

BHSA Impacted Partners

July 7, 2026



COUNTY OF MONTEREY
HEALTH DEPARTMENT

Today's Recommended Action

- Receive an update regarding funded partners impacted by the passage of Proposition 1 and the implementation of BHSA starting July 1, 2026.
- Approve staff's recommendation to fund three impacted partners utilizing general fund contingencies as approved by the County Administrative Officer and Budget Office.



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Board direction on June 16th

- Staff to review the list of impacted partners to identify which ones meet the following criteria set by Board for possible gap funding:
 - Funding for services that are being eliminated (vendor will not be contracted with in FY 26/27)
 - Services focused on older adults
 - Services focused on youth with a focus on those populations identified in the BHSA Integrated Plan as underserved
 - Services focused on family advocacy
- Report back on July 7th



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Proposition 1

In March 2024, California voters passed Proposition 1, a two-bill package, to modernize the state's behavioral health care system.

SB326 – The Behavioral Health Services Act

- Reforms behavioral health care funding to provide services to Californians with the most significant behavioral health needs
- Expands the behavioral health workforce to reflect and connect with California's diverse Population
- Focuses on outcomes, accountability, and equity
- **Redirects service, eligibility, and funding requirements across the system**

AB531 – Behavioral Health Bond

- Funds behavioral health treatment beds, supportive housing, and community sites
- Directs funding for housing to veterans with behavioral health needs

*Proposition 1 passed by a narrow margin of 26,223 votes (0.4%) statewide.



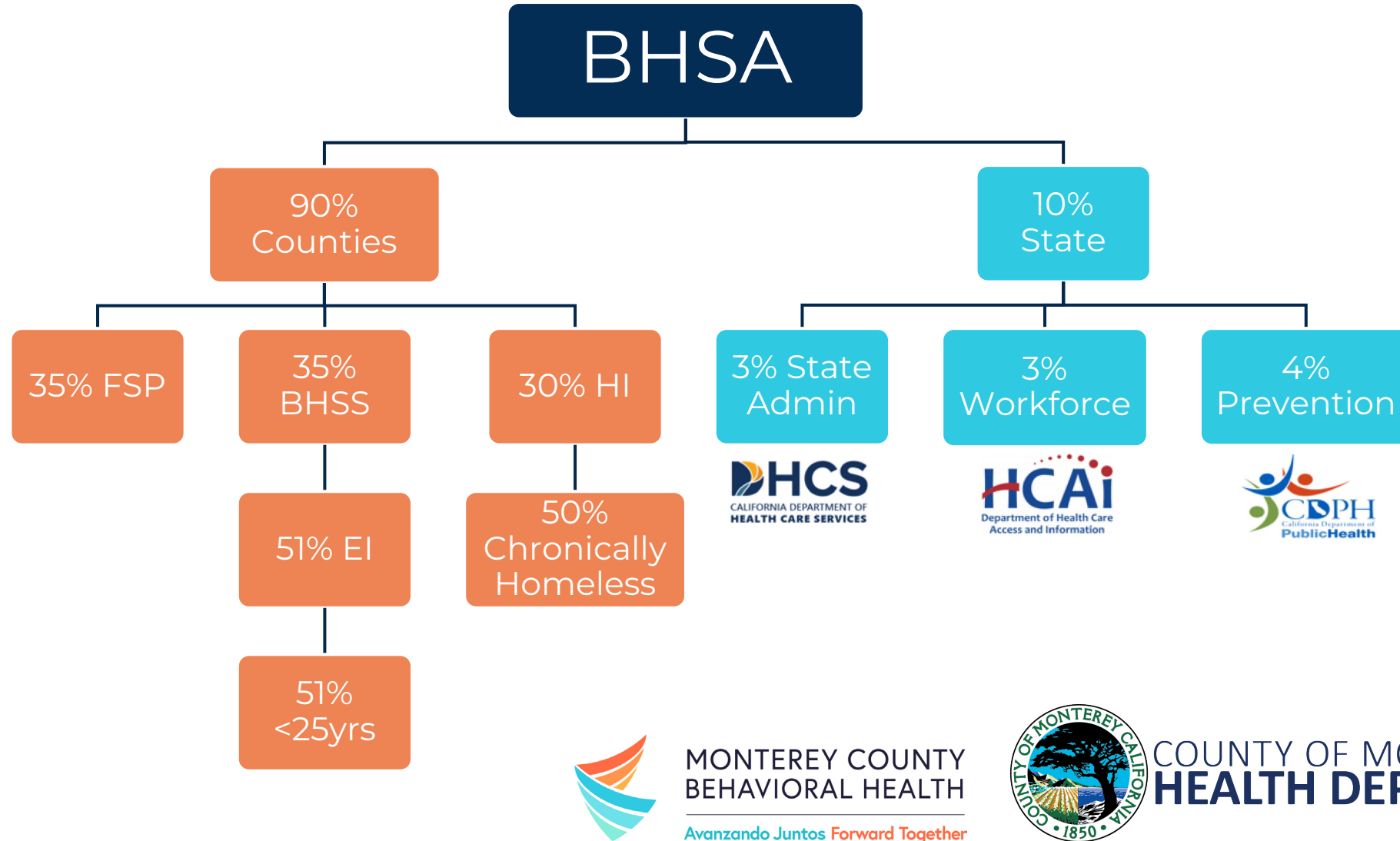
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BHSA Funding Framework



Impact of BHSA Funding Framework

Funding Impacts

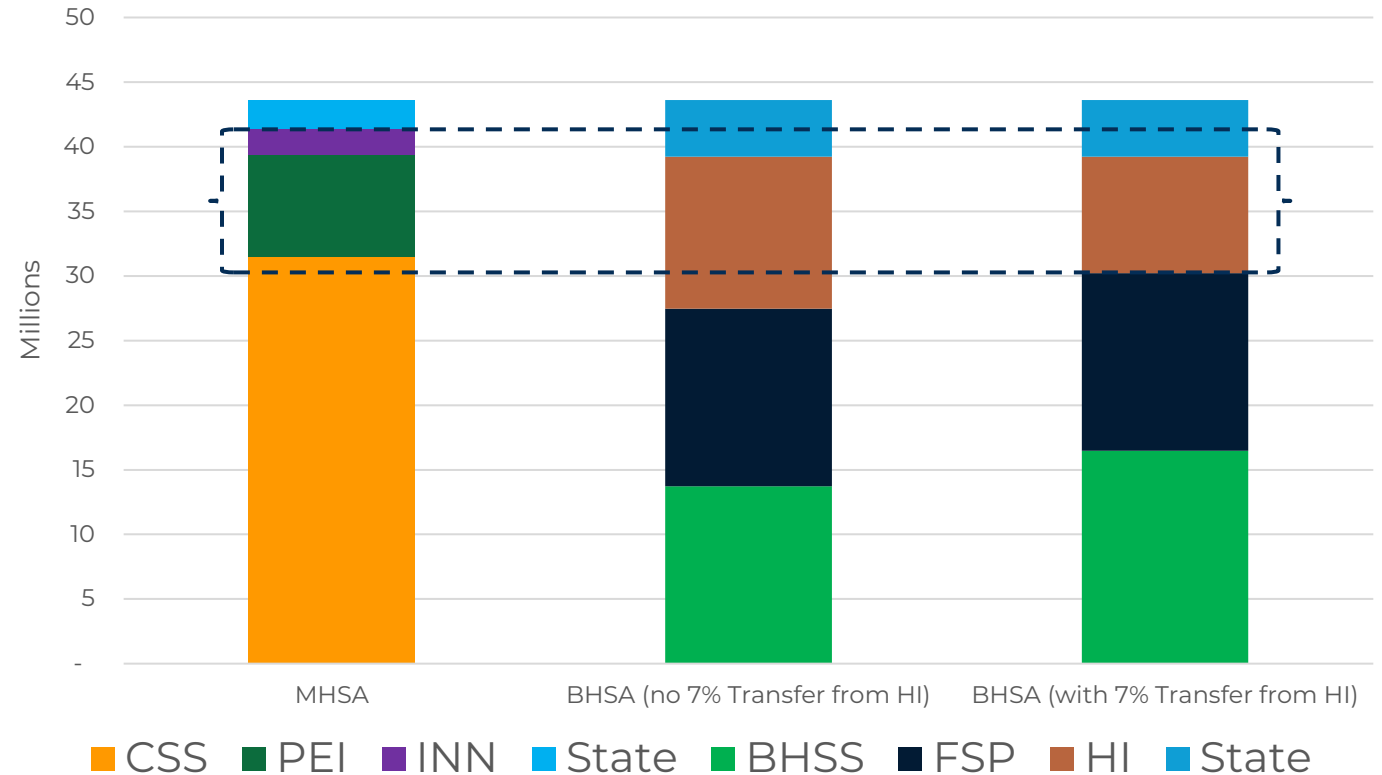
An additional 5% allocation to the State reduces local funding by approximately \$2.180 million in FY 26-27.

The required 30% allocation to Housing Interventions reduces funding available for non-housing behavioral health services by approximately *\$9.025 million in FY 26-27.

Combined, these changes reduce funding available for behavioral health services by approximately \$11.205 million (27%) in FY 26-27.

These reallocations required the reprioritization of BHSA funding and resulted in reduced or discontinued funding for several prevention service providers in FY 26-27.

FY 26-27 Funding Projections
\$43,600,624



*Includes 7% transfer out of HI and into BHSS



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Prevention Services Under BHSA

BHSA Limits Funding for Prevention Services

Proposition 1 shifted responsibility for population-based prevention services from county behavioral health departments to the California Department of Public Health (CDPH)

BHSA dedicates a minimum of 4% of statewide BHSA funding directly to CDPH to administer population-based prevention programs

Counties may no longer use BHSA funding for prevention programs that fall within CDPH's population-based prevention framework

As a result, prevention programs previously funded under MBSA were no longer eligible for continued BHSA funding



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22 Impacted Partners

Types of Services Provided

- Prevention Programming (13)
- Specialty Mental Health Services (2)
- Training & Consulting (5)
- Home visiting and mental health awareness (2)

Entity Name	Contract Impact
Alliance on Aging	Full Reduction
Center for Community Advocacy (CCA)	Full Reduction
Centro Binacional Para El Desarrollo Indigena Oaxaqueno (CBDIO)	Full Reduction
Seniors Council	Full Reduction
The Village Project	Full Reduction
Door to Hope	Partial Reduction
University of Southern California	Partial Reduction
First 5 Monterey County	Full Reduction
Public Health Bureau	Full Reduction
Academy of Cognitive Therapy	Partial Reduction
Applied Crisis Training & Consulting	Full Reduction
Kristin Lynn Dempsey	Partial Reduction
Public Consulting Group	Full Reduction
Zia Partners	Full Reduction
Community Human Services	Partial Reduction
Family Service Agency of the Central Coast	Partial Reduction
Harmony at Home	Partial Reduction
National Alliance on Mental Illness	Partial Reduction
Pajaro Valley Prevention & Student Assistance (PVPSA)	Partial Reduction
The Epicenter	Partial Reduction
Partners for Peace	Partial Reduction
United Way of Monterey County	Partial Reduction

Prevention

5 of the **13**
Prevention Providers
received a
full reduction to their
contracts for
FY 2026-27

Entity Name	Contract Impact
Alliance on Aging	Full Reduction
Center for Community Advocacy (CCA)	Full Reduction
Centro Binacional Para El Desarrollo Indigena Oaxaqueno (CBDIO)	Full Reduction
Seniors Council	Full Reduction
The Village Project	Full Reduction
Community Human Services	Partial Reduction
Family Service Agency of the Central Coast	Partial Reduction
Harmony at Home	Partial Reduction
National Alliance on Mental Illness	Partial Reduction
Pajaro Valley Prevention & Student Assistance (PVPSA)	Partial Reduction
The Epicenter	Partial Reduction
Partners for Peace	Partial Reduction
United Way of Monterey County	Partial Reduction



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Prevention



Alliance on Aging

- Program 1 Senior Peer Counseling (\$237,324)
- Program 2 Fortaleciendo el Bienestar (\$200,000)



CBDIO

- Maternal Mental Health Prevention and Early Intervention (\$250,000)



Center for Community Advocacy (CCA)

- Culturally Specific Prevention and Early Intervention through outreach and engagement (\$243,109)



Seniors Council
Concilio de Personas Mayores
Service • Support • Advocacy

Seniors Council

- Senior Companion Program (\$25,000)



The Village Project Inc.
Boa Me Na Me Mmoa Wo
Help Me and Let me Help You

The Village Project

- After School Program (\$295,000)



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Behavioral Health Budget Pressures



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Recommendation

- Receive a report regarding funded partners impacted by the passage of Proposition 1 and the implementation of the Behavioral Health Services Act (BHSA) starting July 1, 2026; and
- Authorize and direct the Auditor-Controller to amend the Health's FY 2026-27 Adopted Budget by increasing appropriations in fund-unit (1310 - Behavioral Health, 400005 - Behavioral Health) in the amount of \$580,000 to provide support to three identified providers that previously relied on MHSA Prevention and Early Intervention (PEI) funding administered by the County (Alliance on Aging \$177,993, Center for Community Advocacy \$182,332, and The Village Project \$219,675) financed by an operating transfer from General Fund-Contingencies (1001-105011); (4/5ths vote required); and
- Provide direction to staff regarding potential next steps related to gap funding for impacted partners.



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Thank you!



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