May Q&A - Behavioral Health Services Act & Transitional Rent FAQ

Question: What is the Behavioral Health Services Act (BHSA)?
Answer: The Behavioral Health Services Act (BHSA) is the result of Proposition 1 and reforms the former Mental Health Services Act (MHSA). BHSA continues to be funded through a 1% tax on millionaires in California which historically has been a very volatile funding source that can significantly vary year by year. BHSA significantly increases funding restrictions for County Behavioral Health Plans and introduces mandated funding categories specifically focused on housing interventions, Full-Service Partnerships, and behavioral health services and supports for individuals with the most severe behavioral health conditions. BHSA now allows funded services to include individuals with substance use disorder only, whereas prior MHSA funding focused on individuals with co-occurring serious mental illness and substance use disorders.

Question: What populations does County Behavioral Health actually serve vs MCPs or Private Insurance?
Answer: County Behavioral Health (BH) departments are mandated, pursuant to California Welfare & Institutions Code § 14684(a)(6), and explicitly required to provide specialty mental health services to Medi-Cal beneficiaries whose mental or emotional conditions result in functional impairments, with a particular focus on adults with serious and persistent mental illness and children with serious emotional disturbances. This mandate is reinforced by WIC § 5600.3, which defines "serious mental disorder" as severe, persistent, and significantly impairing, including diagnoses such as schizophrenia, bipolar disorder, PTSD, and major affective disorders. Together, these statutes ensure our county's behavioral health plan is legally bound to prioritize individuals with severe mental health and substance use conditions, guaranteeing access to medically necessary care designed to restore functional stability and quality of life.

The eligibility requirements, defined by California law, cannot be changed by California Behavioral Health Departments. We recognize that all community members may not meet criteria for specialty mental health/SUD services (County BH services), and may still need access to other mental health and SUD services. California law specifies that "non-specialty mental health services shall be covered by a Medi-Cal managed care plan." This applies to Santa Cruz County Medi-Cal members that have mild to moderate behavioral health care needs. The local Medi-Cal managed care plans (insurance plans) for our County are the Central California Alliance for Health (CCAH) and Kaiser Permanente. Medi-Cal members that do not meet eligibility requirements for County Behavioral Health Services should contact their primary care doctor to request a referral for services, or their assigned managed care plan (insurance plan). CCAH members may call the member services phone number at 1-800-700 3874 to obtain referrals for mild to moderate behavioral health services. Kaiser Permanente members may call their member services phone number at 1-800-464-4000 for English or 1 800-788-0616 for Spanish. Santa Cruz County

community members that have commercial insurance coverage should speak with their primary care doctor about the need for services, or contact their respective insurance's member services phone number to obtain necessary referrals to behavioral health providers covered under their plan.

Question: How does BHSA fit into broader state transformation efforts?
Answer: BHSA is part of broader behavioral health transformation efforts happening across California, alongside CalAIM and other system changes. For Santa Cruz County, BHSA implementation is focused on sustaining mandated behavioral health services while ensuring compliance with new state requirements and mandates. BHSA does not bring additional funding to Santa Cruz County. BHSA actually reduces behavioral health funding for California counties, specifically eliminating county funding for prevention services, while also introducing significant changes that increase restrictions on how existing behavioral health funding is structured and administered.

Question: How does BHSA change the way the County administers its obligations?
Answer: Santa Cruz County Behavioral Health is now required to develop a three-year integrated behavioral health plan that includes reporting across all behavioral health funding streams, rather than only MHSA-funded programs. County staff shared that BHSA results in less local funding flexibility and increased mandates around who must be served and how dollars are allocated. Additionally, Counties are required to engage in a community planning process in support of the development of the three-year Behavioral Health Integrated Plan.

Question: Does BHSA bring additional funding or services to Santa Cruz County?
Answer: No, BHSA does not bring additional funding or services to Santa Cruz County. Through BHSA, Counties receive less funding from the State than previously under MHSA. The implementation of BHSA has already resulted in the elimination of some prevention programs previously funded under MHSA due to these programs no longer meeting the newly mandated BHSA funding categories for services.

Question: How might BHSA impact the way ECM providers work with their clients? How might housing providers work with their clients?
Answer: ECM and Community Supports continue to play an important role in CalAIM efforts, but BHSA-funded services are specifically intended for individuals with the highest behavioral health acuity that qualify for specialty mental health services from the County Behavioral Health Plan. ECM providers working with members who present with severe behavioral health needs may refer clients to County Behavioral Health for assessment at the 24/7 Access line, 1-800-952-2335. If

individuals qualify for specialty mental health or Drug Medi-Cal services, they may also qualify for more intensive behavioral health services, including Full-Service Partnership models. County staff emphasized that ECM and behavioral health services serve different purposes, with behavioral health teams focused specifically on clinical treatment goals related to serious mental illness or substance use disorders. ECM providers may collaborate with County Behavioral Health regarding shared clients, however BHSA would not substantially change the way ECM providers provide services to their clients.

Question: Can a client be enrolled in ECM and BHSA-funded behavioral health programs at the same time?
Answer: Yes, under current DHCS guidelines, Medi-Cal members may receive ECM and Community Supports while also participating in specialty behavioral health services (the County Behavioral Health Plan) if they meet specialty mental health eligibility criteria. ECM providers may continue supporting members while Behavioral Health teams address higher-acuity behavioral health treatment needs. It is recommended that future DHCS changes regarding ECM benefits be monitored.

Question: How can ECM providers participate in care team work within behavioral health models?
Answer: ECM providers may communicate and collaborate with behavioral health teams and may be part of multidisciplinary care coordination efforts. However, Full-Service Partnership (FSP) teams are clinically focused and centered on behavioral health treatment goals, which differentiates them from ECM's broader whole-person care coordination role. While Enhanced Care Management is a critical support for clients, it is not a behavioral health service.

Question: What are the roles of County Behavioral Health Division (BHD), Managed Care Plans (MCPs), Community Partners, and Housing for Health (H4H)?
Answer: As mandated and required by the State of California, Santa Cruz County Behavioral Health functions as the specialty mental health and Drug Medi-Cal Plan (Insurance Plan) responsible for serving Medi-Cal members with the highest behavioral health acuity, including severe mental illness and high substance use needs. As mandated by the State of California, Managed Care Plans support mild-to-moderate behavioral health needs for Medi-Cal members. Community partners, including ECM and housing providers, may support members through referrals, coordination, and service delivery. Housing for Health partners with Santa Cruz County Behavioral Health to support County Behavioral Health clients with housing-related interventions and Transitional Rent implementation. **If ECM or community providers are working with clients that have housing related needs *and* present with high acuity mental health needs, providers should call the County Behavioral Health 24/7 Access line at 1-800-952-2335 to support their**

clients being scheduled for an assessment. BHSA funded housing interventions and transitional rent support can only be provided to clients that meet eligibility criteria for County Behavioral Health services (specialty mental health services).

Question: How can providers or clients access County Behavioral Health services?
Answer: **Providers or clients can call the 24/7 crisis/access line at 1-800-952-2335.** Anyone can call this number at any hour of the day. This will connect callers to 24/7 mobile crisis support after hours or the Santa Cruz County Behavioral Health Access Team during business hours. The Access Team conducts initial assessments of clients referred and determines eligibility for County Behavioral Health Services. The mobile crisis response team supports Santa Cruz County residents who are experiencing an immediate mental health crisis. If clients or providers are experiencing an emergency that is not mental health crisis related, they should call 911.

Question: What is Transitional Rent and what is it intended to support?
Answer: Transitional Rent is a Community Support benefit intended to help eligible Medi-Cal members secure housing stability during periods of transition. Transitional Rent is described as a housing intervention designed to support individuals with significant behavioral health needs who are exiting homelessness or unstable housing situations and need temporary rental assistance, up to six months, to stabilize in housing that they can sustain after receiving six months of assistance.

Question: Who is eligible for Transitional Rent?
Answer: Individuals receiving Transitional Rent must meet clinical eligibility standards to receive specialty mental health or substance use disorder treatment services from the County Behavioral Health plan. While the County would like these services to be available more broadly, eligibility is currently limited by a combination of state requirements and local Medi-Cal managed care plan priorities.

Question: Why is Transitional Rent currently limited to a narrower population?
Answer: Transitional Rent is a part of the California Department of Health Care Services (DHCS) federal Medicaid waiver known as BH-CONNECT. DHCS has also issued regulations linking this Medi-Cal benefit with the Behavioral Health Services Act (Prop 1) which was passed by California voters in 2024. Currently within Santa Cruz County, the transitional rent Medi-Cal benefit is only available to individuals that meet specific eligibility criteria, including, but not limited to, meeting clinical eligibility criteria for specialty mental health and substance use disorder treatment services from the County Medi-Cal Behavioral Health Plan. The County recognizes that there is a broader need for housing supportive services and rental assistance. Santa Cruz County must

implement the transitional rent benefit in alignment with state regulations and Medi-Cal managed care contract expectations.

Question: What role does Housing for Health (H4H) play in Transitional Rent?
Answer: Housing for Health (H4H) supports implementation and coordination of housing-related interventions, including Transitional Rent. H4H is helping coordinate housing supports and partnerships needed to stabilize individuals with complex housing and behavioral health needs.

Question: How do ECM and Transitional Rent work together?
Answer: ECM and Transitional Rent are complementary but serve different functions. ECM providers may continue supporting care coordination, engagement, and whole-person needs while Behavioral Health and housing teams support behavioral health treatment and Transitional Rent eligibility, coordination, and stabilization services. Providers are encouraged to work collaboratively across care teams to support shared members.

Question: Can ECM providers remain involved when a member is receiving BHSA or Transitional Rent-related services?
Answer: Yes. ECM providers may continue participating in care coordination for shared members and may collaborate with behavioral health and housing teams. ECM and specialty behavioral health services are not mutually exclusive and may serve complementary roles depending on member need, however ECM is not a behavioral health service.