



COUNTY OF SONOMA

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

SUMMARY REPORT

Agenda Date: 5/6/2025

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 Cobaleta-Kegler, 707-565-5157

Vote Requirement: 4/5th

Supervisory District(s): Countywide

Title:

Mental Health Services Act Program and Expenditure Plan Annual Update for FY 2025-2026 with FY 2023-2024 Annual Report

Recommended Action:

Adopt the Mental Health Services Act Fiscal Year 2025-2026 Annual Plan Update and Expenditure Plan with Fiscal Year 2023-2024 Program Report. (4/5 Vote Required)

Executive Summary:

In November 2004, California voters approved Proposition 63, the Mental Health Services Act (MHSA). The Act imposes a one percent income tax on personal income over \$1 million. Much of the funding is provided to counties to fund mental health programs consistent with their local plans. As required by California Welfare and Institutions Code Section 5847, each county mental health program must prepare and submit a three-year program and expenditure plan and annual update, adopted by the county Board of Supervisors, to the Mental Health Services Oversight and Accountability Commission and the California Department of Health Care Services (DHCS) within 30 days of adoption.

MHSA-funded programs provide a full array of services in communities throughout Sonoma County, with a focus on wellness and recovery. The Department of Health Services ("DHS" or "the Department"), along with community partners, have created a behavioral health system that is peer, client, and family member driven, is culturally responsive and linguistically appropriate, and promotes a vision in which recovery is possible.

The enclosed MHSA Annual Program Report includes outcomes for FY 2023-2024, and the plan and budget for 2025-2026. The Draft FY 2025-2026 MHSA Annual Update and Expenditure Plan and FY 2023-2024 Program Report was posted and emailed for public review on March 17, 2025. Virtual and in person meetings were conducted to present the plan to stakeholders for review and to receive feedback.

Discussion:

DHS is recommending that the Board adopt the Draft FY 2025-2026 MHSA Annual Update and Expenditure Plan and FY 2023-2024 Program Report. The draft Plan is posted on the DHS website: [Sonoma FY 2025-2026 MHSA Plan Update <https://bit.ly/3Rz9rXv>](https://sonoma.ca.gov/health-services/mental-health-services-act/mhsa-plan-update). Upon Board adoption of the Draft FY 2025-2026 MHSA Annual Plan Update with FY 2023-2024 Program Report, the plan will be sent to DHCS and the Mental Health Services Oversight and Accountability Commission within 30 days of Board approval, per state regulations.

Background

The Mental Health Services Act provides funding to expand community mental health services in five components, each of which addresses specific goals for priority populations, key community mental health needs, and age groups that require special attention. The MHSA Report is organized in the context of these five funding components:

1. Community Services and Supports - Provides enhanced mental health services for Seriously Emotionally Disturbed children and youth and Seriously Mentally Ill adult populations.
2. Prevention and Early Intervention - Programs that prevent mental illnesses from becoming severe and disabling, emphasizing improvement on timely access to services for underserved populations.
3. Innovation - Novel, creative and/or ingenious mental health practices/approaches that are expected to contribute to learning, which are developed within communities through a process that is inclusive and representative, especially of unserved and underserved individuals.
4. Capital Facilities and Technological Needs - Works towards the creation of facilities that are used for the delivery of Mental Health Services Act services to mental health clients and their families, or for administrative offices.
5. Workforce Education and Training - The goal of the Workforce Education and Training component is to develop a diverse workforce. Clients and families/caregivers are given training to help others by providing skills to promote wellness and other positive mental health outcomes.

The FY 2025-2026 Annual Plan Update includes an Executive Summary, details on the Community Program Planning Process, highlights the changes from the FY 2023-2026 Three-Year Plan, information on Behavioral Health Services Act, and the FY 2023-2024 Expenditure Plan.

Outreach

The MHSA Plan describes discussions with the community during the extensive integrated planning process, as well as ongoing feedback from several stakeholders including MHSA Steering Committee, Community Program Planning Workgroup, General Stakeholders, Listening Sessions, and Mental Health Board meetings. There have also been many discussions about the transition from MHSA to Behavioral Health Services Act that will start on July 1, 2026.

The draft MHSA 2025-2026 Annual Plan Update and Expenditure Plan and Program Report for FY 2023-2024 was posted and emailed for public comment on March 17, 2025, to start the 30-day public comment period. Additionally, in-person and virtual meetings were conducted on March 19, April 8, and April 15 to present the plan to stakeholders for review and feedback. The public comment period concluded at the public hearing hosted by the Mental Health Board on April 15, 2025. The public hearing also provided the community an opportunity to provide feedback about the plan.

Plan Updates

The FY 2025-2026 Annual Plan Update includes the following changes from the FY 2023-2026 Three-Year Plan:

1. Component: Community Services and Supports

Full-Service Partnership (FSP) teams: provide wrap-around services to clients in our system of care with the most serious mental health impairments and the majority of the Community Services and Supports funds must be allocated to the FSP teams.

- Adding Buckelew Programs - Tamayo Village Program that will provide supportive housing for the Transitional Age Youth (TAY) FSP clients. This program provides youth between 18 and 25 years old access to stable housing alongside comprehensive mental health services. The addition of Buckelew's Tamayo Village Program for TAY FSP will cost \$166,894 annually and will assist ten clients to transition into independent living.
- The Full-Service Partnership for Unhoused program will not be implemented. The FSP for Unhoused was in the FY 2024-2025 MHSA Plan Update; however, due to limited resources and strategic planning for Behavioral Health Services Act, the Department is not able to start the program so those funds will be used to continue the six current FSP Programs (Family Advocacy, Stabilization and Support Team (FASST), Transition Age Youth Team (TAY), Adult Full Service Partnership (AFSP), Forensic Assertive Community Treatment (FACT) Team, Integrated Recovery Team (IRT), and Older Adult Intensive Team (OAIT)). \$1,000,000 of these funds have been set aside for housing supports, including rental subsidies, for Full-Service Partnership clients.

2. Component: Prevention and Early Intervention

- Aldea Inc dba Aldea Children & Family Services' SOAR (Supportive Outreach and Access to Resources) program provides comprehensive and evidence-based treatment for individuals experiencing first episode psychosis. Aldea utilizes a coordinated specialty care model with a focus on early intervention, medication management, individual and group therapy, family education and supported employment and education services to promote recovery and minimize the impact of the illness. Aldea's SOAR program will assist up to 30 individuals with braided funding that includes \$100,000 in PEI funds annually.

MHSA Program Report

The FY 2023-2024 Annual Program Report provides a description of MHSA funded programs, clients served, and program performance outcome data.

- Community Services and Supports served 11,265 individuals through 21 programs.
- Prevention and Early Intervention served 10,015 individuals through 14 programs.

For a breakdown of how many individuals were served by program and service type, see Attachment 1 - Community Services and Supports & Prevention and Early Intervention Services Breakdown.

Proposition 1 Impacts - Behavioral Health Transformation (BHT)

In recent years, California has undertaken historic efforts to re-envision the state's publicly funded mental health and substance use disorder (SUD) services, with a special focus on county-administered specialty mental health and substance use disorder services. In March 2024, voters approved Proposition 1 to reform the Mental Health Services Act (MHSA) and fund needed behavioral health facility infrastructure through a general obligation bond. The efforts to implement Proposition 1 are referred to as Behavioral Health Transformation (BHT).

The primary goals of BHT are to:

- improve access to care
- increase accountability and transparency for county-administered behavioral health services
- expand the capacity of behavioral health care facilities in California

Under BHT, county reporting will be uniform across the state to allow for comprehensive and transparent reporting of the Behavioral Health Services Act funding in relation to all public local, state, and federal behavioral health funding. BHT builds upon and aligns with nine other major behavioral health initiatives in California. The other initiatives are listed below with hyperlinks:

1. [California Advancing and Innovating Medi-Cal \(CalAIM\) initiative <https://www.dhcs.ca.gov/Pages/BH-CalAIM-Webpage.aspx>](https://www.dhcs.ca.gov/Pages/BH-CalAIM-Webpage.aspx)
2. [Behavioral Health Community-Based Organization Networks of Equitable Care and Treatment \(BH-CONNECT\) <https://www.dhcs.ca.gov/CalAIM/Pages/BH-CONNECT.aspx>](https://www.dhcs.ca.gov/CalAIM/Pages/BH-CONNECT.aspx)
3. [Children and Youth Behavioral Health Initiative \(CYBHI\) <https://www.dhcs.ca.gov/cybhi>](https://www.dhcs.ca.gov/cybhi),
4. [Medi-Cal Mobile Crisis services <https://www.dhcs.ca.gov/Pages/CalAIM-Mobile-Crisis-Services-Initiative.aspx>](https://www.dhcs.ca.gov/Pages/CalAIM-Mobile-Crisis-Services-Initiative.aspx),
5. [Behavioral Health Bridge Housing <https://bridgehousing.buildingcalhhs.com/>](https://bridgehousing.buildingcalhhs.com/)
6. [Community Assistance, Recovery, and Empowerment \(CARE\) Act <https://www.dhcs.ca.gov/Pages/CARE-ACT.aspx>](https://www.dhcs.ca.gov/Pages/CARE-ACT.aspx),
7. [Lanterman-Petris-Short Conservatorship <https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?>](https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?)
8. [988 expansion <https://www.chhs.ca.gov/988california/>](https://www.chhs.ca.gov/988california/)
9. [Behavioral Health Continuum Infrastructure Program \(BHCIP\). <https://www.dhcs.ca.gov/services/MH/Pages/BHCIP-Home.aspx>](https://www.dhcs.ca.gov/services/MH/Pages/BHCIP-Home.aspx)

The Behavioral Health Services Act (BHSA) is the first major structural reform of the MHSA since it was passed in 2004. The MHSA imposed a 1% tax on personal income over \$1 million. Counties receive these funds monthly to provide community-based mental health services. The MHSA was designed to serve individuals with serious mental illness and individuals that may be at risk of developing serious mental health conditions. The MHSA created a broad continuum of prevention, early intervention, innovative programs, services, and infrastructure, technology, and training elements. MHSA has been a crucial resource to increase access to mental health services for all eligible populations.

The reforms within the BHSA expand the types of behavioral health supports available to Californians who are eligible for services and are in need by focusing on historical gaps and emerging policy priorities. BHSA is also designed to support clients with more acute conditions. The key opportunities for transformational change within the BHSA are outlined on Page 40 of the draft Plan. The timeline for implementation can be located on page 41 of draft plan.

FY 2025-2026 is the final year of MHSA, and the transition to BHSA will include a new departmental Integrated Plan due to the state by June 30, 2026. This plan will need to be approved by the BHSA Board, the County Executive's office, and the Board of Supervisors by March 31, 2026.

The Department has contracted with Mission Consulting to assist in the transition from MHSA to BHSA. Mission Consulting is a public sector management consulting firm that helps California's leaders elevate organizational performance. They have performed hundreds of projects for dozens of state and local agencies. The scope of work for Mission Consulting includes project management and BHSA implementation support, gap analysis, and a capacity assessment.

Significant Changes to the Plan for FY 2025-2026

As outlined in the FY 2025-2026 Expenditure Plan, the County anticipates receiving \$30 million in new MHSA funding, contributing to a total budget of \$45.4 million for FY 2025-2026. It is crucial to utilize MHSA funds within three years, as per MHSA regulations ([WIC Title 9 Section 5847](https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=WIC§ionNum=5847) [<https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=WIC§ionNum=5847.>](https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=WIC§ionNum=5847)), which state that any funds not spent within this timeframe must be reverted to the state. Since the inception of the Act, the County has not had to revert any MHSA funds. Before the implementation of the BHSA, the County plans to preserve funds to complete the two remaining Innovation projects. Additionally, the Department, in collaboration with stakeholders, will carefully consider how to allocate any remaining MHSA funds across the BHSA components, which include Full-Service Partnerships, Housing, and Behavioral Health Services and Supports.

The division is employing strategic planning as it approaches BHSA implementation. The following key strategies are being implemented:

- Transfer the maximum allowable amount of Community Services and Support funds to Workforce, Education and Training, as well as Capital Facilities and Technology Needs, in order to set aside funds for future needs and extend the life of the available funds.
- Maintain and enhance six Full-Service Partnership programs.
- Conserve the remaining fund balance to direct any unspent funds toward programs and components under the BHSA. This approach will provide the Division with greater flexibility as it moves forward with BHSA implementation.

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

The Racial Equity Toolkit was applied to the creation of the [MHSA FY 2023-2026 Three-Year Plan](https://bit.ly/4jhUVzz) [<https://bit.ly/4jhUVzz>](https://bit.ly/4jhUVzz). The toolkit will be applied again in 2026 for the creation for the MHSA FY 2027-2030 Three-Year Plan. The Department continues to ensure accountability, communication, and evaluation results in the following ways:

- Every year an Annual Program report is developed by the MHSA team that includes demographics, outcomes, and accomplishments of each program. Anti-Racists Results Based Accountability (AR-RBA) is also being implemented with most of the MHSA contracts.
- Future planning cycles will continue to include examination of data by race/ethnicity and include AR-RBA outcomes. In the future, the MHSA team will also examine the availability of community-level data points on well-being and mental health that can be disaggregated by race/ethnicity. A new Electronic Health Record that is being implemented by the Behavior Health Division may also improve staff ability to enter and track client data.
- The MHSA team has an ongoing Community Program Planning process detailed on pages 25-41 of the MHSA FY 2023-2026 Three Year Plan that includes details about the MHSA Steering Committee, Stakeholder Committee, Community Program Planning Committee, and Listening Sessions. Additionally, a comprehensive capacity assessment is conducted every three years.

Prior Board Actions:

On November 5, 2024 the Board adopted the Mental Health Services Act 2024-2025 Program Plan Update & Expenditure Plan and the Annual Program Report for 2022-2023.

On December 12, 2023 the Board adopted the Mental Health Services Act 2023-2026 Three-Year Plan & Expenditure Plan and the Annual Program Report for 2022-2022.

On January 24, 2023 the Board adopted the Mental Health Services Act 2022-2023 Program Plan Update & Expenditure Plan and the Annual Program Report for 2020-2021.

On December 7, 2021, the Board adopted the Mental Health Service Act Program Plan Update and Expenditure Plan for 2021-2022 and Annual Program Report for 2019-2020.

On June 9, 2020, the Board adopted the Mental Health Services Act Three-Year Plan for 2020-2023 and Annual Program Report for 2018-2019.

On January 8, 2019 the Board adopted the Mental Health Services Act Update for 2018-2019 and Annual Program Report for 2016-2017.

FISCAL SUMMARY

Expenditures	FY24-25 Adopted	FY25-26 Projected	FY26-27 Projected
Budgeted Expenses		\$43,721,006	
Additional Appropriation Requested			
Total Expenditures		\$43,721,006	
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance		\$43,721,006	

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General Fund Contingencies			
Total Sources		\$43,721,006	

Narrative Explanation of Fiscal Impacts:

A Summary of Sonoma County's Mental Health Services Act (MHSA) estimated funding and expenditures for FY 2025-2026 is included in the MHSA Plan Update which is available on the Sonoma County website: [Sonoma FY 2025-2026 MHSA Plan Update <https://bit.ly/3Rz9rXv>](https://bit.ly/3Rz9rXv).

The MHSA estimated funding and expenditures in the FY 2025-2026 DHS Recommended Budget that is slated for approval during June Budget Hearings is \$43,721,006. DHS is estimating receiving \$30 million in new MHSA fund in this last year of MHSA. The Expenditure Plan details a total budget of \$43.7 million for FY 2025-2026, utilizing \$13.7 million in MHSA fund balance.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

None

Attachments:

Attachment 1 - Community Services and Supports & Prevention and Early Intervention Services Breakdown.

Related Items "On File" with the Clerk of the Board:

None