



County of Monterey

168 W. Alisal Street 1st Floor
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February 10, 2026

Honorable Jesse Gabriel (Chair)
Assembly Committee on Budget
1021 O Street, Suite 8230
Sacramento, CA 95814

Honorable John Laird (Chair)
Senate Budget and Fiscal Review Committee
1020 N. Street, Room 502
Sacramento, CA 95814

Honorable Dawn Addis (Chair)
Assembly Budget Subcommittee #1 – Health
1021 O. Street, Suite 4120
Sacramento, CA 95814

Honorable Caroline Menjivar (Chair)
Senate Budget Subcommittee #3 – Health and
Human Services
1021 O Street, Suite 6630
Sacramento, CA 95814

Honorable Mia Bonta
Assembly Budget Subcommittee #1 – Health
1020 N. Street, Suite 390
Sacramento, CA 95814

Honorable Akilah Weber
Senate Budget Subcommittee #3 – Health and
Human Services
1021 O Street, Suite 7310
Sacramento, CA 95814

Honorable Pilar Schiavo
Assembly Budget Subcommittee #1 – Health
1021 O. Street, Suite 4140
Sacramento, CA 95814

Subject: Opposition to 2026-27 Governor’s January Budget Proposal to Eliminate the Statewide Medi-Cal Mobile Crisis Benefit

Dear Senators Laird, Menjivar, and Weber Pierson, and Assemblymembers Gabriel, Addis, Bonta, and Schiavo:

On behalf of the County of Monterey, I write to express our strong opposition to the proposed change to the Medi-Cal Community-Based Mobile Crisis Intervention Services benefit (referred to as the Mobile Crisis Benefit), included in the Governor’s 2026-27 January Budget. The proposal to shift this benefit from a statewide mandatory Medi-Cal benefit to a county-optional benefit poses significant risks to maintaining California’s progress in ensuring all Californians have access to a comprehensive behavioral health crisis response system.

Currently, the Medi-Cal Mobile Crisis benefit provides critical, timely, and coordinated behavioral health crisis support throughout the state. Since its establishment, mobile crisis teams have successfully diverted individuals experiencing behavioral health crises from emergency departments and law enforcement involvement. Mobile crisis teams have contributed to a significant reduction in arrests and involuntary psychiatric holds under Welfare and Institutions Code 5150, both of which can be traumatic and have lasting negative impacts on individuals and their families. Mobile crisis teams are now an integral component of local communities’ efforts to address homelessness, substance use conditions, as well as the youth mental health crisis.

While this benefit was established to serve the Medi-Cal population, mobile crisis teams are structured to respond regardless of insurance status. In practice, these teams serve not only individuals enrolled in the Medi-Cal program, but also those served through commercial insurance or those who lack insurance. While the state and federal financial participation (FFP) currently covers the full costs of the Medi-Cal

mobile crisis encounters, counties are needing to subsidize the costs of mobile crisis encounters for those who are uninsured or those with commercial insurance coverage.

Making this benefit optional would shift the full financial responsibility of the non-federal share of costs of the Medi-Cal benefit to counties that opt to continue providing the benefit. This cost shift would add to counties' ongoing need to subsidize the cost of mobile crisis services for those who are uninsured or with commercial insurance.

At a time when counties are already experiencing significant fiscal strain and are required to re-evaluate and restructure existing county programs to implement the Behavioral Health Services Act (BHSA), which will shift \$1 billion in funding from mental health services to housing, this additional financial burden will mean that many counties will be faced with painful decisions regarding whether to scale back or eliminate this benefit entirely, leaving vulnerable individuals without access to essential community-based crisis response, and rolling back the millions that have already been invested by the state and counties in making this statewide benefit a vital, lifesaving resource throughout California.

Over the course of the last few years, both State and County investments have been made to build out the infrastructure, workforce, and systems coordination necessary to deliver this benefit effectively and meet its stringent federal and state requirements. Scaling back coverage of this benefit would risk undermining these investments and lead to gaps in access to crisis services and negative outcomes for individuals with behavioral health crisis needs.

For these reasons, we respectfully urge the Legislature to reject the January budget proposal to change the Medi-Cal Mobile Crisis benefit into an optional county benefit, and to maintain and extend the benefit as a statewide, mandatory Medi-Cal benefit. Doing so would ensure equitable access to behavioral health crisis services throughout the state and preserve the significant number of investments already made in the behavioral health crisis continuum.

Sincerely,

CC: Honorable Roger Niello, Vice Chair Senate Budget Committee
Scott Ogus, Senate Budget Subcommittee #3
Patrick Le, Assembly Budget Subcommittee #1
Anthony Archie, Senate Budget Republican Caucus
Eric Dietz, Assembly Republican Caucus
Richard Figueroa, Deputy Cabinet Secretary, Governor's Office
Joe Stephanshaw, Director, Department of Finance
Erika Li, Chief Deputy Director, Budgets, Department of Finance
Guadalupe Manriquez, Program Budget Manager, Health, Department of Finance
Kim Johnson, Secretary, California Health and Human Services Agency
Corrin Buchanan, Undersecretary, California Health and Human Services Agency
Stephanie Welch, Deputy Secretary of Behavioral Health, California Health and Human Services Agency
Brent Houser, Deputy Secretary for Program and Fiscal Affairs, California Health and Human Services Agency
Michelle Baass, Director, Department of Health Care Services
Tyler Sadwith, Medicaid Director, Department of Health Care Services
Paula Wilhelm, Deputy Director, Behavioral Health, Department of Health Care Services