

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

May 5, 2026

FROM

JOSHUA DUGAS, Acting Director, Department of Behavioral Health

SUBJECT

Mental Health Services Act Program Improvements for Valued Outpatient Treatment Innovation Project Plan 2025

RECOMMENDATION(S)

1. Approve the Mental Health Services Act Program Improvements for Valued Outpatient Treatment Innovation Project Plan 2025, which includes the Mental Health Services Act County Compliance Certification and Mental Health Services Act County Fiscal Accountability Certification, in an expenditure amount not to exceed \$30,861,260, for the period of May 5, 2026, through June 30, 2029.
2. Authorize the Director of the Department of Behavioral Health, to execute and submit the Mental Health Services Act Program Improvements for Valued Outpatient Treatment Innovation Project Plan 2025, Mental Health Services Act County Compliance Certification, and Mental Health Services Act County Fiscal Accountability Certification, to the Commission for Behavioral Health.
3. Direct the Director of the Department of Behavioral Health to transmit the Mental Health Services Act Program Improvements for Valued Outpatient Treatment Innovation Project Plan 2025 to the Clerk of the Board of Supervisors within 30 days of execution.

(Presenter: Joshua Dugas, Acting Director, 252-5142)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Promote and Fulfill the Countywide Vision.

Provide for the Safety, Health and Social Service Needs of County Residents.

FINANCIAL IMPACT

This item does not impact Discretionary General Funding (Net County Cost). This Mental Health Services Act (MHSA) Program Improvements for Valued Outpatient Treatment (PIVOT) Innovation (INN) Project Plan 2025 will be funded fully with MHSA INN Funding, in a total amount not to exceed \$30,861,260, of which \$25,971,076 is allocated for PIVOT Full-Service Partnership Reboot and Developing Capacity (FSP Reboot), and \$4,890,184 is allocated for PIVOT Developing Capacity.

Effective July 1, 2026, for counties that have INN funds encumbered prior to July 1, 2026, and an operational INN project, those INN funds will remain encumbered for the duration of the first Behavioral Health Services Act (BHSA) Integrated Plan covering budget years 2026-27 through 2028-29. Adequate appropriation and revenue have been included in the Department of Behavioral Health's (DBH) 2025-26 budget and will be included in future recommended budgets.

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BACKGROUND INFORMATION

The MHSA was approved by California voters in 2004 and became effective January 2005. MHSA is funded by a 1% tax surcharge on personal income over \$1,000,000 per year. MHSA provides funding to counties to expand and improve public mental health services and reduce the long-term impacts of untreated serious mental illness. Voters subsequently approved Proposition 1, which transitions MHSA to BHSA effective July 1, 2026. Under BHSA regulations, INN projects approved prior to the BHSA implementation may continue through July 1, 2029, provided funds are encumbered prior to July 1, 2026.

MHSA includes an INN component that supports time-limited projects designed to test new adapted approaches that improve the public behavioral health system. For each INN project, counties must submit a project plan to the California Behavioral Health Commission for approval prior to implementation.

DBH developed the PIVOT INN Project Plan 2025 (Plan), which has two components to support the County's transition to BHSA: FSP Reboot for Specialty Mental Health Plan Services (SMHPS) with Diverse Communities.

The FSP Reboot will enable DBH to assess the readiness of current programs for transitioning to BHSA. The intention is to:

- Assess FSP Reboot program readiness for BHSA transition, including staffing, workflows, and training.
- Align service delivery with evidence-based practices and BHSA requirements.
- Implement standardized levels of care and improve administrative infrastructure.
- Improve consistency, operational efficiency, and revenue generation through the establishment of clear care transition pathways based on acuity, outcome tracking, refined referral processes, and targeted training plans.

The PIVOT Developing Capacity for SMHPS with Diverse Communities initiative will enable DBH to support community-based organizations (CBOs) in strengthening their capacity to deliver SMHPS. The intention is to:

- Support CBOs in becoming Medi-Cal/DMC providers through technical assistance and readiness assessments.
- Integrate Community-Defined Evidence Practices to enhance cultural responsiveness.
- Strengthen CBO infrastructure to support sustainable service delivery and revenue generation.
- Establish minimum capacity standards, support smaller providers, and provide a financially sustainable system of care.

The PIVOT Project's total proposed budget is \$30,861,260. This amount will be distributed between its components as outlined below:

• ***PIVOT FSP Reboot Component - \$25,971,076***

The FSP Reboot budget, for the duration of the project, includes \$3,850,000 for consultant services (project managers, subject matter experts, and evaluators) and \$21,690,307 in staffing costs. These funds will support FSP Assertive Community Treatment (ACT) and Forensic ACT services conducted by culturally diverse community-based organizations throughout the County. Program costs, which include supplies, translation, travel, and required training, will total \$417,385, with an additional \$13,384 allocated for indirect administrative costs.

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- ***PIVOT Developing Capacity - \$4,890,184***

The Developing Capacity budget, for the duration of the project, includes \$3,850,000 for consultant services (project managers, subject matter experts, and evaluators) and \$908,799 in staffing costs. Program costs of \$118,000 will be allocated to cover supplies, translation, travel, and required trainings. Additionally, \$13,385 is allocated for indirect administrative costs.

Approval of the Plan by the Board of Supervisors is required to comply with MHSA regulations and allow DBH to proceed with Project implementation and expenditure of INN funds. Approval will also authorize the Director of DBH to submit the Plan in addition to the requisite certifications.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by Behavioral Health (Diana Barajas, Administrative Supervisor I, 388-0862) on March 31, 2026; County Counsel (Charles Phan, Supervising Deputy County Counsel, 387-5455) on March 19, 2026; and County Finance and Administration (Iliana Rodriguez, Administrative Analyst, 386-8392 and Joon Cho, Chief Administrative Analyst, 658-1812) on April 19, 2026.

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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Curt Hagman Seconded: Joe Baca, Jr.
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: May 5, 2026



cc: File - Behavioral Health w/attach
CCM 05/8/2026