BHTF Lunch & Learn

Behavioral Health Transformation: Goals and Strategies to Support Children, Youth, and Families

CalHHS
California Health & Human Services Agency

Welcome & Overview

Stephanie Welch, Deputy Secretary of Behavioral Health, CalHHS

Agenda

Welcome and Overview – *5 minutes*

Goals and Strategies to Support Children, Youth, and Families Presentation

- **Paula Wilhelm**, Deputy Director, Behavioral Health, California Department of Health Care Services

Closing & Adjourn – *5 minutes*

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Behavioral Health Transformation: Goals and Strategies to Support Children, Youth, and Families

Paula Wilhelm
Deputy Director, Behavioral Health, DHCS

DHCS
CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES

July 2026

Agenda

Background: Behavioral Health Transformation for Children and Youth

Population Health Goals and Measures

Early Intervention

Full Service Partnerships (FSP)

Background: Behavioral Health Transformation (BHT) for Children and Youth

Behavioral Health Transformation (BHT)

In March 2024, California voters approved Proposition 1, a two-bill package creating a historic opening to modernize the state's behavioral health care system.

Behavioral Health Services Act

- Aims to increase state and local accountability, transparency and operational efficiency for all county Behavioral Health funding and outcomes.
- Reforms Mental Health Services Act funding to prioritize services and housing to Californians with the most significant mental health needs, while adding the treatment of substance use disorders (SUD).

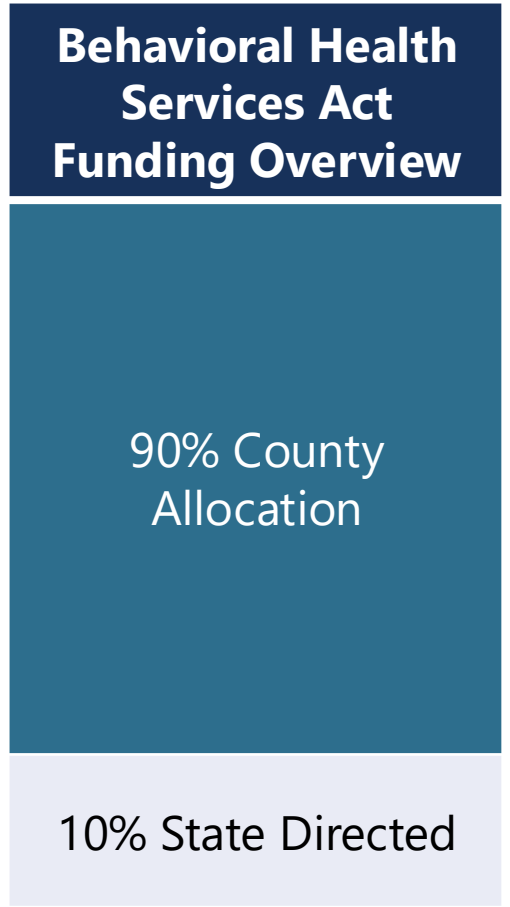
Behavioral Health Bond

- Funds bricks-and-mortar Behavioral Health infrastructure.
- Invests $4.4B to expand Behavioral Health treatment facilities through the Behavioral Health Continuum Infrastructure Program BHCIP.
- DHCS administered $2B through Homekey+ to support housing for individuals with Behavioral Health needs, including a $1B set-aside for veterans.

Behavioral Health Services Act

Behavioral Health Services Act (BHSA):

- **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**



BHSA Eligibility Criteria: Children and Youth

- 25 years of age or under (including early childhood and transition age youth; ***AND***
- Meet Medi-Cal access criteria for Specialty Mental Health Services ***OR***
- Have a substance use disorder (as defined in BHSA statute).

California Welfare & Institutions Code, Section 5892(k)(7)

BHSA Priority Population: Children and Youth

Chronically homeless, experiencing homelessness, or at risk of homelessness

Involved in, or at risk of being involved in, the juvenile justice system

Reentering the community from a youth correctional facility

Involved in the child welfare system

At risk of institutionalization

California Welfare & Institutions Code, Section 5892(d)(2)

BHSA Furthering Goals for Children and Youth

The BHSA strengthens tools to treat those with more serious conditions and to intervene early, meeting children, youth, and their families where they are to disrupt the trajectory toward illness and other negative outcomes.

How will children and youth benefit from the Behavioral Health Services Act?

Population Health: **Population-based programming on behavioral health and wellness** to increase awareness about resources, reduce stigma, and intervene "upstream" to reduce behavioral health challenges *(see BHT performance measures in next section).*

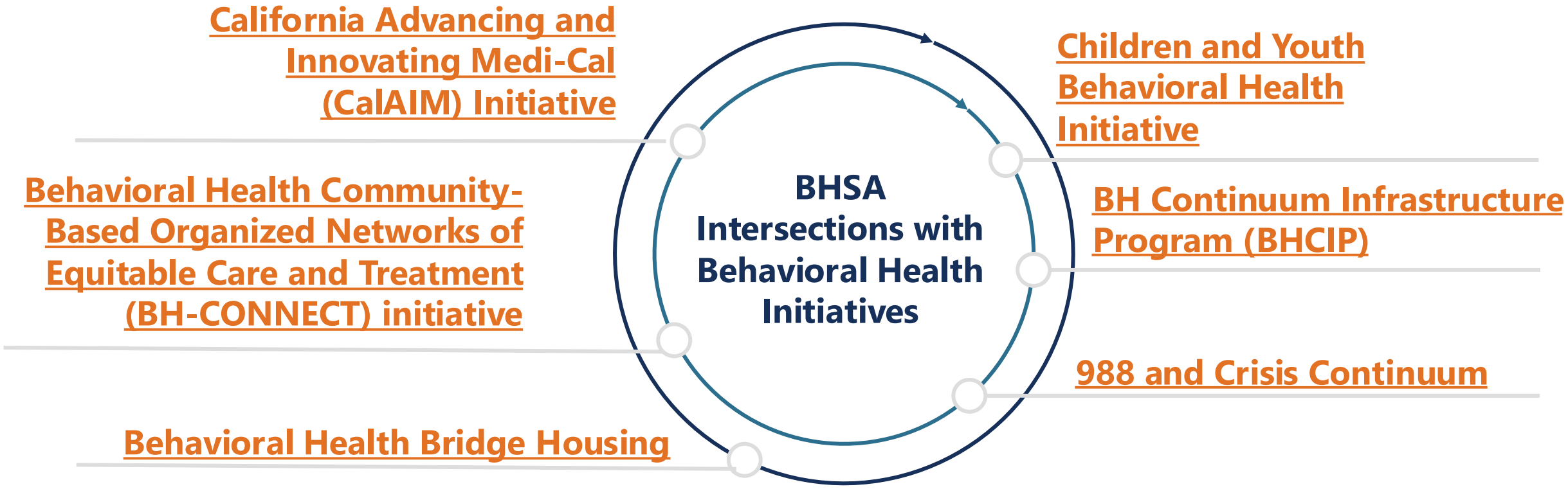
Early Intervention Funding (at least 51% of county BHSS allocations): at least 51% of early intervention funding must be directed to people 25 years of age and younger and include **early childhood (0-5) mental health consultation, school-based services, and expanding early psychosis and mood disorder detection and intervention.**

Full Service Partnerships (FSPs – 35% of county allocations): Children and youth with high behavioral health needs will benefit from FSPs **that provide evidence-based High Fidelity Wraparound (HFW),** delivering a whole-person approach that is trauma-informed, age-appropriate, and in partnership with a family's or an individual's existing supports.

FAQ-Behavioral Health Services Act

Other Behavioral Health Initiatives that Support Children and Youth

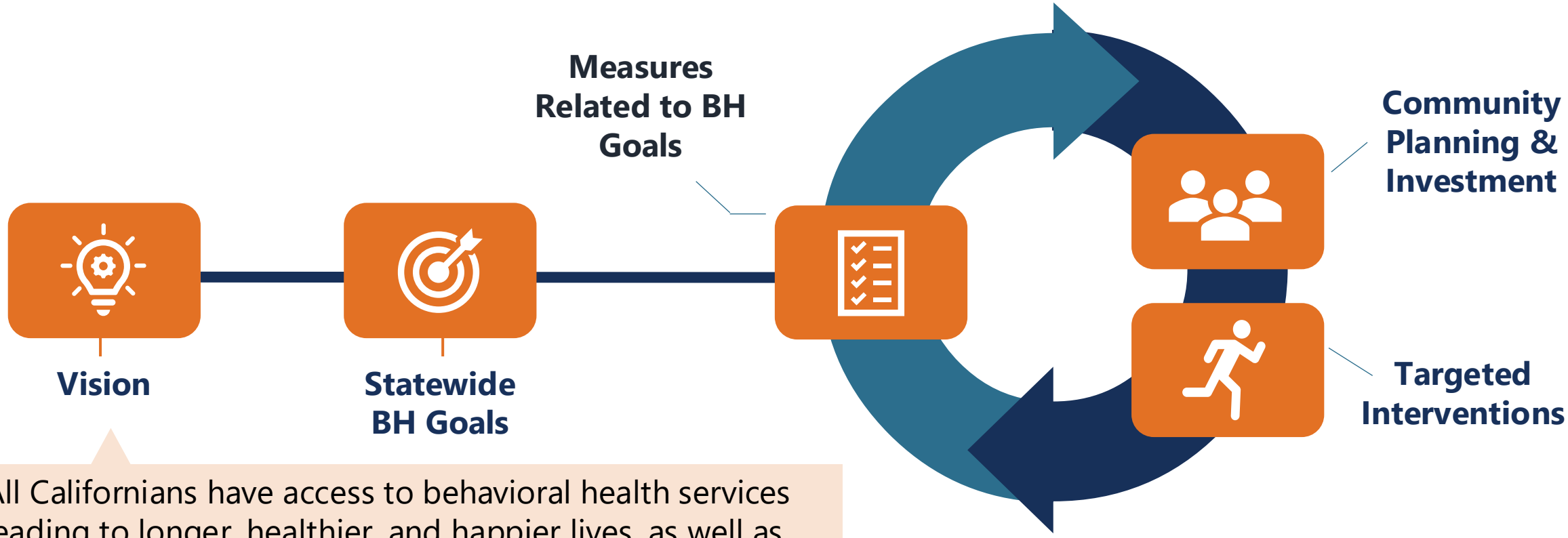
BHSA aligns with and amplifies a broader set of recent behavioral health initiatives, helping counties reinforce ongoing work and access new federal funding pathways, including:



Population Health Goals and Measures for Children and Youth

Population Behavioral Health Approach

The Population Behavioral Health Approach is designed to enable the behavioral health (BH) delivery system – including both county Behavioral Health Plans (BHPs) and Managed Care Plans (MCPs) – to make data-informed decisions to better meet the needs of individuals within the communities they serve.



All Californians have access to behavioral health services leading to longer, healthier, and happier lives, as well as improved outcomes and reduction in disparities

Statewide Population Behavioral Health Goals

DHCS has identified 14 statewide behavioral health goals focused on improving wellbeing and decreasing adverse outcomes. DHCS will continuously assess statewide and county progress toward these goals.

Proposed Population BH Goals

↑ Goals for Improvement
Care experience
Access to care
Prevention and treatment of co-occurring physical health conditions
Quality of life
Social connection
Engagement in school
Engagement in work

↓ Goals for Reduction
Suicides
Overdoses
Untreated behavioral health conditions
Institutionalization
Homelessness
Justice-Involvement
Removal of children from home

Health equity will be incorporated in each of the Behavioral Health Goals

Measures in Two Phases

The calculated Phase 2 measures will replace Phase 1 measures starting July 1, 2026.

Phase 1
Population-Level BH Measures

In June 2025, DHCS published a set of ***one-time***, population-level measures for each goal. This are intended to support MCP and BHP planning efforts through mid-2026.

- Selected from existing, publicly available measures
- At the goal-level by county only; not attributable to specific MCPs and BHPs
- Used for *planning only*

Used to complete counties' 2026 BHSA Integration Plans (IP) and MCP's 2025 Population Health Management Deliverables.

Phase 2
Performance Measures

This month, DHCS will finalize the performance measures that will be used to assess performance on each goal on an ***ongoing basis***.

- Based on individual-level data calculated by DHCS
- Attributable to specific BHPs and MCPs
- Used for planning, population health, and accountability

Used for all future deliverables (including IP, Annual Updates (AUs) and the Behavioral Health Outcomes, Accountability, and Transparency Report (BHOATR) and MCP's PHM Strategy Deliverable).

BHT Performance Measures

Reduce Homelessness

1. ***Homelessness Among People with Significant BH Needs***
2. Housing Services for People With Significant BH Needs Who Experience Homelessness
3. FSP and Housing Services for People with Significant BH Needs Who Experience Homelessness

Reduce Institutionalization

1. ***Institutional Stays for People with BH Needs***
2. Coordinated Specialty Care for First Episode Psychosis
3. Support for Transitions from Institutional BH Care
4. Follow-Up After Hospitalization for Mental Illness – 7 Days (FUH)
5. Follow-Up After Other Institutional Stays for Behavioral Health

Reduce Justice Involvement

1. ***Incarceration Among People with Significant BH Needs***
2. *Repeat Justice-Involvement Among People with Significant BH Needs*
3. Post-Release BH Services for Justice-Involved People with Significant BH Needs
4. Continuation of Medication Assisted Treatment for Justice-Involved Reentry Enrollees

Reduce Removal of Children from Home

1. ***Children and Youth in Foster Care***
2. Specialty BH Services for Children and Youth in Foster Care
3. BH Services for Parents, Guardians, and Pregnant People with Significant BH Needs
4. HFW, ECM, or ICC for Children and Youth in Foster Care

Reduce Overdoses

1. ***Deaths by Drug Overdose***
2. *Repeat ED Visit or Hospitalization for Drug Overdose*
3. Contingency Management
4. Recovery Incentives - Contingency Management
5. Pharmacotherapy for Opioid Use Disorder (POD)
6. Follow-Up After High-Intensity Care for Substance Use Disorder – 7 Days (FUI)

Reduce Suicides

1. ***Deaths by Suicide***
2. *Repeat ED Visit or Hospitalization for Self-Harm*

DHCS expects to add an intervention measure for this goal in the second BHSA IP period.

Improve Prevention and Treatment of Co-Occurring Physical Health Conditions

1. Ambulatory Services for Adults with Significant BH Needs
2. Well Child Visits for Children and Youth with Significant BH Needs
3. Dental Visits for People with Significant BH Needs

Improve Access to Care

1. ***One or More Behavioral Health Core Clinical Services for People with MH Needs***
2. ***One or More BH Services for People with Significant MH Needs***
3. ***Initiation of SUD Treatment (IET-I)***
4. ***One or More BH Services for People with Significant MH Needs and Co-Occurring SUD***

Reduce Untreated Behavioral Health Conditions

1. ***Three or More BH Services for People with MH Needs***
2. ***Three or More BH Services for People with Significant MH Needs***
3. ***Engagement in SUD Treatment (IET-E)***
4. ***Three or More BH Services for People with Significant MH Needs and Co-Occurring SUD***
5. Depression Screening and Follow-Up for Adolescents and Adults (DSF-E)
6. Evidence-Based Practices for People Living with Significant Mental Health Needs
7. Follow-Up After Emergency Department Visit for Substance Use – 7 Days (FUA)
8. Follow-Up After Emergency Department Visit for Mental Illness – 7 Days (FUM)

Improve Care Experience

1. ***Perception of Care with Respect to One's Cultural Background: SMHS***
2. ***Perception of Care with Respect to One's Cultural Background: DMC-ODS***
3. ***Perception of Care with Respect to One's Cultural Background: NSMHS***

Improve Engagement in School

1. ***Graduation Rates for Students with BH Needs***
2. ***Chronic Absenteeism for Students with BH Needs***
3. Care Coordination and Management Services for Children and Youth with BH Needs
4. Developmental Screening in the First Three Years of Life (DEV)

Improve Engagement in Work

1. IPS Supported Employment for People with Significant BH Needs

Improve Quality of Life

DHCS expects to develop a measure for this goal in the second BHSA IP period.

Improve Social Connection

1. Services that Strengthen Interpersonal Relationships for People with Significant BH Needs

Cross-Goal: Equity Measures

1. Disparities in BH Services for People with MH Needs
2. Disparities in BH Services for People with Significant MH Needs
3. Disparities in Pharmacotherapy for Opioid Use Disorder

Cross-Goal: BHSA Priority Populations Measure

1. Multi-System Involvement for People with BH Needs Who Are Already System-Involved

Select Measures of BH Interventions for Children & Youth

DHCS developed a wide range of measures under each of the BHT goals. **All measures can be stratified by age to assess for performance for children and youth.**
Several measures are especially relevant for children and youth, which include:

- Coordinated Specialty Care for First Episode Psychosis
- BH Services for Children and Youth in Foster Care
- BH Services for Parents, Guardians, and Pregnant People with Significant BH Needs
- High Fidelity Wraparound, Enhanced Care Management, or Intensive Care Coordination for Children and Youth in Foster Care
- Well Child Visits for Children and Youth with Significant BH Needs
- One or More BH Services for People with Significant MH Needs
- Initiation of SUD Treatment (IET-I)
- One or More BH Services for People with Significant MH Needs and Co-Occurring SUD
- Three or More BH Services for People with Significant MH Needs
- Depression Screening and Follow-Up for Adolescents (DSF-E)

How Performance Measures Will Be Used

Transparency

DHCS will publish calculated measure rates, stratified by county/MCP and key demographics, for public access each year.

Planning

DHCS, counties, MCPs, and other stakeholders will be able to use these measures to track progress on the goals and inform planning for addressing the goals.

- Counties: Integrated Plans
- MCPs: PHM Strategy Deliverables

Population Health

DHCS will provide monthly rate updates and associated person-level data to counties and MCPs in Medi-Cal Connect.

This data will support population health activities (such as outreach and engagement, interventions, and other services) that would improve outcomes and performance on the measures.

Accountability

DHCS will use measures to

1. Inform and evaluate allocation of BHSA funding at the county level and the extent to which that allocation is addressing local needs (including in the BHOATR); and
2. Monitor BHP and MCP performance on delivery of Medi-Cal and BHSA services.

DHCS will not issue BHSA Corrective Action Plans on performance before 2029.

Early Intervention for Children and Youth

Early Intervention Funds for Children and Youth

Behavioral Health Service Act strengthens prioritization of resources to serve children and youth with its dedicated allocation of early intervention funds.

51% of Early Intervention funds must be used for **children and youth 25 years of age or younger, including transitional aged youth.**

Early interventions funds must **prioritize childhood trauma and early intervention** to deal with the early origins of mental health and substance use disorder needs, including strategies focused on:

- Youth experiencing homelessness
- Justice-involved youth
- Child welfare-involved youth with a history of trauma
- Other populations at risk of developing serious emotional disturbance or substance use disorders
- Children and youth in populations with identified disparities in behavioral health outcomes (WIC Sections 5840 and 5892)

Early Intervention: Coordinated Specialty Care for First Episode Psychosis (CSC for FEP)

County Early Intervention programs must offer a CSC for FEP program beginning July 2026.

- CSC for FEP is a community-based service that provides **timely and integrated support during the critical initial stages of psychosis** with the strongest base of evidence among any intervention for improving outcomes for individuals experiencing early psychosis.
- DHCS and the Commission for Behavioral Health have made **significant investments in expanding CSC for FEP throughout the state**. These efforts include:
  - A $25 million commitment through the Community Mental Health Services Block Grant from January 1, 2022 through June 30, 2025 to support counties in implementing and expanding their CSC for FEP programs with technical assistance through **EPI-CAL**
  - Children and Youth Behavioral Health Initiative (CYBHI) grants for CSC for FEP;
  - Coverage of CSC for FEP as a service under BH-CONNECT; and
  - Contracting with University of California, Davis to fund FEP technical assistance for county behavioral health agencies.

Full-Service Partnership (FSP) for Children and Youth: High-Fidelity Wraparound (HFW)

Moving FSP from MHSA to BHSA

FSP programs have been a core investment of the Mental Health Services Act (MHSA) over the last 20 years. They are designed to service people with the most significant and complex BH needs.

- FSP programs under the MHSA are **team-based and recovery-focused**, with participants receiving services and supports tailored to their needs through a **"whatever it takes" approach**.
- The BHSA aims to incorporate several recommendations made by the Commission for Behavioral Health to **strengthen and standardize county FSP programs**, including recommendations to:*
  - Establish a common set of service requirements.
  - Develop standardized definitions and eligibility requirements.
  - Develop a tiered system for FSP care ("levels of care") and incorporate step-down planning into programs.
  - Ensure FSP programs are equipped to serve a diverse population.
  - Streamline data collection and clarify expectations.

*MHSOAC. Transformational Change: Full Service Partnerships. Third Sector Report Summary. May 23, 2024.

FSP Under the BHSA

BHSA maintains FSP as essential to the behavioral health continuum of care and incorporates many of the improvement opportunities identified by the MHSOAC.

- Under the BHSA, county FSP programs **must** include:
  - Mental health and substance use disorder (SUD) services
  - Specific evidence-based practices (EBPs) *(see box at right)*
  - Assertive field-based initiation for SUD
  - Outpatient behavioral health services for evaluation and stabilization
  - Ongoing engagement services
  - Service planning
  - Housing interventions (funded under Housing Interventions category)
- FSP programs **may also** include:
  - Primary SUD FSPs
  - Additional EBPs
  - Outreach services
  - Other recovery-oriented services

Required FSP EBPs*

- ✓ Assertive Community Treatment (ACT)
- ✓ Forensic ACT (FACT)
- ✓ FSP Intensive Case Management (FSP ICM)
- ✓ Individual Placement and Support (IPS) Supported Employment
- ✓ **High Fidelity Wraparound (HFW)**
  - HFW is the **designated FSP level of care** for children and youth.

Overview of High Fidelity Wraparound (HFW)

HFW is a team-based, family-centered service for children and youth living with significant mental health or behavioral challenges. HFW is an intervention designed to help the youth stay at home with their families/caregivers, in school, and in the community.

- HFW includes an **"anything necessary"** approach to care for youth, combining team-based intensive care coordination and facilitation with individualized and home- and community-based mental health services and supports **tailored to meet the individualized needs of the youth**.

- HFW is designed to **help the youth's family, caregivers, and natural supports** understand the youth's needs and learn how to support them in navigating complex mental health and/or behavioral challenges.

- HFW organizes a **collaborative planning process** provided through a Child and Family Team (CFT), which is centered on family voice and choice and strengths, and includes people who are involved in the youth and family's life. Led by a facilitator, the team:
  - Develops and carries out an individualized plan; and
  - Is responsible for providing access to an array of formal intensive services and informal supports across multiple child-and-family serving organizations and systems.

- Youth who need HFW may also be served by foster care, child welfare, or juvenile justice.

HFW in Medi-Cal and BHSA FSP Programs

DHCS is implementing HFW as an evidence-based practice (and a corresponding updated payment model) within Medi-Cal Specialty Mental Health.

DHCS Policy Goal: Ensure counties and providers deliver HFW consistent with evidence- based standards and improves outcomes and quality of life among youth in California living with significant behavioral health needs.

- Although HFW is already available to Medi-Cal children and youth under the Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) benefit, DHCS is clarifying coverage of, and implementing a new payment model for, HFW — including service design, requirements, and policies.
- **HFW provided under FSP programs must meet all of the same standards as HFW delivered under Medi-Cal.**

Wraparound Service History in CA

- **Although wraparound services have been available in California for decades, studies have shown that certain practices garner best outcomes for youth.**
- The National Wraparound Initiative (NWI) gathered HFW best practices into standards that are required by the evidence-based model, called "high fidelity." DHCS is aligning with the NWI standards for Medi-Cal HFW.

Medi-Cal HFW Service Package

The Medi-Cal HFW Service Package includes care coordination, psychosocial rehabilitation, crisis intervention, and peer support services delivered consistent with evidence-based standards for HFW, as well as other community-based services designed to meet the individualized needs of the youth and family.

The HFW Monthly Rate

BHPs must claim for specified activities that all youth must receive as part of HFW.

The HFW monthly rate covers all direct service provided by a facilitator, caregiver/parent peer partner, and family specialist to a youth. The HFW monthly rate also covers activities conducted by a HFW team supervisor and a fidelity coach, clinical supervision from a licensed mental health practitioner (LMHP), and a community developer. These activities are defined in California's Medicaid State Plan as:

- Targeted Case Management
- Psychosocial Rehabilitation
- Caregiver/Parent Peer Support Services
- Crisis Intervention

+

Services Billed/Claimed Outside of HFW Monthly Rate

- Any SMHS, DMC or DMC-ODS service youth may need for which the BHP must provide or arrange
- Any Medi-Cal Managed Care Service youth may need for which the BHP must refer consistent with MOU requirements
- Any Medi-Cal services covered in the Fee-for-Service delivery system, for youth not enrolled in Medi-Cal managed care

HFW Draft Guidance

On April 15, DHCS released an updated draft of the HFW Behavioral Health information Notice (BHIN) and an accompanying draft HFW Policy Manual for public comment.

Draft HFW BHIN

- Describes ***minimum requirements*** that ***Behavioral Health Plans (BHPs)*** must meet for providing HFW under Medi-Cal.
- Provides ***more information on Medi-Cal claiming for HFW*** as well as the ***use of the HFW Decision Support Criteria (DSC).***

Draft HFW Policy Manual

- Describes both operational guidance and requirements in two sections.
  - **Section 1:** Operational guidance for counties and behavioral health practitioners.
  - **Section 2:** Requirements for HFW staff training, fidelity monitoring, and data collection to comply with Medi-Cal and the BHSA.

Collaboration with the CA Department of Social Services (CDSS)

- In July 2025, the California Department of Social Services (CDSS) and DHCS issued guidance which established the statewide minimum standards (the CA Wraparound Standards, which align with NWI standards) to be certified to provide family-based aftercare services for foster youth discharged from congregate care or out-of-state placements, in compliance with the Family First Prevention Services Act (FFPSA).
- DHCS and CDSS will continue to collaborate closely to **minimize duplication and streamline complexity for providers across Medi-Cal and child-welfare programs**. For example, the two Departments are:
  - Aligning the procedures providers must follow to become approved to provide HFW as family-based aftercare, as a Medi-Cal service and for BHSA FSPs, and for child welfare programs including Tiered Rate Structure/Wraparound Immediate Needs.
  - Working with a Center of Excellence (UC Davis Resource Center for Family-Focused Practice) to align procedures, provider training, and fidelity requirements to deliver one set of HFW standards across all state programs.

Thank you!

Appendix

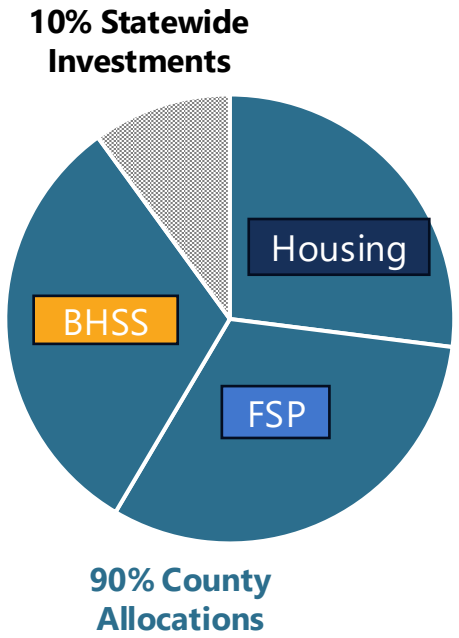
Behavioral Health Services Act Funding Breakdown

90% **County Allocations**

30% **Housing Interventions**
Interventions include rental subsidies, operating subsidies, shared housing, family housing for eligible children and youth, and the **non-federal share of certain transitional rent.**

35% **Full-Service Partnership Services**
Comprehensive and intensive care for people at any age with the most complex needs (also known as the "whatever it takes" model).

35% **Behavioral Health Services and Supports**
Includes early intervention, outreach and engagement, workforce, education and training, capital facilities and technological needs, and innovative pilots and projects.



10% **Statewide Investments** *See next slide*

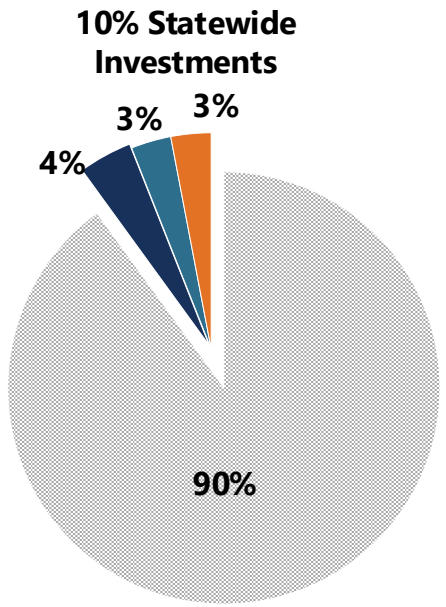
Behavioral Health Services Act Funding Breakdown

10% **Statewide Investments**

3% **Statewide Oversight and Monitoring Activities**
State entities will develop statewide goals, oversee county outcomes, train and provide technical assistance to counties and providers, research and evaluate, and administer programs.

3% **Workforce**
The Department of Health Care Access (HCAI) and Information will expand and support a culturally competent and well-trained statewide behavioral health workforce.

4% **Prevention**
The California Department of Public Health (CDPH) will administer statewide prevention services to reduce the risk of people developing mental health conditions or SUDs.



Goals for Improvement - Definitions

Goals for Improvement	Definition
Care experience	Care experience refers to the range of interactions and quality of care that patients have and receive from the healthcare system.
Access to care	Access to care is defined as the timely and appropriate use of health services to achieve the best possible health outcomes.
Prevention and treatment of co-occurring physical health conditions	Co-occurrence in this goal refers to the prevention or treatment of a physical health condition in an individual with an existing BH condition.
Quality of life	Quality of life is defined as an individual's "perception of their position in life in the context of the culture and value systems in which they live and in relation to their goals, expectations, standards, and concerns."
Social connection	Social connection refers to the degree to which an individual has the number, quality, and variety of relationships that they want to feel and have belonging, support, and care.
Engagement in school	In this context, engagement refers to the degree of attention, curiosity, interest, passion, and optimism that an individual has towards school and related activities.
Engagement in work	Similar to above, engagement refers to the degree of attention, curiosity, interest, passion, and optimism that an individual has towards work and related activities.

*Definitions are derived from DHCS policy guidance and other state and federal agencies (CDC, WHO, AHRQ, etc.)

Goals for Reduction - Definitions

Goals for Reduction	Definition
Suicides	Suicide is defined as death caused by self-directed injurious behavior with the intent to die as a result of the behavior.
Overdoses	A drug-related overdose can occur when a toxic amount of a drug, or combination of drugs, including prescription, illicit, or alcohol, overwhelms the body.
Untreated behavioral health conditions	Untreated BH conditions refer to an individual's BH condition that has not been diagnosed or attended to with appropriate and timely care.
Institutionalization	Institutionalization in this context is broad and refers to stays in emergency department, inpatient, or long-term facilities, and includes involuntary detention and treatment.
Homelessness	Homelessness refers to an individual or family whose primary residence, public or private, is not designed for or ordinarily used for habitation, including shelters.
Justice-Involvement	Incarcerated individuals, or justice-involved individuals, refer to youths and adults who are going to, living in, or transitioning from a public correctional facility i.e., prison, jail, or youth correctional facility. They also include youths and adults who have been arrested since receiving BH services or at any point during the 12 months prior to receiving services.
Removal of children from home	Removal of children from home refers to when children may be removed from their home because they may be at risk of harm or neglect.

*Definitions are derived from DHCS policy guidance and other state and federal agencies (CDC, WHO, AHRQ, etc.)

Next Steps & Closing

The Social Changery

Next Steps

- July 15th Hybrid Behavioral Health Task Force Quarterly Meeting, in Sacramento, 10 a.m.- 3 p.m.
- For questions and inquiries contact BehavioralHealthTaskForce@CHHS.CA.GOV
- To sign up for the public listserv visit https://www.chhs.ca.gov/home/committees/behavioral-health-task-force/

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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/

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