



V E N T U R A C O U N T Y

BEHAVIORAL HEALTH

A Department of Ventura County Health Care Agency



VENTURA COUNTY
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May 2024

PROPOSITION 1: BEHAVIORAL SERVICES ACT (BHSA) REFORM

Ventura County Implementation

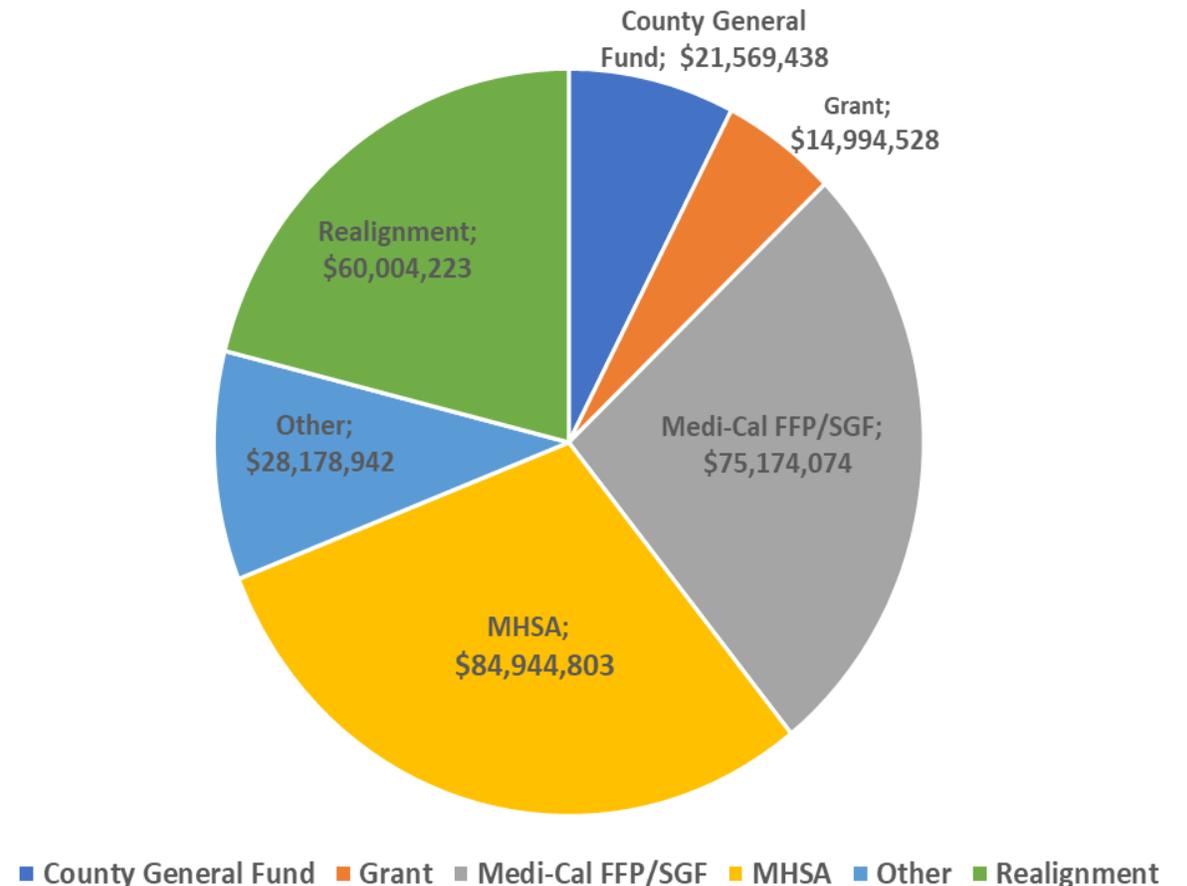
Dr. Loretta Denering
Interim Director

Behavioral Health Department Funding FY 24/25 Preliminary Budget

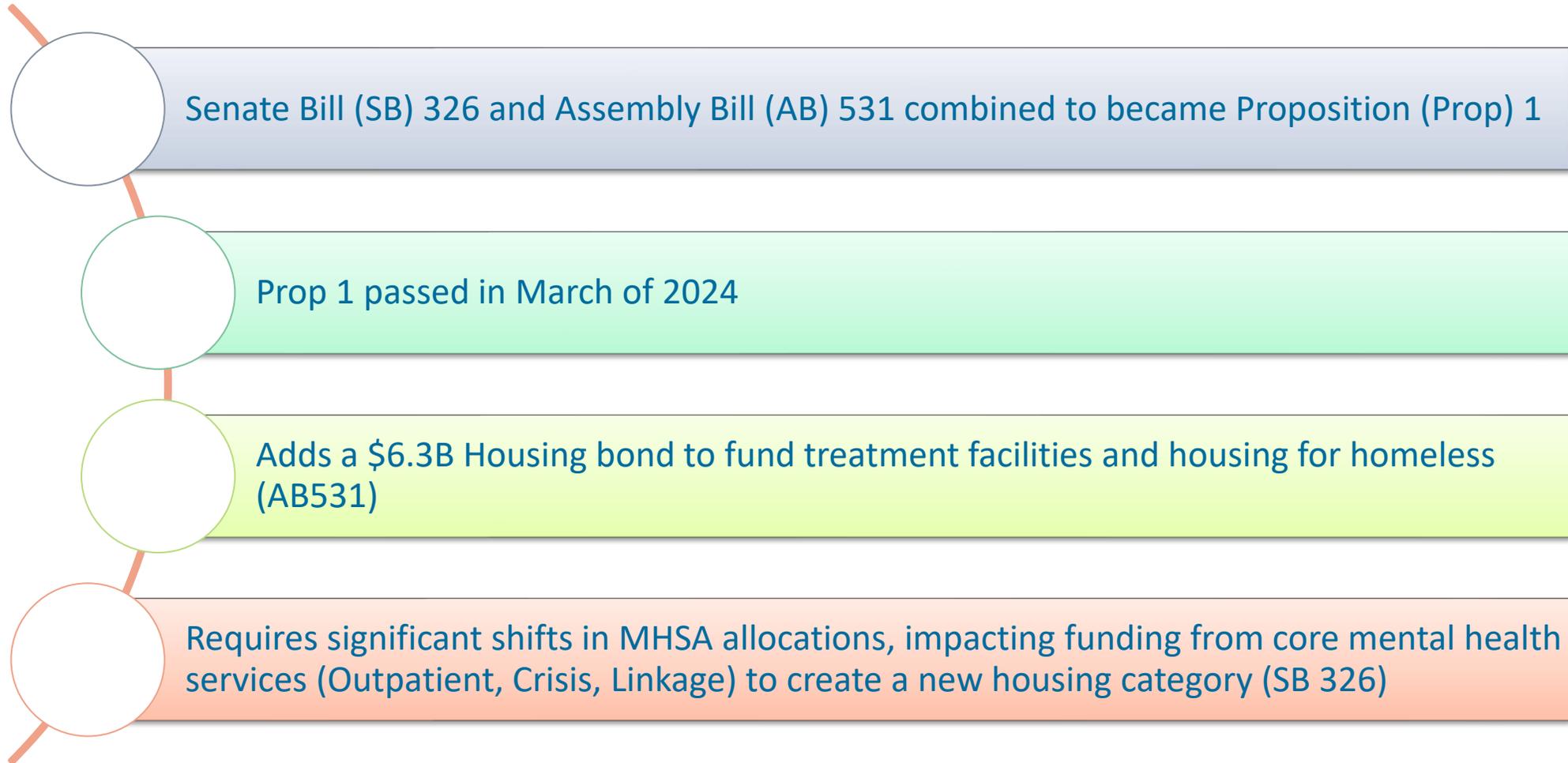
- Ventura County Behavioral Health’s budget is comprised of the following elements:
 - General Fund
 - Grants
 - MHSA*
 - Medi-Cal
 - Realignment
 - Other
- CalAIM and Payment Reform impacts are still under review.
- New state initiatives on the horizon including Care Court, and BH Connect will also have budgetary impact.

*MHSA increase due to large one-time payment, generally MHSA funds around 25% of VCBH department’s budget.

FY24-25 Behavioral Health Budget Funding



Transitioning from MHSA to BHSA Requirements



Overview of BHSA Changes

Funding: Changes from 5 components to 3 categories

Reporting: Expanded community planning, data, and funding for all revenue sources not just BHSA money

Services: Adding Substance Use Disorder (SUD) services for SUD-only populations (no additional funding will be added)

Limits: Cap for prudent reserve is reduced 33% to 20%

Limits: No specific allocation for - Workforce Education and Training, Innovation, and Capital Facilities and Technological Needs **however all are still required**

Adds: Requires counties to engage commercial plans and MCPs for contracting

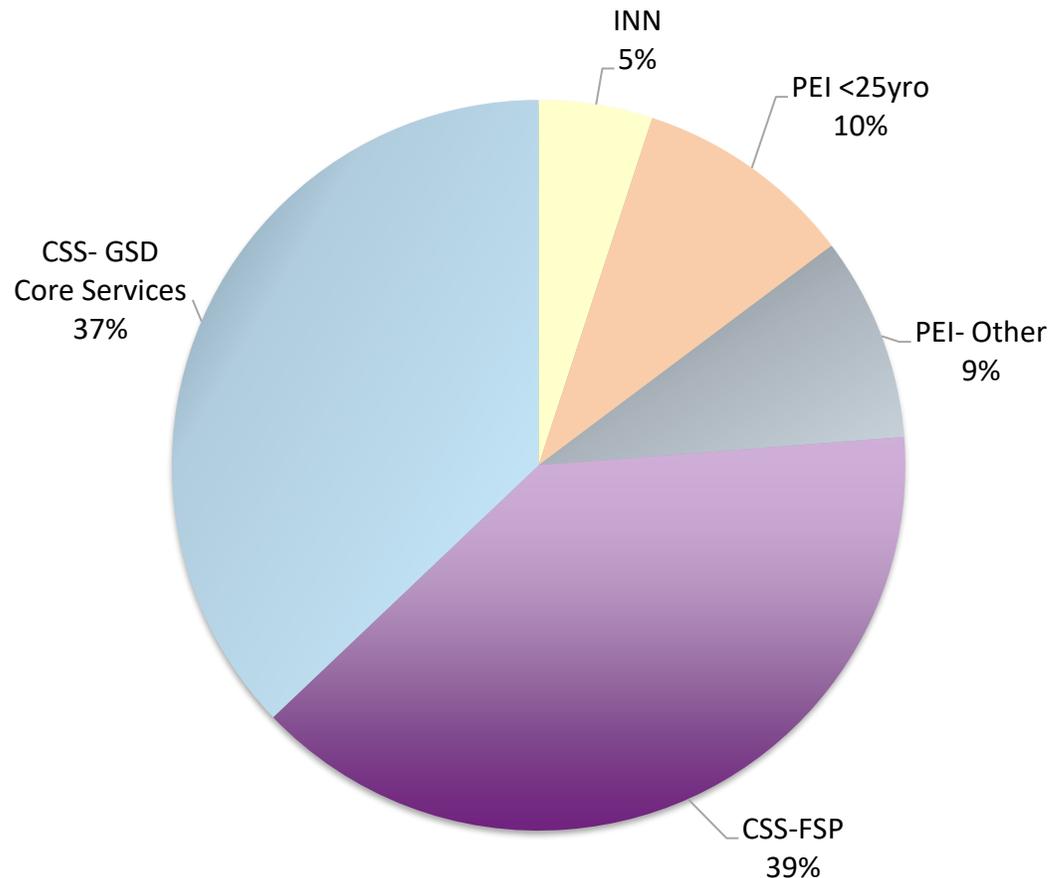
Cuts: Doubles the States allocation from 5% to 10% to fund and administer the following

- Prevention funds and services
- Workforce Education and Training

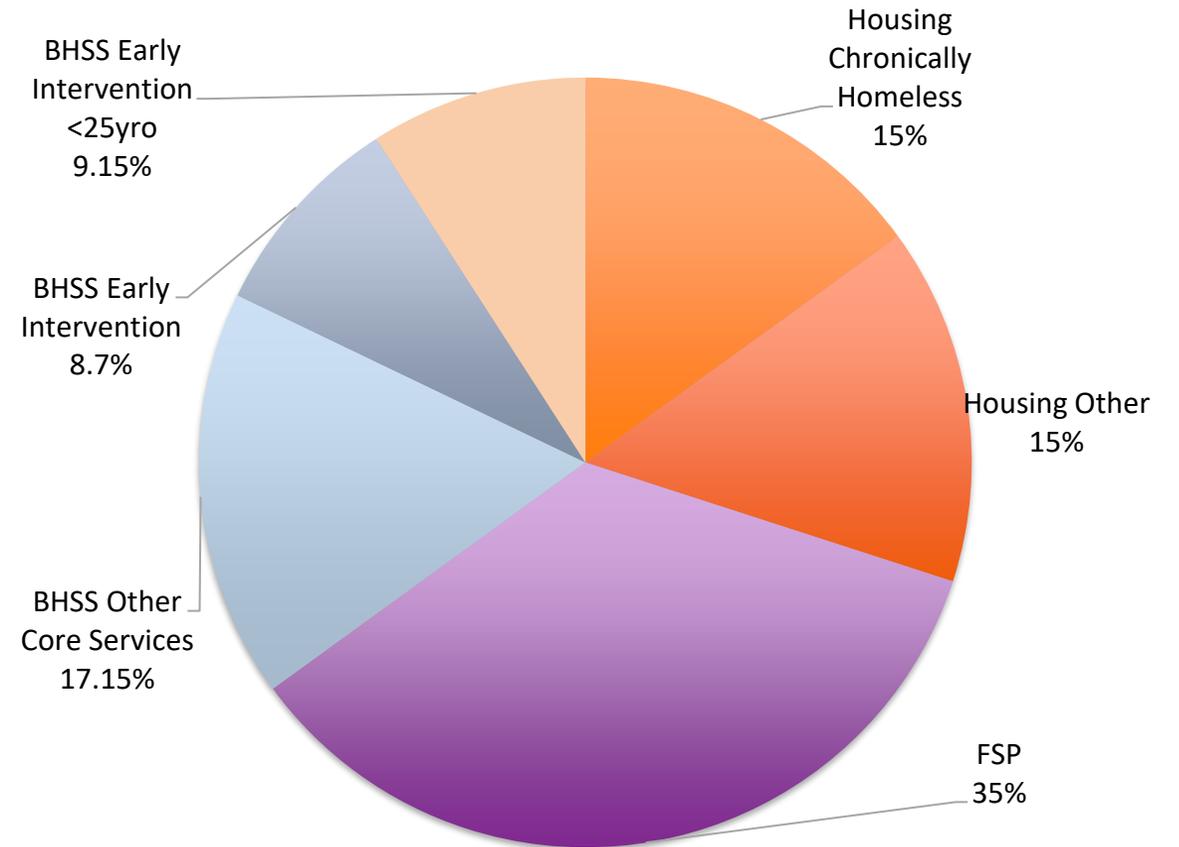
Target Timeline
2026

MHSA Components vs. BHSA Categories

MHSA State Funding Components

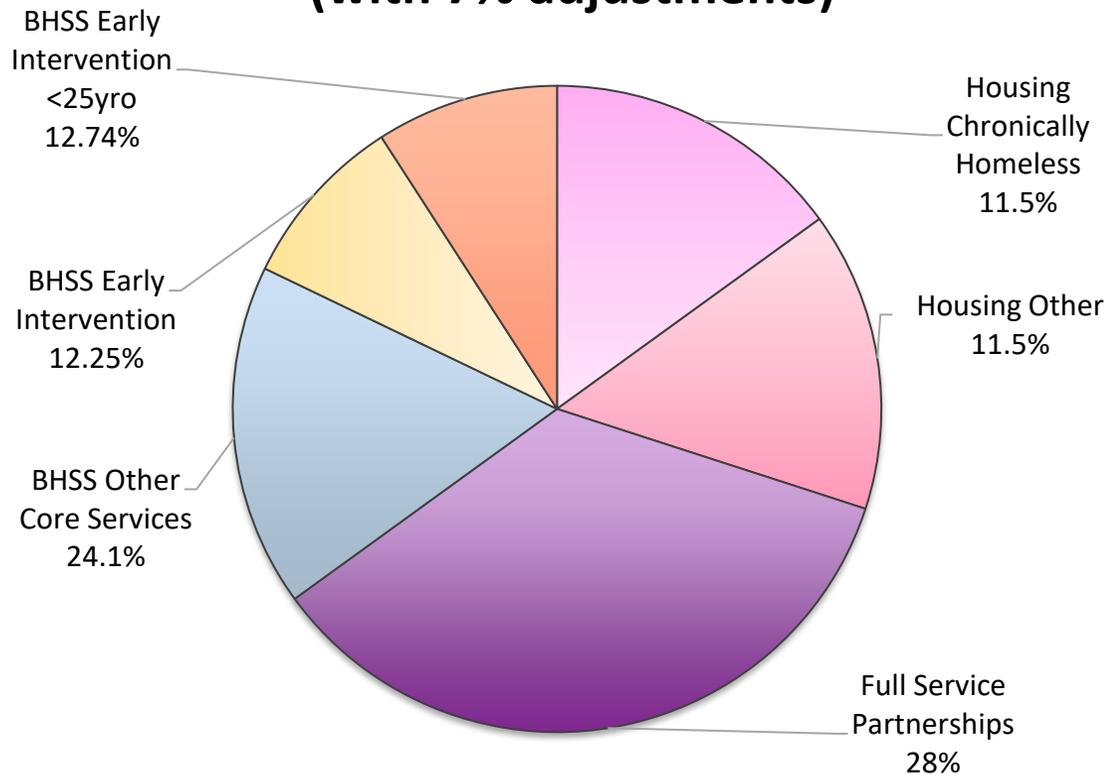


BHSA Proposed Funding Categories



Allowable BHSA Adjustments

BHSA Funding Categories (with 7% adjustments)



- Up to 14% can be Adjusted between categories
 - 7% from FSP and 7% Housing
 - Requires an approval process though DHCS
- All data from here forward is a snapshot of what is known currently and is subject to change as DHCS and other administrative bodies provide more clarity to the legislation.
- Categories that need additional spending or cuts in funding may even out more once that clarification is provided.
- **Key areas needing DHCS clarification:** Housing, FSP levels of care, and Early Intervention

Changes in Amounts per BHSA Category based 3-Year Average Budget

NEW CATEGORIES							
FSP	N/A	BH Services & Supports 35%			Housing 30%		Total
FSP 35%	Prevention	Minimum 51% of BHSS to Early Intervention	Minimum 51% of EI to age <25	Remaining BHSS % for Other Svcs	Minimum 50% to Chronically Homeless	Remaining %	
17,553,900	0	7,676,800	7,990,100	15,052,500	7,209,600	7,209,700	62,692,600
28.0%	0	12.2%	12.7%	24.0%	11.5%	11.5%	100%
Increase	Decrease	Increase	Increase	Decrease	Increase	Increase	

- Numbers are based on three-year budget average FY22-23, FY23-24, FY24-25
- Does not reflect changes to Prudent reserve or SUD only expenses yet

Estimated Funding Shift based on 3-Year Average Budget

Category	% of Avg Budget	BHSA Future Allocation	Change
Core Services (CSS)	61.97%	24.01%	-37.96%
Housing	2.52%	23.00%	20.48%
FSP	8.50%	28.00%	19.50%
PEI-Prevention/Outreach/Access & Linkage	16.01%	0.00%	-16.01%
PEI-Early Intervention	5.74%	24.99%	19.25%
WET	0.23%	0.00%	-0.23%
CFTN	0.00%	0.00%	0.00%
INN	5.03%	0.00%	-5.03%

- Core Services are all non-FSP services previously funded with the CSS component.

** Based on three-year budget average FY22-23, FY23-24, FY24-25.
Does not reflect transfers to CFTN and Prudent Reserve or impact of new State share.*

Estimated Funding Shift Using Average of 3-Year Budget

Category	Avg Budget	BHSA Future Allocation	Change
Core Services (CSS)	\$ 41,772,900	\$ 15,052,500	\$ (26,720,400)
Housing	\$ 1,700,700	\$ 14,419,300	\$ 12,718,600
FSP	\$ 5,730,100	\$ 17,553,900	\$ 11,823,800
PEI-Prevention/Outreach/Access & Linkage	\$ 10,793,500	\$ -	\$ (10,793,500)
PEI-Early Intervention	\$ 3,868,200	\$ 15,666,900	\$ 11,798,700
WET	\$ 156,900	\$ -	\$ (156,900)
CFTN	\$ -	\$ -	\$ -
INN	\$ 3,389,000	\$ -	\$ (3,389,000)
Total	\$ 67,411,300	\$ 62,692,600	\$ (4,718,700)

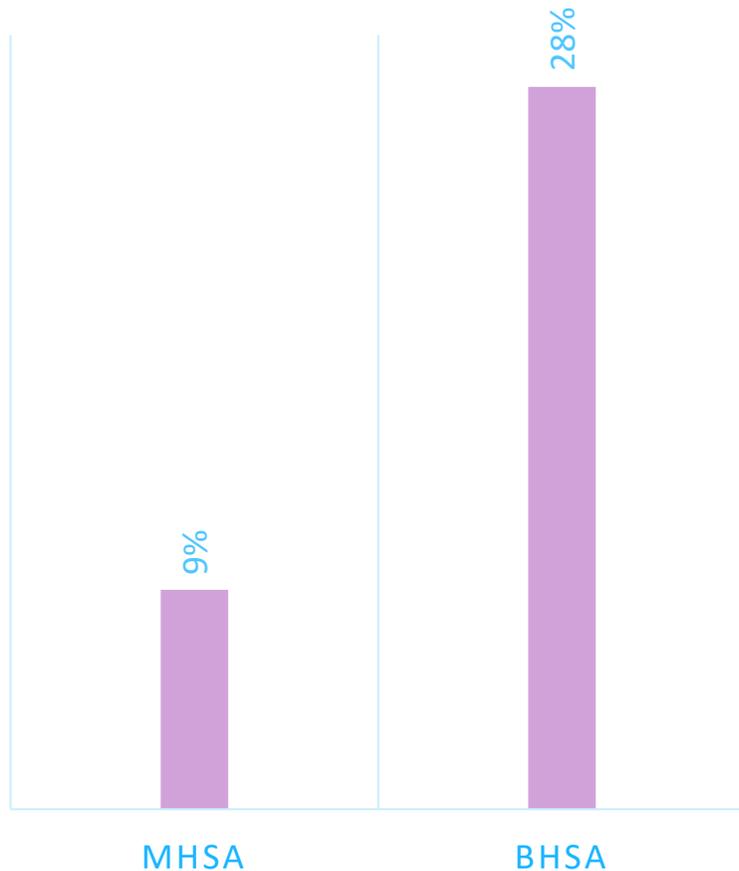
- Amount currently being utilized for Core Services will shift to Housing and FSP services.

**Based on three-year budget average FY22-23, FY23-24, FY24-25. BHSA Future Allocation includes deductions for new amounts that will be retained by the State and 2% to be allocated to administration for new reporting requirements.*

***This is budget - not actual spend. Actual spend may be different.*

Full-Service Partnerships

FSP ALLOCATION



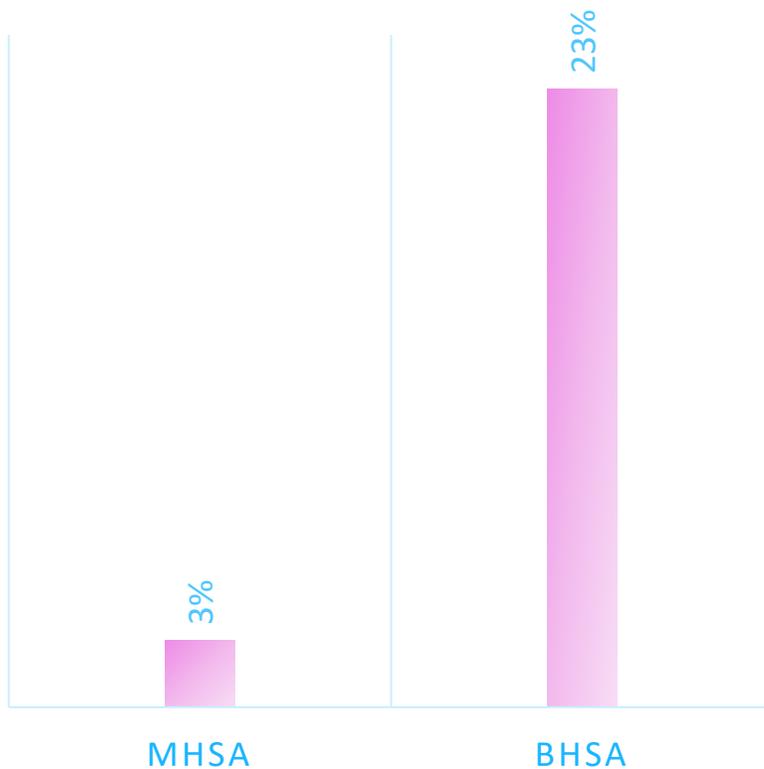
Increase programs in category by \$11,823,800*

Additional Requirements

- Fidelity Requirements:
 - Individualized Placement Services Supportive Employment
 - Wraparound and other EBPs as identified by DHCS
 - Assertive Community Treatment Model (higher cost/better outcomes)
- Create a Substance Use Service FSP Program including MAT
- Step down care criteria to be developed by DHCS

Housing

HOUSING



Increase programs in category by \$12,718,600 *

New Standalone Category

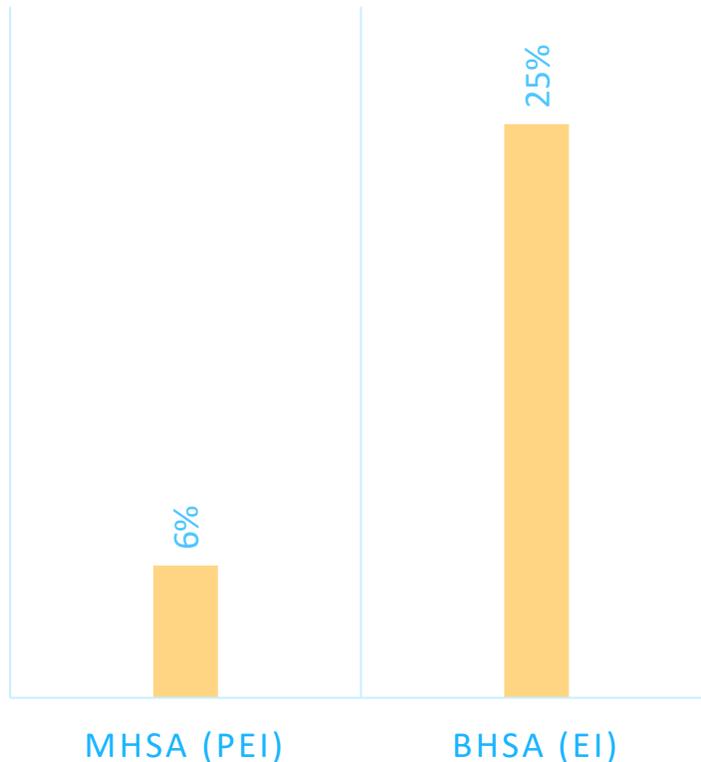
- Housing First model
- Includes, but not limited to, rental subsidies, operating subsidies, shared housing, family housing
- 50% to be used for Chronically homeless (678 in Ventura County in 2024)
- Not restricted to individuals enrolled in Medi-Cal
- May include recovery housing as defined by HUD
- Housing was previously limited and primarily for FSP clients

Not allowed

- Support services to keep SMI individuals housed
- Treatment services

Behavioral Health Services and Supports – Early Intervention

EARLY INTERVENTION



Increase programs in category by \$11,798,700*

Changes

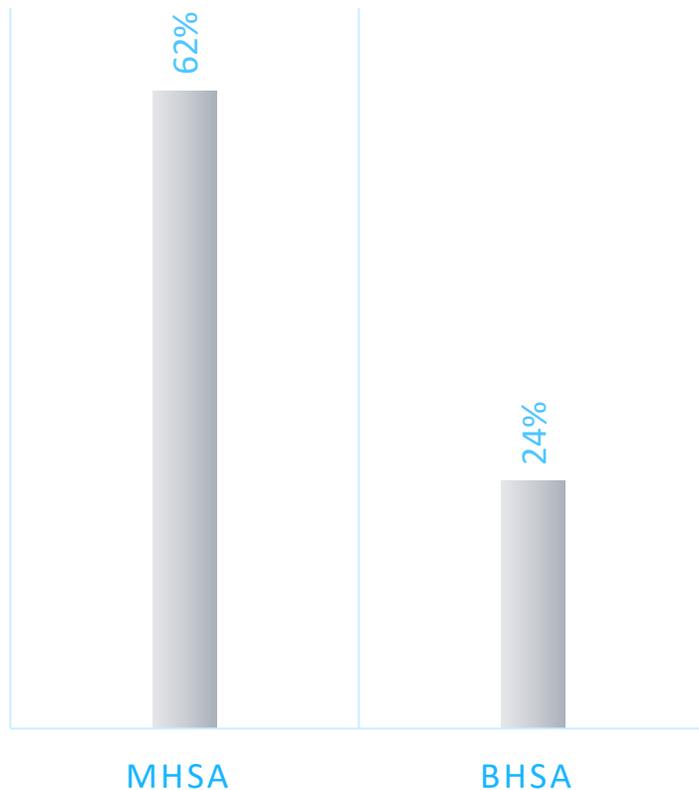
- Minimum 51% to serve youth under the age of 25
- May include response services for MH Crisis
- One on one services
- Focused on Medi-Cal reimbursable
- Must include SUD only population
- List of Community Defined Evidence-Based Practices maintained and may be required by DHCS

No longer Allowed

- Eliminates local funding for Prevention Services (11 million)
- Eliminates stigma reduction as allowable
- No specific allocation for Suicide Prevention

Behavioral Health Services and Supports – Other

CORE SERVICES



Decrease programs in this category by up to \$26,720,400*

Changes

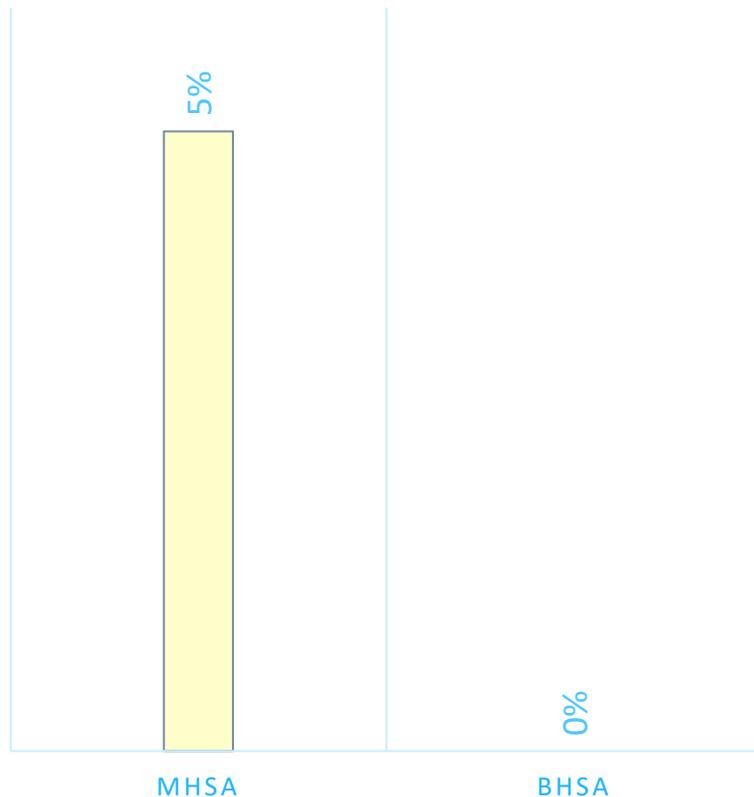
- Largest overall cut to allowable dollars spent
- Existing services covered in this category:
 - **Crisis Services**
 - **Regular Outpatient Treatment**
 - **Peer Services**
 - **Access**
 - **Engagement**

Additional Requirements – No Allocation

- Innovation Programs
- Workforce Enhancement and Training
- Capital Facilities and Technology

Innovation

INNOVATION

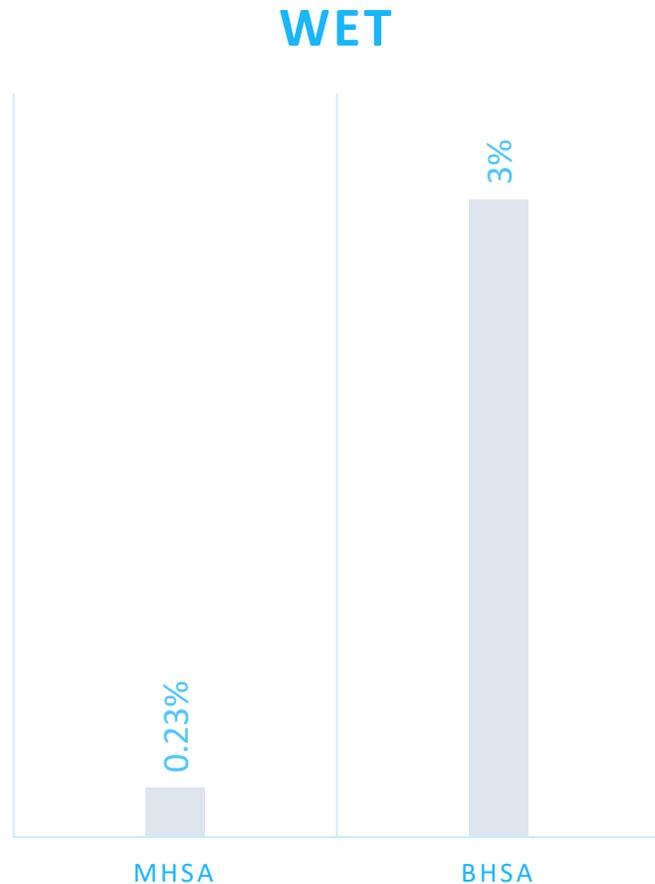


Decrease in new Programs by \$3,000,000 dollars*

Changes

- Remains a requirement
- Eliminates the required percentage of the overall budget

Workforce Enhancement and Training



Decrease in local control of programming by \$156,500*

Changes

- The 3% of funding comes off the top and goes to the state for allocation and identification of new initiatives
- Currently includes
 - Specialty trainings
 - Loan forgiveness
 - Internships

Additions to Community Program Planning Process

- Integrated 3-Year Plan for *ALL* BH funding sources including county general funds:
 - Report to include expanded data on the planning process, expenditures, progress on disparities, and outcomes per program
- The local review process is generally the same for the development and approval of the 3-Year plan with exceptions:
 - Local review process is NOT required for annual updates and intermittent updates to the 3-Year Plan (30 day posting and BOS approval)
- Significantly expanded the required stakeholder list:
 - Requirement to partner with MCPs in the development of their Population Needs Assessments (PNA) and local Health Jurisdictions in the development of their Community Health Assessments (CHA)
 - Adds language re stakeholder representation to include marginalized communities to include racially and ethnically diverse communities, LGBTQ community, victims of domestic violence and sexual abuse and people with lived experience of homelessness.
- For counties with a population over 200,000 shall collaborate with 5 most populous cities.
- Must collaborate with 5 most populous cities, MCPs and continuums of care to outline responsibilities and coordination of housing interventions.

Additional Considerations for Decision Making

Federal and state funding is often not whole. Adult outpatient care is reimbursed at around 50-60% of total cost. MHSA money is used as a match for some of these programmatic costs.

A match dollar is required for reimbursable services and often grants. MHSA is flexible enough to cover this regularly. On average the MHSA dollars used for this **match for Core Services** is estimated to be **\$39,800,000/year**.

With these new allowable terms for the BHSA **it is unknown what the limitation will be on the overall services due to the reduction in allowable matched services.**

Additional funding streams (not BHSA) will need to be explored and leveraged in order to minimize loss and maintain the level of care that exists currently.



Additional Considerations for Decision Making - Cont.

Example of the type of potential additional funding streams Ventura County Behavioral Health may pursue to partially offset the impact of Prop 1:

AB531

- Authorizes \$6.38 billion in general obligation bonds to **finance the conversion, rehabilitation, and construction of supportive housing and behavioral health housing and treatment settings**. Of the total, \$1.5 billion is to be awarded through grants exclusively to counties, cities, and tribal entities; and local jurisdictions are not precluded from applying for additional funds.
- The bond will be distributed in a similar approach as BCHIP and Project Home Key processes with a combination of competitive and noncompetitive applications.
- Meaning, counties will need to be able to put together competitive applications that are already identified by this summer (2024).
- **This would be one of the only ways to fund new treatment facilities**



Additional Considerations for Decision Making - Cont.

New state initiatives on the horizon BH Connect will have budgetary impact.

Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment Demonstration (BH Connect) Overview

BH-Connect aims to bridge gaps in access to care and disparities in treatment outcomes through community-based approaches.

Through innovative strategies and data-driven interventions, the program endeavors to break down barriers to treatment and improve the overall well-being of Californians facing mental health and substance use challenges.

The objectives of BH-CONNECT waiver include:

- Amplify the state's ongoing investments in behavioral health and further strengthen the continuum of community-based care.
- Meet the specific mental health needs of children, individuals who are justice-involved, and individuals experiencing or at risk of homelessness.
- Ensure care provided in facility-based settings is high-quality and time-limited.

BH Connect incentive program for **opt-in counties** to support and reward counties in implementing a robust continuum of community-based behavioral health services and EBPs for Medi-Cal members.

FFP for care provided during short-term stays in IMDs and implementation of specific requirements for counties that opt-in to receive it.

Continuum of community-based behavioral health services and EBPs for Medi-Cal members, including:

- ACT and FACT
- CSC for FEP
- Transitional Rent Services
- Supported Employment
- Peer Support Services
- CHW Services
- Clubhouse Services

BH Connect Statewide Initiative Program

The statewide incentive program will support counties to improve their managed care infrastructure and performance on key quality measures.

The National Committee for Quality Assurance (NCQA) county assessment will help DHCS to determine where counties “start” on the statewide incentive program continuum.

- The county assessment is required for participation in the statewide incentive program. Completing the assessment in 2024 will set counties up for success to meet contractual requirements related to quality improvement, improve performance on quality metrics, earn incentive dollars, and prepare for potential future accreditation requirements.
- ***As an integral component of the assessment process, VCBH will need to conduct a thorough evaluation of its Managed Care infrastructure. This evaluation will serve as the foundation for future restructuring initiatives, aimed at aligning with NCQA requirements and optimizing operational effectiveness.***

Assessment results will help inform future DHCS policy on potential county BH NCQA Managed Behavioral Healthcare Organization (MBHO) accreditation. While DHCS does not intend for counties to meet all MBHO standards or become accredited as part of the assessment, **DHCS may consider requiring accreditation in the future.**

BHSA Timeline Overview

Development Period *Analysis of new funding categories*

Implementation Period



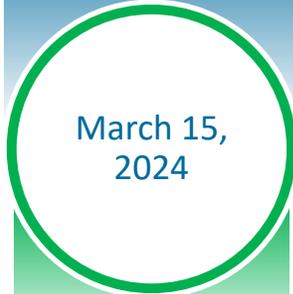
February 2,
2024

- Counties' submission of administrative cost estimates to CBHDA to inform proposed State's Budget May Revision by CBHDA and CSAC



March 5,
2024

- Presidential Primary Election and voters' passage of Prop 1



March 15,
2024

- DHCS engagement of CBHDA and CSAC to evaluate statewide estimate related to BHSA admin cost for inclusion in the Governor's FY 2024–25 May Revision



July 1,
2025

- Counties can start using BHSA funds to pay for the new admin costs up to 2% of their annual BHSA revenue received



June 30,
2026

- The county BOS must approve the first BHSA Three-Year Integrated Plan for



July 1,
2026

- The county BOS must approve the first BHSA Three-Year Integrated Plan for FYs 2026/27-2028/29
- Counties must submit approved document to both DHCS and the BHSOAC



June 30,
2027

- Counties must submit the first Annual Update under BHSA
- **Note:** Future Annual Updates and Three-Year Plans will need to be submitted on June 30th

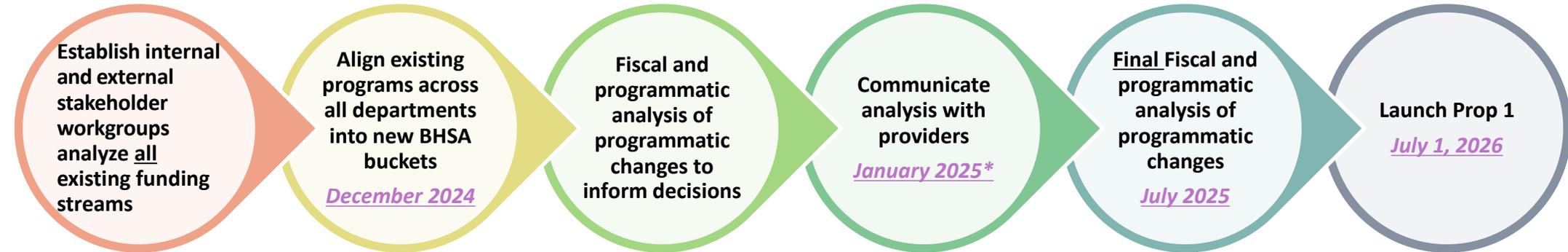


2028

- Counties to begin submitting County Behavioral Health Outcomes, Accountability, and Transparency Report which replaces the ARER

VCBH Next Steps in Time

Continuous communication and stakeholder engagement



- Internal
- Providers
- BHAB
- Community Planning process integration

- Fiscal, Operations and MHSa staff Identify all program funding sources.
- Establish every other week mtgs
- Establish BHAB workgroup meetings
- Alternate funding streams identified

- Modify programs that can be kept and identify program changes needed
- Initiate BH departmental reorganization to meet the needs of the policy landscape and align operations to managed care functions
- Division Chiefs and Director review

- Recategorizing existing programs across all departments into new buckets
- Communicate with providers for programs that will end given the new funding requirements
- New cross agency collaborations identified

- Additional communication with providers for programs that will end given the new funding requirements
- Providers updated regarding programmatic design provided
- Programs undergoing restructuring to align with Prop 1

- Department implementation of new regulations across divisions

Milestone completion is the metric for successful roll out of Prop 1.*

Current - December 2024*

December 2024 – June 2025*

July 2025 – July 2026*