA Abatement Accounts and CA Subdivision Funds.

Naloxone Distribution Project

Naloxone Distribution Project (NDP)



- » Since 2018, the NDP has provided naloxone which is a life-saving opioid overdose reversal medication.
 - First funded in 2018 through federal State Opioid Response Grants
 - Transitioning to various federal funding, state General Fund and Opioid Settlement Funds.
- » The NDP distributes intranasal and intramuscular naloxone directly to organizations.
 - Generic nasal naloxone spray: \$22.50/unit.
 - Intramuscular naloxone: \$3/vial.



Since 2018, distributed more than **7,317,868** units



to more than **5,000** organizations



in all **58 California counties**



resulting in over **392,038 overdose reversals**

The Naloxone Distribution Project (NDP)

NDP Eligible Organizations:

First
Responders,
EMS, Fire

Law
Enforcement &
Criminal Justice

Hospitals &
Emergency
Departments

Community
Organizations

Unhoused
Services
Organizations

Harm
Reduction
Organizations

Veteran
Organizations

Faith-Based
Organizations

Tribal
Organizations

Schools,
Universities, &
Libraries

Substance Use
Recovery
Facilities

County Public &
Behavioral
Health Agencies

How to Apply for Naloxone and/or Fentanyl Test Strips

- » Eligible organizations can request up to 2,400 units of nasal naloxone spray, 1,000 units of IM naloxone, and 25,000 fentanyl test strip kits per application.
- » While funding is available, eligible organizations can receive **free fentanyl test strip kits**.
- » To **apply** for naloxone and/or fentanyl test strips through the NDP:
 - Gather the [required supplemental materials](#)
 - Complete the [NDP online application form](#)
 - Submit the application and supplemental materials
- » Manufacturer ships the naloxone and/or fentanyl test strips directly to applicants.
- » For questions, email naloxone@dhcs.ca.gov.

Federal SUD Funding

Substance Use Prevention, Treatment, and Recovery Services Block Grant (SUBG)

- » California's annual SUBG allocation from the Substance Abuse and Mental Health Administration to counties is ~\$230M, which is allocated based on population size to provide SUD related activities and services.
- » To prevent and treat SUDs, the SUBG Program funds prevention, treatment, recovery support, and other services independently or with Medi-Cal funded services.
- » The SUBG program includes the following “set-asides” defined by federal statute and state priorities:
 - Discretionary – for programs specific to local needs, funded at the county's discretion (i.e. residential treatment, recovery support services)
 - Perinatal – services for pregnant women and women with dependent children
 - Prevention – for primary prevention services
 - Adolescent/Youth – youth treatment programs

California's State Opioid Response (SOR) Grant

- » California has received more than \$695 million in SOR grant funding from the Substance Abuse and Mental Health Services Administration (SAMHSA) since 2017.
- » The program funds prevention, harm reduction, treatment, and recovery supports and services to address the opioid crisis; the current funding cycle (SOR IV) runs from 09/30/2024 to 09/29/2027 and funds over [20 unique projects](#).

State Opioid Response Grant Objectives



Expand access to MAT through strategic access points.



Address health inequities by providing OUD treatment to specific populations including Black, Tribal/Urban Indian, Hispanic/Latinx, and LGBTQIA+ communities, people experiencing homelessness, people in criminal justice settings, and youth.



Expand overdose prevention activities to prevent opioid, fentanyl, and methamphetamine misuse and overdose deaths.



Expand access to community defined best practices and evidence-based low-threshold care approaches, including overdose education, access to naloxone, counseling, and referral to treatment for OUD and SUD.

State Opioid Response III Grant Outcomes

28

Projects under SOR III

211,000+

New patients receiving MOUD

500+

Access points for MOUD

467,000+

Referred to or received recovery
support services

9,300+

Youth Served

35,000+

New patients receiving treatment for
stimulant use disorder

SOR IV Projects

- » Buprenorphine Utilization Performance Evaluation (BUPE) Registry and Referral Network
- » California Bridge Program
- » California Hub & Spoke System
- » California Overdose Prevention Network
- » DUI MAT Integration/Outreach
- » Emergency Medical Services Buprenorphine Use Project
- » Low-Barrier Opioid Treatment Expansion Programs
- » MAT Access Points
- » MAT in DHCS Licensed Facilities
- » Media Campaign
- » Medication Units
- » Naloxone Distribution Project
- » Opioid and Stimulant Use Disorder Prevention, Education, and Outreach Project
- » Provider Support Initiative and Technical Assistance

California Bridge Program

- » Hospitals and emergency departments (EDs) serve as primary access points for the treatment of acute SUD symptoms.
- » Participating sites address substance use as a treatable chronic illness by beginning MOUD in the hospital, providing harm reduction services, and connecting individuals to ongoing care in the community.
- » From 2018–2024, DHCS invested \$98.9M in the hospital grant program, serving 276 of the state's 331 EDs to become a great source of new MAT initiations.
- » During the grant program, 333,625 were seen for a potential SUD or mental health issue; 265,862 were identified as having an Opioid Use Disorder and MAT was prescribed or administered to 107,155 patients.



California Hub and Spoke System (H&SS)

- » Consists of narcotic treatment programs (Hubs) which serve as experts in treating opioid use disorder, as well as office-based treatment settings (Spokes) which provide ongoing care and maintenance treatment.
- » For more information, visit <https://www.cahubandspoke.com/>.



87,784

New patients started
MOUD



22,314

New patients received
stimulant use disorder
treatment



152,726

Referred to or received
recovery support
services



14,369

Received employment
support

California Overdose Prevention Network

- » A statewide learning network that strengthens connections within communities that work to address the overdose epidemic.
- » Highlights from July 1, 2025 – September 30, 2025 include:



52

Technical assistance
sessions held



23,382

Naloxone units
distributed



3,176

People attended 116
trainings



523

Youth received
school-based
prevention education



Tribal MAT Project

- » The Tribal MAT Project aims to improve MAT access for Urban and Tribal communities across California's 110 federally recognized tribes.
- » Since 2017, DHCS has allocated more than \$62 million in SOR grant funding to the TMAP Project.
- » For more information, visit <https://californiaopioidresponse.org/matproject/tribal-mat-program/>.

Tribal MAT Accomplishments



23 new Local Opioid Safety Coalitions established
specific to Tribal populations



Tribal and Urban Indian communities activities related to the engagement of non-abstinent patients:

13,000+ units of naloxone distributed
27,000+ fentanyl test kits distributed
3,500 trained on overdose response
5,766 overdose reversals reported



Training, awareness campaigns, and housing support to Tribal and Urban Indian communities:

9,206 training participants
435 referred for housing support
17,989 media impressions

Behavioral Health Workforce Development

Behavioral Health Workforce Development

- » **Mentored Internship Program (MIP):** The MIP project provided opportunities for students 18 and older and at multiple stages of their education to gain practical on-the-job experience. The goal of the MIP project was to enhance the professional development of diverse students through thoughtful mentored internships and to grow the future behavioral health (BH) workforce.
- » **Expanding Peer Organization Capacity (EPOC):** The EPOC project helped emerging peer organizations build their infrastructure and capacity to deliver peer recovery supports.
- » **Peer Workforce Investment (PWI):** The PWI project helped peer-run behavioral health (BH) programs build capacity and infrastructure for increased service volume and collaboration with other provider types.
- » **Behavioral Health Recruitment and Retention (BHRR):** The BHRR project provided an opportunity for nonprofit, tribal, and county-operated behavioral health (BH) providers to plan, develop, and implement comprehensive strategies to recruit, onboard, engage, and retain staff and create and establish inclusive workplace cultures.

Behavioral Health Bridge Housing

Behavioral Health Bridge Housing

- » [Behavioral Health Bridge Housing \(BHBH\) Program](#) addresses the immediate and sustainable housing needs of people experiencing homelessness who have serious behavioral health conditions, including a serious mental illness (SMI) and/or **substance use disorder** (SUD).
- » Eligible entities include County Behavioral Health Agencies (BHA) and tribal entities across California.
- » The implementation of Rounds 1-3 will continue through June 30, 2027.
- » Under this \$907 million, our projections suggest:
- » 3,448 new housing beds will be created through infrastructure projects.
- » Approximately 4,700 beds will be funded annually through rental assistance programs, shelter/interim housing, and/or auxiliary funding to assisted living.

	Eligibility	Status
Round 1	\$907M County behavioral health agencies (BHAs)	County Dashboard
Round 2 & 2B	\$50M Tribal Entities Request For Applications	Tribal Entities Dashboard
Round 3	\$132.5M County behavioral health agencies with Round 1 contracts.	Round 3 awards

The Future

- » Growing participation in the DMC-ODS and continued CalAIM integration will push further integration of SUD services with physical and mental health care.
- » The BHSA Integrated Plan and other tools will create more transparency and accountability regarding the planning for services and outcomes achieved for SUD funding sources.
- » Major SUD infrastructure build-out for needed treatment settings with BHCIP funding.
- » A renewed workforce push through loan repayment, scholarships, and provider grant opportunities under BH-CONNECT and BHSA funding.
- » Expanded crisis system through mobile crisis units and 988 integration.
- » More data, measurement, and performance targets.
- » A continued focus on housing and supportive services as health care.

Resources

Resources

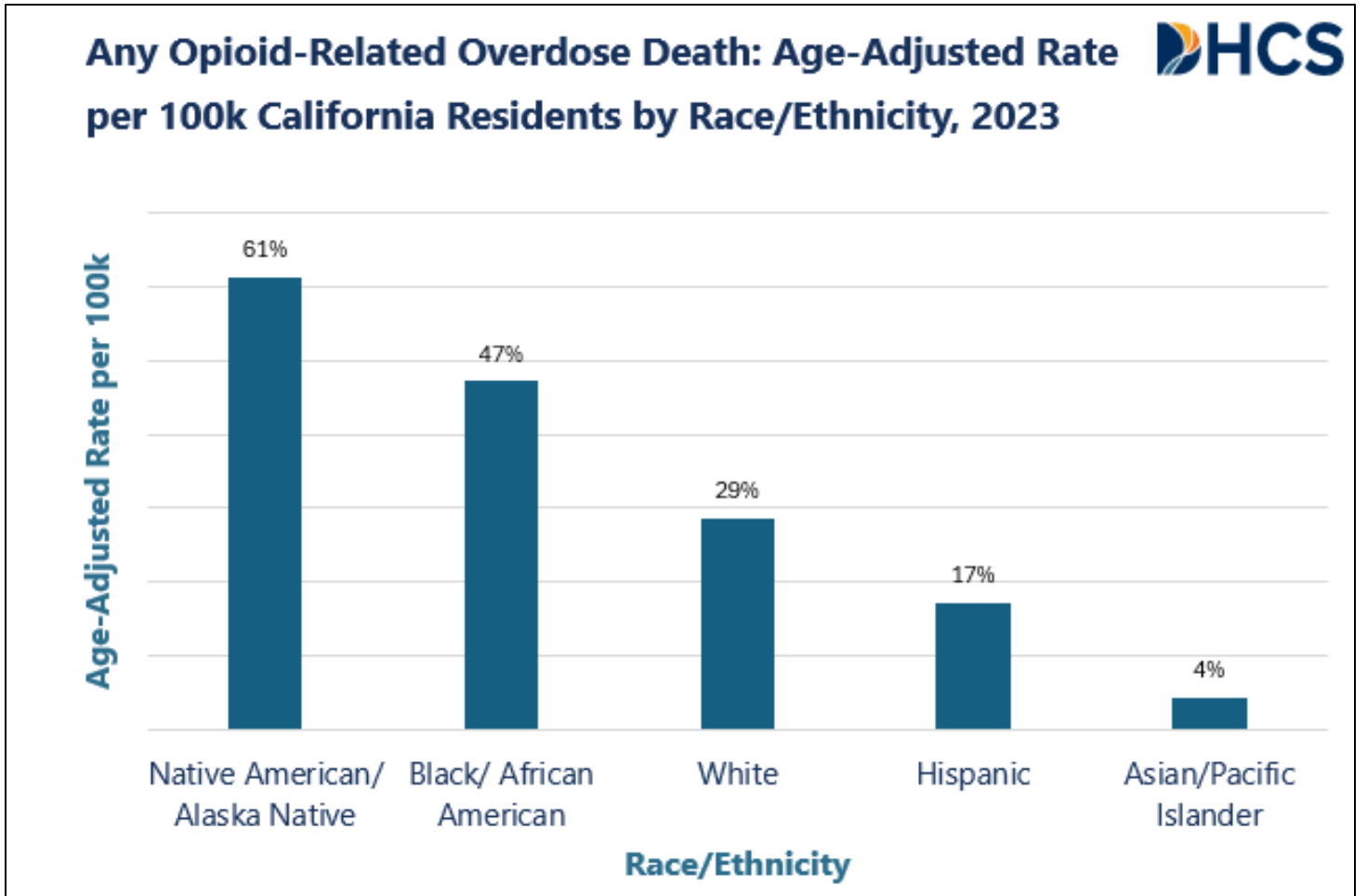
- » County Funding Sources for Integrated Plan
- » Drug Medi-Cal Organized Delivery System Fact Sheet
- » Substance Use Disorder Licensing and Certification Toolkit
- » CalAIM Behavioral Health Initiative FAQ
- » California Opioid Settlements FAQs
- » Naloxone Distribution Project FAQs
- » Substance Use Prevention Evidence-Based Resource

Thank you!

Appendix

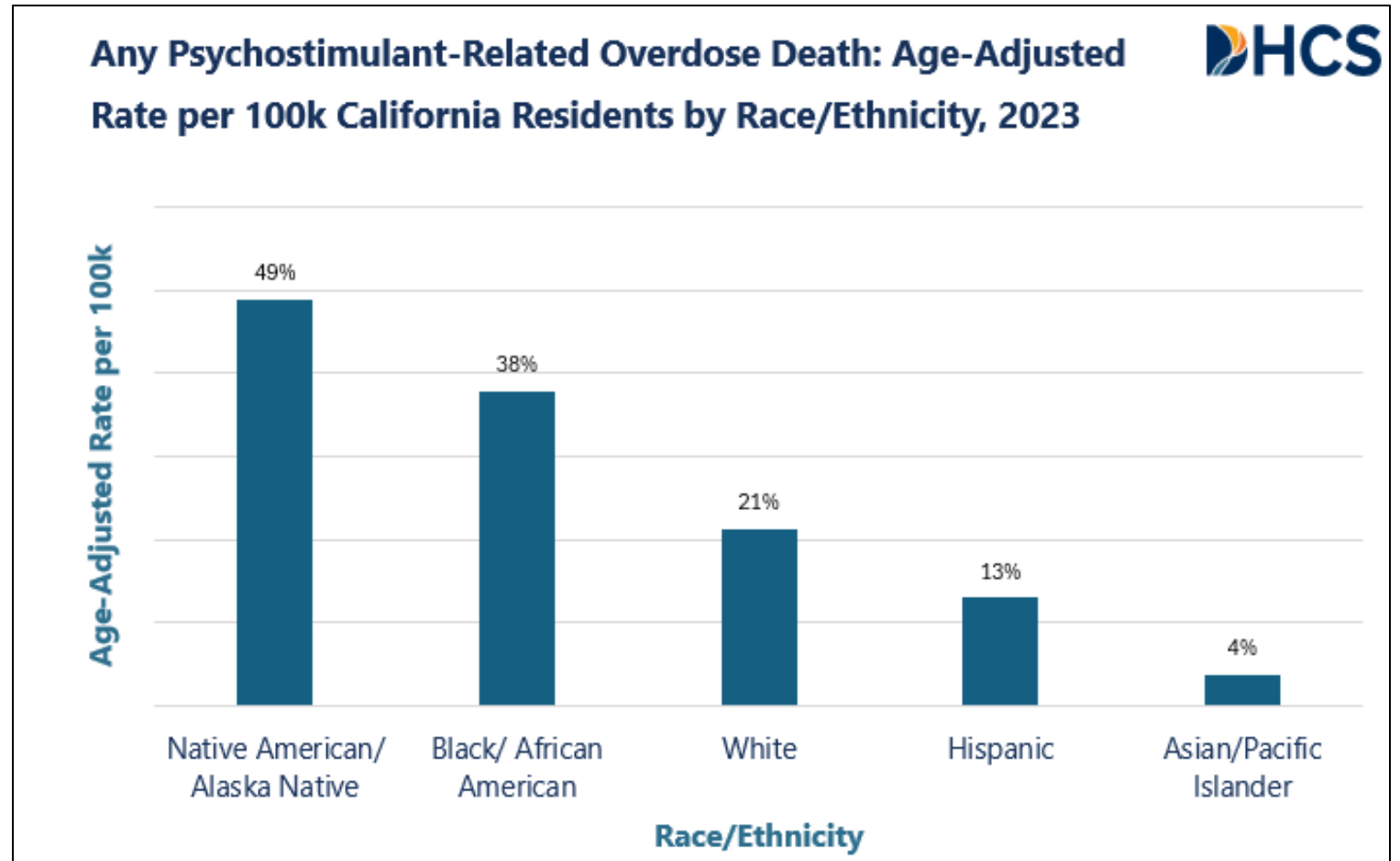
Opioid-Related Overdose Deaths

- » Opioid overdose deaths were the highest among the Native American/Alaska Native population
- » Blacks and African Americans were the second highest group who experienced high death rates related to opioids.



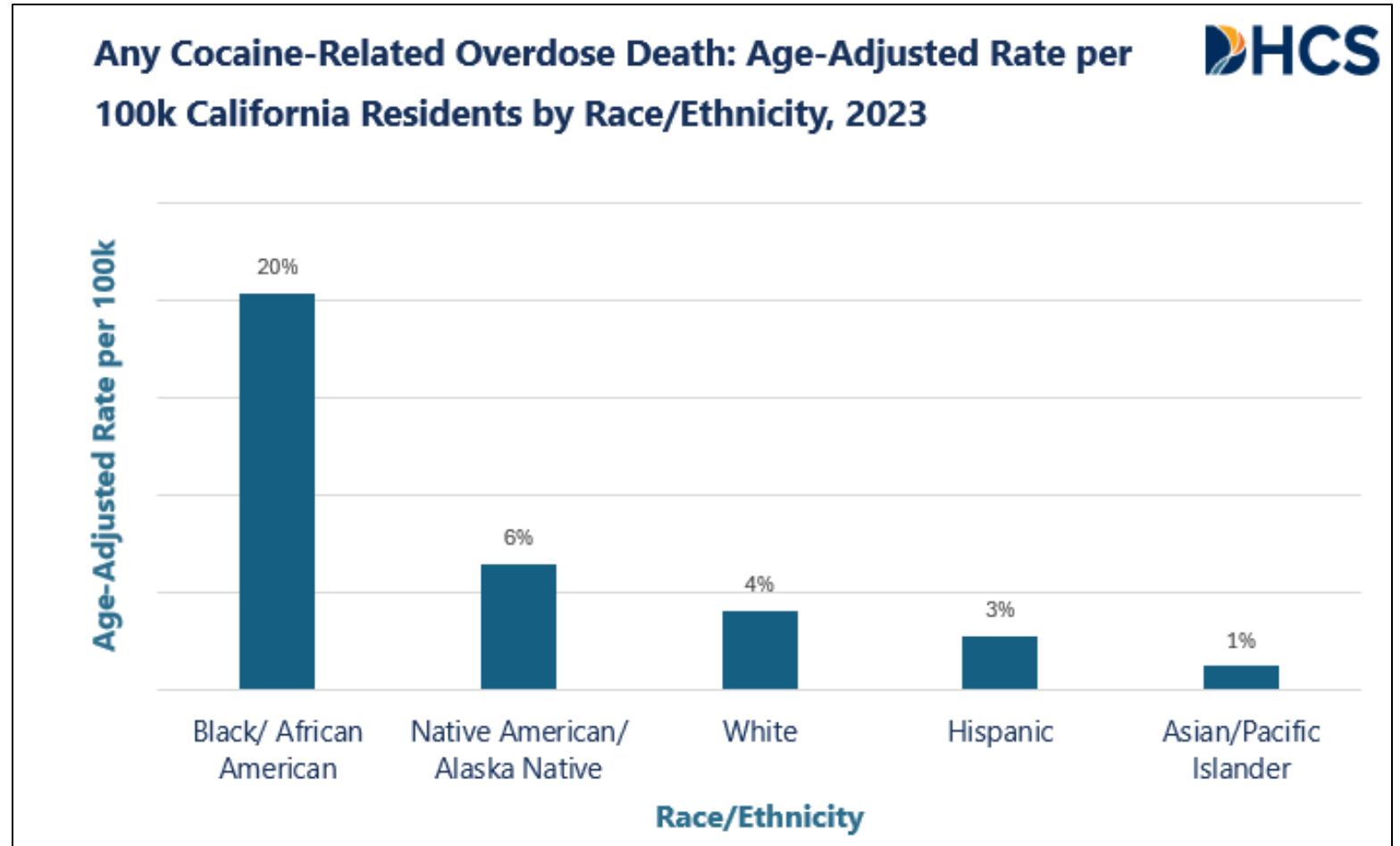
Psychostimulant-Related Overdose Deaths

- » Overdose death rates due to psychostimulants were also high among the Native American/Alaska Native population – a **63%** increase from 2020.



Cocaine-Related Overdose Death Rate

- » Cocaine-related overdose deaths increased in California by **35%** from 2020 to 2023.
- » Blacks and African Americans experienced higher fatality rates than other racial and ethnic groups.



Questions & Discussion Time

Next Steps & Closing

Stephanie Welch, MSW. Deputy Secretary of Behavioral Health, CalHHS

Next Steps

- November 12th Hybrid Behavioral Health Task Force Quarterly Meeting, in Sacramento: 10 a.m.-3 p.m.
- Email BehavioralHealthTaskForce@chhs.ca.gov to sign up for the BHTF listserv and send any questions/comments

Thank you for joining us today!

For information about the Behavioral Health Task Force, please visit the CalHHS website at <https://www.chhs.ca.gov/home/committees/behavioral-health-task-force/>