



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 6/2/2026

To: County of Sonoma Board of Supervisors

Department or Agency Name(s): Department of Health Services

Staff Name and Phone Number: Nolan Sullivan, 707-565-4774; Jan Cobaleda-Kegler, 707-565-5157

Vote Requirement: Majority

Supervisorial District(s): Countywide

Title:

Fiscal Year 2026-2029 Sonoma County Behavioral Health Services Act Integrated Plan

Recommended Action:

Adopt the Fiscal Years 2026-2029 Sonoma County Behavioral Health Services Act Integrated Plan.

Executive Summary:

The Mental Health Services Act, passed by voters in 2004, established a dedicated funding stream for mental health services via a 1% tax on personal income over \$1 million. In March 2024, voters approved Proposition 1, launching the transition from the Mental Health Services Act framework to the Behavioral Health Services Act as part of the state's larger effort to transform California's behavioral health system. This item provides an update on the implementation process, outlines next steps for Board involvement in preparation for full compliance with the Behavioral Health Services Act, and requests adoption of the Fiscal Year 2026-2029 Sonoma County Behavioral Health Services Act Integrated Plan.

Discussion:

The Behavioral Health Services Act (BHSA) represents a significant expansion of California's approach to behavioral health, extending services to individuals with substance use-only diagnoses and introducing housing supports for those with serious behavioral health conditions. It replaces the former Mental Health Services Act (MHSA) and introduces new accountability requirements, including a three-year Integrated Plan and annual outcomes reporting for the entire Department of Health Services' Behavioral Health Division.

Beginning July 1, revenues will come to the Department of Health Services (hereinafter, the Department) under the BHSA framework. This will alter the way counties spend the funds they receive and changes the distribution of spending. The BHSA mandates specific funding allocations for the revenues received annually: 35% for Full-Service Partnerships, 35% for Behavioral Health Services and Supports, and 30% for Housing Interventions. Because this redirects 35% of current MHSA treatment funding, some existing Departmental programs will be reduced or eliminated.

Local Data and Disparities

The Plan includes a detailed analysis of local data that highlights critical gaps and disparities in Sonoma County's behavioral health system.

In terms of access to care, Sonoma County falls below the statewide average for specialty mental health services. Black residents access these services at higher-than-average rates, while Hispanic/Latino and

Asian/Pacific Islander residents access them at significantly lower rates, reflecting barriers related to stigma, language, culture, and system navigation. More than half of adults identified as needing care through emergency departments are not receiving services, pointing to gaps in engagement, system capacity, and culturally appropriate care.

Homelessness rates are disproportionately high among American Indian/Alaska Native and Black residents, and LGBTQ+ individuals are overrepresented among those experiencing homelessness. Justice system involvement is also significantly higher among Black residents and younger adults, with elevated rates of arrest and recidivism, reflecting the strong intersection between behavioral health needs and justice system involvement.

Planning and Implementation

To prepare for BHSa implementation by July 1, 2026, the Department conducted an extensive Community Program Planning process, which included more than 50 community engagement activities. The Plan was developed through collaboration across behavioral health, homelessness services, human services, justice partners, and community-based organizations. This inclusive process ensures the Plan reflects the lived experiences of residents while advancing statewide goals focused on improving access to care, reducing homelessness and institutionalization, decreasing justice involvement, preventing unnecessary removal of children from their homes, reducing untreated behavioral health conditions, and lowering suicide rates. The Plan also aligns with broader statewide coordination efforts through the Community Health Improvement Plan and Community Health Assessment.

The resulting draft FY 2026-2029 BHSa Integrated Plan was submitted for review to the California Department of Health Care Services (DHCS) on March 30, 2026 and again after requested revisions on May 7th. The Department posted the draft Plan for a 30-day public comment period beginning April 16, 2026. On May 19, 2026, the Behavioral Health Board hosted the required public hearing. The Department is now requesting Board of Supervisors' adoption of the plan, as required by DHCS, with final submission to DHCS planned for June 25, 2026, and implementation beginning July 1, 2026.

As part of the approval process, the Board of Supervisors must sign a certification (Attachment 2) confirming that the County will meet obligations, including appointment time standards, without the use of waitlists. If the Division fails to meet the appointment time standards, DHCS may impose sanctions on the Division. The County's Chief Executive Officer and Behavioral Health Director have also provided required attestations (Attachment 3) submitted alongside the Draft Plan to DHCS (Attachment 1). The Department of Health Services has been placed on Corrective Action Plans for appointment time standards for FY 2023-2024 through FY 2025-2026 due to ongoing fiscal and workforce capacity challenges. The Department is actively working to address these issues through its Performance Improvement Project and Quality Assurance and Performance Improvement Workplan. This is important to remember and track as BHSa shifts funding toward housing. The Department must balance new requirements while maintaining access to clinical services. Improving access to care is a key statewide goal of BHSa.

DHCS has indicated that counties currently operating under a Corrective Action Plans (CAPs) may still certify that they "will meet" applicable realignment obligations, as the certification is understood to be forward-looking and inclusive of counties actively working toward compliance. Sonoma County's ongoing CAP activities, along with its transparency around workforce, fiscal, and service-demand challenges, reflect the County's continued commitment to strengthening timely access and network adequacy. The attestation therefore serves as an acknowledgment of the County's continued progress toward meeting these statewide

standards while implementing broader BHSA priorities.

Fiscal and Structural Changes

The transition from MHSA to BHSA comes with notable fiscal changes. Under MHSA, 5% of funds were withheld at the state level; under BHSA, this increases to 10%, with 4% redirected to the California Department of Public Health (CDPH) for statewide prevention programs. As a result, counties can no longer fund primary prevention services locally using BHSA dollars. CDPH will be offering prevention grant opportunities that CBOs and local communities can apply for to support local prevention efforts. In Sonoma County, this means discontinuing the following locally funded programs:

Prevention Programs no longer funded by BHSA	FY 2025-2026 MHSA Funding
Council on Aging for Seniors-Senior Peer Support Program	\$93,531
West County Community Services-Senior Peer Counseling Services	\$80,382
West County Community Services-Crisis Support Services	\$11,142
Action Network-Prevention Services	\$66,848
Community Baptist Church Collaborative-Village Project, Saturday Academy, and Safe Harbor Program	\$133,694
La Luz- Youth Health, Your Community Program	\$88,016
Early Learning Institute (ELI) Watch Me Grow Program	\$49,022
Santa Rosa Junior College (SRJC) PEERS-Student Health Services, Mental Wellness Program	\$222,822
TOTAL	\$745,457

To sustain services within this constrained fiscal environment, the Plan is supported by a diversified, braided funding strategy that draws on all of the Behavioral Health Division's revenue sources including BHSA, housing intervention funding, 1991 and 2011 Realignment, Federal Financial Participation through Medi-Cal billing, federal block grants, Measure O funds, and Opioid Settlement Funds. This approach ensures that investments remain aligned with both local needs and state requirements. BHSA framework requires that 30% of revenues be spent on housing interventions with at least 50% of that allocation directed toward long-term, sustainable housing for individuals who are chronically unsheltered or at risk of chronic homelessness. This represents a significant shift in resources that have historically supported behavioral health services for Sonoma County residents with severe and persistent mental illness and substance use disorders. While this approach is grounded in the principle that housing is a critical behavioral health intervention, it also introduces potential risks that could impact the Department's ability to maintain clinical behavioral health services. As a result, the Department has worked to rebalance its portfolio and funding strategies. Programs that were previously supported by MHSA funds have been transitioned to other revenue sources such as state Realignment funding or Measure O. Available fund balances allow the Department to expand its housing-related services while preserving essential clinical services.

What the Plan Does

The Draft FY 2026-2029 BHSA Integrated Plan is both a compliance document and a strategic blueprint. It establishes a three-year roadmap for organizing and delivering mental health services, substance use disorder

treatment, and housing interventions under the new BSA framework. The Plan reflects a deliberate shift toward a more integrated, outcomes-driven system that prioritizes equity, accountability, and measurable improvements in population health. It reflects the interconnectedness of behavioral health issues and housing challenges, recognizing that healing the mind must happen in concert with interventions that provide shelter and safety.

Strategic Priorities Beginning July 1, 2026

In response to these findings, the BSA Integrated Plan outlines a comprehensive set of strategies launching July 1, 2026.

To expand access and engagement, DHS will strengthen Access Teams, continue to support crisis response through programs such as Crisis Assessment, Prevention & Education (CAPE), and expand Coordinated Specialty Care for individuals experiencing first episode psychosis. Reducing homelessness is another key priority, supported by significant investments in housing subsidies, navigation services, and eviction prevention, and integrating the Department’s Homelessness Services into the Behavioral Health Division.

To reduce institutionalization, DHS will invest in community-based alternatives including mobile crisis services, peer respite programs, and bridge housing. Efforts to reduce justice involvement will center on expanding diversion programs, supporting Community Assistance, Recovery, and Empowerment (CARE) Court implementation, and enhancing reentry services.

Advancing equity is a central thread across all of these strategies, with targeted initiatives designed to better serve Latinx, BIPOC, and LGBTQ+ communities through culturally responsive and community-informed approaches. (See Attachment 4 - Racial Equity Analysis)

Looking Ahead

The FY 2026-2029 BSA Integrated Plan positions Sonoma County to modernize its behavioral health system in alignment with the statewide Behavioral Health Transformation initiative. By prioritizing data-driven decision making, addressing structural inequities, and aligning local strategies with statewide goals, the County aims to build a more integrated, accountable, and equitable behavioral health system for the years ahead. At the end of each fiscal year, the Division will complete and submit the Behavioral Health Outcomes, Accountability, and Transparency Report to the California Department of Health Care Services (DHCS). This report will also be shared with the Board of Supervisors annually and made publicly available on the Behavioral Health Division’s website to promote transparency and accountability. Additionally, the Behavioral Health Board (BHB) plays an advisory and oversight role by reviewing the BSA Integrated Plan, hosting a public hearing, and providing feedback during the public comment period. The BHB also helps represent stakeholder voices, monitor equity and system performance, and advocate for responsive, accountable services.

Strategic Plan:

This item directly supports the County’s Five-year Strategic Plan and is aligned with the following pillar, goal, and objective.

Pillar: Healthy and Safe Communities

Goal: Goal 1: Expand integrated system of care to address gaps in services to the County’s most vulnerable.

Objective: Objective 3: Create a “no wrong door” approach where clients who need services across multiple departments and programs are able to access the array of services needed regardless of

where they enter the system.

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

Yes

Prior Board Actions:

The Mental Health Services Act Program Plan, Expenditure Plan and Annual Program Report has regularly been brought to the Board for adoption. Most recently, On May 6, 2025 the Board adopted the Mental Health Services Act Fiscal Year 2025-2026 Annual Plan Update and Expenditure Plan with Fiscal Year 2023-2024 Program Report.

FISCAL SUMMARY

Expenditures	FY25-26 Adopted	FY 26-27 Recommended	FY27-28 Projected
Budgeted Expenses		\$52,425,526	
Additional Appropriation Requested			
Total Expenditures		\$52,425,526	
Funding Sources			
General Fund/WA GF			
State/Federal		\$52,425,526	
Fees/Other			
Use of Fund Balance			
General Fund Contingencies			
Total Sources		\$52,425,526	

Narrative Explanation of Fiscal Impacts:

A summary of Sonoma County’s Behavioral Health Services Act (BHSA) estimated funding and expenditures for FY 2026-2027 is included in the BHSA Plan which is available on the Sonoma County website:

<https://bit.ly/4dUWQu8>

The FY 2026-2027 BHSA estimated funding and expenditures total \$52,425,526 and are included in the FY 2026-2027 Recommended Budget. DHS estimates receiving approximately \$40 million in new BHSA funding and interest earnings and utilizing \$10.1 million in MHSA/BHSA fund balance.

The BHSA Plan details a total FY 2026-2027 budget of approximately \$52 million. The remaining \$2 million in available fund balance may be brought to the Board for future consideration, as needed.

Narrative Explanation of Staffing Impacts (If Required):

None

Attachments:

Attachment 1 - Fiscal Year 2026-2029 Sonoma County Behavioral Health Services Act Integrated Plan

Attachment 2 - Board of Supervisor Certification

Attachment 3 - DHS and County Executive Officer Certification

Agenda Date: 6/2/2026

Attachment 4 - Racial Equity Analysis

Attachment 5 - Presentation

Related Items “On File” with the Clerk of the Board:

None