

# **INNOVATION PROJECT STAFF ANALYSIS:**

## **Program Improvements for Valued Outpatient Treatment (PIVOT)**

**Contra Costa County**  
**Los Angeles County**

### **Background Problem**

Proposition 1, also known as the Behavioral Health Services Act (BHSA), was passed in March 2024 and made significant changes to the current funding structure of California’s behavioral health system. Previous funding categories included Community Services and Supports (CSS), Prevention and Early Intervention (PEI), Innovation (INN), Workforce Education and Training (WET), and Capital Facilities and Technological Needs (CFTN); however, the BHSA restructures funds into three (3) categories: Full Service Partnerships (FSPs), Behavioral Health Services and Supports (BHSS), and Housing Interventions. The new mandate also integrates Substance Use Disorder (SUD) services into the behavioral health care system, which previously operated independently.

This transition from MHSA to BHSA requires considerable changes to the way Counties administer and manage behavioral health and SUD programs. The removal of PEI funding puts vital services – often provided by community based organizations (CBOs) assisting un/underserved communities – at risk of discontinuation. Furthermore, the BHSA imposes new guidelines on FSPs to ensure quality and fidelity to evidence-based practices (EBPs), which requires Counties to reevaluate current FSP administrative and workflow processes. Additionally, strategies to foster a robust and skilled workforce that supports these changes are necessary to ensure effective implementation across BHSA and other complex Behavioral Health Transformation initiatives.

The Program Improvements for Valued Outpatient Treatment (PIVOT) project proposes approaches and solutions that allow Counties to prepare for the changes and challenges that come with this transition.

### **BHSA Alignment and Sustainability**

The PIVOT project was developed to directly and immediately assist counties with preparing for and implementing mandated changes under the BHSA. This includes focusing on comprehensive FSP programs that align with high-quality outpatient services, provision of behavioral health services and supports in collaboration with the community, housing

strategies for participants, and integration of SUD treatment. The PIVOT project was originally brought forth by Orange County with the potential for replication across other Counties, and the project was approved by the Commission in November 2024. Contra Costa and Los Angeles Counties wish to join this project, with the intent of bringing their work in alignment with the BHSA. Both requesting Counties have embedded sustainability in their projects' design through planned infrastructure improvements and capacity and relationship building. Upon completion of these projects, any ongoing activities may be sustained through BHSA, Medi-Cal, and/or other Behavioral Health Transformation funding.

## Statutory Requirements

**WIC Section 5830(a)(1)-(4):** The PIVOT project seeks to increase access to mental health services to underserved groups; increase the quality of mental health services, including measured outcomes; promote interagency and community collaboration; and increase access to mental health services, including, but not limited to, services provided through permanent supportive housing.

**WIC Section 5830(b)(2)(A)-(D):** The PIVOT project meets Innovation criteria by making a change to an existing practice in the field of mental health, including, but not limited to, application to a different population; and by supporting participation in a housing program designed to stabilize a person's living situation while also providing supportive services onsite.

## CONTRA COSTA COUNTY: PIVOT Summary

**Total INN Funding Requested:** \$8,885,824

**Duration of INN Project:** 4 years

## Review History

**Public Comment Period:** March 25, 2025 to April 24, 2025

**Behavioral Health Board Hearing:** May 21, 2025

**Board of Supervisors Approval:** June 24, 2025

**County Final Submission Date:** June 2, 2025

## Project Introduction

Contra Costa Behavioral Health Services (CCBHS) is requesting up to \$8,885,824 of Innovation spending authority over a period of four (4) years to prepare for implementation of Proposition 1, also known as the Behavioral Health Services Act (BHSA), by joining Orange County's Progressive Improvements for Valued Outpatient Treatment (PIVOT) Innovation project that was approved by the Commission in November 2024. Specifically, the County requests to join the following three (3) components: Full Service Partnership (FSP) Reboot; Developing Capacity for Specialty Mental Health Plan Services (SMHS) with Diverse Communities, to also include implementation of Community Defined Evidence Practices

(CDEPs); and Innovating Countywide Workforce Initiatives. In addition, CCBHS is requesting to include three (3) other components, which will implement structural processes for housing solutions; enhance technology needs and coordination of care; and integrate the Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) initiative and required Evidence Based Practices (EBPs) into the behavioral health system.

## **How this Innovative Project addresses the problem**

Each of the six (6) components to this PIVOT project will focus on different areas that ultimately work simultaneously to align the County's efforts with BHSA requirements. They are as follows:

### **Supporting a Reboot of FSP Programs**

To reliably track FSP client outcomes and ensure compliance with BHSA, CCBHS plans to build out data infrastructure that implements real-time tracking for client care and improves data security and quality. Administrative processes will also be updated with defined step-down criteria and workflows, and providers will receive training and technical assistance on new FSP structures to ensure continuity and quality of care. In addition, CCBHS will focus on improvements to FSP programming through close collaboration with value-based contractors and use of systems that monitor program fidelity and performance. Per the new BHSA requirement, SUD supports will also be integrated via co-location of services and dual-certification under the Drug Medi-Cal Organized Delivery System (DMC-ODS).

### **Streamlining Capacity for SMHS and Implementing CDEPs**

CBOs in Contra Costa County provide much needed services to some of the most underserved populations living with serious behavioral health conditions. Through the PIVOT project, CCBHS aims to cultivate its relationships with CBOs and assess their capacity to serve individuals by identifying whether they meet minimum requirements to become a SMHS contracted provider by assessing staffing, budget and financial planning activities, and community partnerships and engagement. CCBHS will also identify CDEPs that can help close the gap in penetration rates while also potentially generating revenue to create a more sustainable system of care.

### **Evaluation and Support for Workforce Education and Training (WET) Programming**

Staffing challenges such as work schedules, non-competitive pay, and slow hiring processes hinders the county's workforce recruitment and retention efforts. As a result, CCBHS will assess and evaluate its workforce development strategies and align itself with the California Department of Health Care Access and Information's statewide strategy for expanding and diversifying California's behavioral health workforce, wherever possible. These efforts may

include, but are not limited to, exploring solutions through financial incentives, increased compensation, and career development.

### Implementing Structural Processes for Housing

Securing sustainable funding for stable housing is also vital to the wellness of behavioral health clients. The PIVOT project will analyze existing administrative and funding streams to determine ways to maximize current approaches and/or develop new strategies that leverage state and federal grants, partnerships with CBOs and philanthropic organizations, and other County departments. CCBHS will also focus on expanding transitional housing as well as permanent supportive housing that allow behavioral health clients to stay connected to crucial services and supports in the manner that best fits their needs.

### Integration of BH-CONNECT and EBPs

BH-CONNECT is designed to increase access and strengthen the continuum of community-based behavioral health services for Medi-Cal members living with significant behavioral health needs. The PIVOT project will utilize DHCS Centers of Excellence to provide technical assistance that adheres to BH-CONNECT and EBP requirements. You can find a list of the specific EBPs on pages 13-14 of Contra Costa's PIVOT proposal.

### Enhancement of Technological Needs (TN) and Care Coordination

The PIVOT project will explore areas of opportunity for increasing coordination of care through electronic health record and other technological improvements, with a focus on expanding the exchange of information across behavioral health and SUD services, as well as between CCBHS and larger Contra Costa health systems. Activities include analyzing and improving health information databases and reporting infrastructure. As a result, operational workflows and quality of care should see significant positive outcomes and reduced administrative burden.

### Community Planning Process

Through robust stakeholder involvement, CCBHS initiated discussions around BHSA beginning in 2023 to garner input and keep the community aware of the potential changes. Stakeholders included peers, peer and behavioral health providers, family members, CBOs, faith-based organizations, veterans, criminal justice representatives, and alcohol and other drug service representatives. Ten (10) local Mental Health Commission meetings were held in October 2023 through November 2024. Additionally, nine (9) MHSA Advisory Council meetings were held between January 2023 and October 2024, along with other special presentations and community forums.

The PIVOT project underwent its public comment period from March 25, 2025 to April 24, 2025. All community input received throughout the County's local planning process were incorporated into the final PIVOT proposal.

Additional information on Contra Costa County's local community planning process can be found on pages 25-27 of the project proposal.

## **Learning Objectives and Evaluation**

The PIVOT objectives and evaluation plan adhere to the new guidelines required in the BHSA, and learning goals are outlined as follows:

### **Supporting a Reboot of FSP Programs**

- How can the different FSP levels be operationalized to support timely and appropriate transitions in level of care?
- What administrative processes and program operations ensure that members experience seamless continuity of care during transitions between FSP levels?
- For contracted programs, what changes are needed in the contract language to incorporate the different levels of care?
- Are the existing data systems adequate for providing real time tracking of client progress?
- What are the standards for fidelity monitoring?

### **Streamlining Capacity for SMHS and Implementing CDEPs**

- What are the minimum requirements for a CBO to become a Medi-Cal/DMC-ODS provider?
- What type and level of technical assistance are needed to support CBOs?
- Does embedding culturally based approaches for specialty mental health care improve penetration rates and client outcomes?
- Which CDEPs are most effective?
- How can CDEPs be utilized to generate revenue?
- Do services under this component lead to more culturally and linguistically appropriate services?

### **Evaluation and Support for Workforce Education and Training (WET) Programming**

- Which incentives increase the likelihood of filling hard-to-fill and hard-to-retain positions?
- How can workforce strategies be directed to support a workforce that is more culturally and linguistically diverse?
- Do these workforce initiatives place the County in a better position to apply and quality for grants to sustain/expand workforce initiatives?

## Implementing Structural Processes for Housing

- What gaps exist in the current array of housing options?
- What are the most successful strategies for identifying the most at-risk target populations?
- What are the viable funding structures that can support this integrated model of care?
- What housing models would best support the needs of the target population?

## Integration of BH-CONNECT and EBPs

- Have the required initiatives under BH-CONNECT been implemented properly and in a timely manner?
- Have the EBPs been integrated into service delivery?
- What additional training is required to support the successful implementation of BH-CONNECT?

## Enhancement of Technological Needs (TN) and Care Coordination

- Has interoperability and data exchange infrastructure been substantially improved?
- Has improved data sharing with contract agencies resulted in increased care coordination?
- Have enhanced databases and reporting systems led to greater financial transparency?

## Budget

Contra Costa County is requesting authorization to spend up to \$8,885,824 of MHS Innovation funding for this project over a period of four (4) years. One-hundred percent (100%) of the project will be supported by Innovation funding. The breakdown by fiscal year and expenditure category is as follows:

Category	FY 25-26 (Year 1)	FY 26-27 (Year 2)	FY 27-28 (Year 3)	FY 28-29 (Year 4)	Total
<b>Personnel</b>	\$483,538	\$2,030,860	\$2,132,403	\$2,239,023	\$6,885,824
<b>Operating</b>	\$300,000	\$300,000	\$300,000	\$300,000	\$1,200,000
<b>Contracts &amp; Consulting</b>	\$200,000	\$200,000	\$200,000	\$200,000	\$800,000
<b>Total</b>	\$983,538	\$2,530,860	\$2,632,403	\$2,739,023	<b>\$8,885,824</b>

Seventy-seven percent (77%) of total projected expenditures are allocated for personnel costs. This includes 3 Full-Time Equivalent (FTE) Project Managers, who will be responsible for project alignment and coordination of activities. There will also be 6 FTE Planner/Evaluators to support data tracking and ensure consistent reporting and lessons learned throughout the duration of the project. Other personnel include 1 FTE Administrative staff and 1 FTE Accountant.

Fourteen percent (14%) of the requested Innovation funds are reserved for operating costs to provide Information Technology (IT) systems and supports necessary to track, monitor, and report on project activities. Interoperability and information sharing across existing systems will also be assessed.

At around nine percent (9%), the remaining funds will go toward contracts and consultant costs. Consultations with Subject Matter Experts (SMEs) for all PIVOT components is vital to the success of the project and will also be leveraged to assist with completion of the initial Integrated Plan and its associated community planning process. Additional information on the project budget can be found on pages 30-33 of the proposed plan.

## LOS ANGELES COUNTY: PIVOT Summary

**Total INN Funding Requested:** \$34,788,012.23

**Duration of INN Project:** 4 years

### Review History

**Public Comment Period:** March 7, 2025 to April 7, 2025

**Behavioral Health Board Hearing:** March 27, 2025

**Board of Supervisors Approval:** June 17, 2025

**County Final Submission Date:** June 9, 2025

### Project Introduction

Los Angeles County Department of Mental Health (LACDMH) is requesting up to \$34,788,012.23 of Innovation spending authority over a period of four (4) years to prepare for implementation of Proposition 1, also known as the Behavioral Health Services Act (BHSA), by joining Orange County's Progressive Improvements for Valued Outpatient Treatment (PIVOT) Innovation project that was approved by the Commission in November 2024. Specifically, the County requests to join the following three (3) components: Full Service Partnership Reboot, Developing Capacity for Specialty Mental Health Plan Services with Diverse Communities, and Innovative Approaches to Delivery of Care.

### How this Innovative Project addresses the problem

Each of the three (3) components to this PIVOT project will focus on different areas that ultimately work simultaneously to align the County's efforts with BHSA requirements. They are as follows:

#### Full Service Partnership Reboot

With new BHSA requirements ahead, an examination of existing FSP data infrastructure and administrative processes is necessary to maintain program compliance and quality of



services. To ensure these goals are met, the PIVOT project's FSP component will focus on strengthening technical and data infrastructure, including areas of improvement for the current EHR system; efficiency of administrative processes; and provider technical assistance.

### **Developing Capacity for Specialty Mental Health Plan Services with Diverse Communities**

This component of the PIVOT proposal, also titled Providing Access to Treatment, Health, Wellness, and Youth Support (PATHWAYS), will assist small CBOs with building capacity and infrastructure as well as identifying self-sustaining funding streams through Medi-Cal billable services and/or BHSA funds. These community partners often provide vital prevention services to underserved populations through non-traditional approaches. A third-party administrator will oversee capacity building and onboarding elements and work directly with CBOs, providing them with subject matter expertise and guidance on SMHS.

### **Innovative Approaches to Delivery of Care**

This PIVOT component, which will also be titled Transformation from Peer Resource Centers to Clubhouses (PRC to Clubhouses), will utilize a contracted consultant to assess the behavioral health system's readiness for and implementation of the Clubhouse model. The Clubhouse model is an evidence- and community-based approach that empowers individuals to live fulfilling lives in a restorative environment, with opportunities for employment, education, and social engagement. It also incorporates peer support services and is one of the EBPs identified in the BH-CONNECT initiative. A consultant will provide educational support and comprehensive technical assistance to existing PRCs, so that they can successfully transition to the Clubhouse model and expand the County's billable revenue streams.

### **Community Planning Process**

As part of the County's community planning process, stakeholders from unserved, underserved, and vulnerable populations were brought together to identify challenges and key areas of opportunity to better the behavioral health system and improve community member wellness. On March 11, 2025, LA County's MHSA Community Planning Team (CPT) discussed the PIVOT proposal at length, providing attendees with opportunity for comment. The project plan underwent its public comment period between March 7, 2025 and April 7, 2025 and LACDMH submitted its final PIVOT proposal to the Commission on June 9, 2025. The project was approved by the County's local Behavioral Health Board on March 27, 2025 and by the Board of Supervisors on June 17, 2025.

### **Learning Objectives and Evaluation**

The PIVOT objectives and evaluation plan adhere to the new guidelines required in the BHSA, and learning goals are outlined as follows:



## Full Service Partnership Reboot

### Technical and Data Infrastructure:

- Identify technical requirements for developing a local data infrastructure that supports county and county-contracted providers in aligning with new FSP standards, while maintaining compliance with existing data collection and reporting standards
- Design, test, and implement applications that allow real-time access to view an FSP member's current level of care and functioning, supporting timely and appropriate transitions across levels of care.
- Ensure that all data systems comply with federal and state information technology security and privacy requirements.
- Conduct a thorough cleaning and validation of local data systems to ensure accuracy and readiness for implementation of the new standards.

### Modification and enhancement of current electronic health record (EHR) system:

- Enhance and adapt the EHR system to support the upcoming FSP Assertive Community Treatment (ACT) and Forensic ACT bundled rate claiming and documentation requirements, enabling both directly operated clinics and contracted providers to submit claims with minimal disruption.
- Improve EHR system to support higher-quality documentation and streamline billing processes, reducing administrative burden.
- Pilot the integration of artificial intelligence (AI) application within the EHR system to reduce claiming errors, standardize documentation practices, increase access to care, and enhance operational efficiency.

### Administrative Processes:

- Determine administrative procedures to support seamless transitions between FSP levels, minimizing disruptions to service delivery.
- Establish a standardized process for tracking and reporting member transitions across levels of care.
- For contracted programs, identify necessary updates to contract language to reflect the new requirements and levels of care.
- Develop a consistent contracting framework that aligns with state's standard and enables effective monitoring and reimbursement.
- Explore and identify a process for fidelity monitoring to ensure adherence to program models and service quality.

#### Provider Technical Assistance:

- Identify and implement strategies to build or expand provider capacity for field-based service delivery, thereby increasing access to care under the FSP models as outlined in BHSA.
- Explore and apply approaches to improve and ensure the quality of care for providers transitioning from traditional clinic-based services to field-based FSP level of care.
- Provide targeted training and resources to FSP providers – through contracted consultants or trainers - to ensure they are prepared to deliver care across the full continuum of FSP services.

#### Developing Capacity for Specialty Mental Health Plan Services with Diverse Communities - PATHWAYS

- Assist DMH Prevention contractors and United Mental Health Promoters in building necessary capacity to transition into Medi-Cal rendering providers.
- Includes support with credentialing; Medi-Cal enrollment; EHR research and purchase; capacity building through trainings and claiming supports; data collection and documentation; and quality assurance services.

#### Innovative Approaches to Delivery of Care – PRCs to Clubhouses

- Targeted workforce coaching and training in best practices and with toolkits.
- Operational transition planning that supports the transition of clinical space into community centered designed environments.
- Data-driven evaluations through research and qualitative assessment, stakeholder engagement, and community insight.
- Establishment of a regional training hub and ongoing technical support.

### **Budget**

LACDMH is requesting authorization to spend up to \$34,788,012.23 of MHSA Innovation funding for this project over a period of four (4) years. One-hundred percent (100%) of the project will be supported by Innovation funding. The breakdown by fiscal year and expenditure category is as follows:

<b>Category</b>	<b>FY 25-26 (Year 1)</b>	<b>FY 26-27 (Year 2)</b>	<b>FY 27-28 (Year 3)</b>	<b>FY 28-29 (Year 4)</b>	<b>Total</b>
<b>FSP Reboot Contracts</b>	\$5,692,444.00	\$917,730.00	\$945,261.90	\$973,619.76	\$8,529,055.66
<b>PATHWAYS Personnel</b>	\$471,476.19	\$471,476.19	\$471,476.19	\$0	\$1,414,428.57
<b>PATHWAYS Contracts</b>	\$9,315,000	\$6,520,500	\$2,608,200	\$0	\$18,443,700.00
<b>Clubhouses Contracts</b>	\$1,100,207	\$1,100,207	\$1,100,207	\$1,100,207	\$4,400,828.00
<b>Total*</b>	\$17,079,127	\$9,509,913	\$5,625,145	\$2,573,827	<b>\$34,788,012.23</b>

*\*Note: Decimals may be rounded to nearest dollar.*

About four percent (4%) of total projected expenditures are allocated for County personnel to support the PATHWAYS component. This includes one (1) staff assistant and two (2) management analysts. No County staff are allocated for the FSP and PRC to Clubhouses components, as these will be fully supported through third-party contractors.

Twenty-four percent (24%) of the requested Innovation funds are reserved for contracts to support the FSP component; fifty-three percent (53%) are allotted for PATHWAYS contracts; and thirteen percent (13%) will go towards the PRC to Clubhouses component. These contractors will provide subject matter expertise in data infrastructure, program design, data analysis, and technical assistance in their respective fields, as well as support administrative, training, and evaluation costs to ensure successful implementation of BHSA requirements. Additional information on the project budget can be found on pages 9-12 of the proposed plan.

## **CONCLUSION**

The proposed Program Improvements for Valued Outpatient Treatment (PIVOT) Projects for Contra Costa County and Los Angeles County appear to meet the minimum requirements listed under MHSA Innovation regulations and align with the goals of the BHSA; however, projects must receive approval from the County's local Board of Supervisors before the County can expend any Innovation funds.