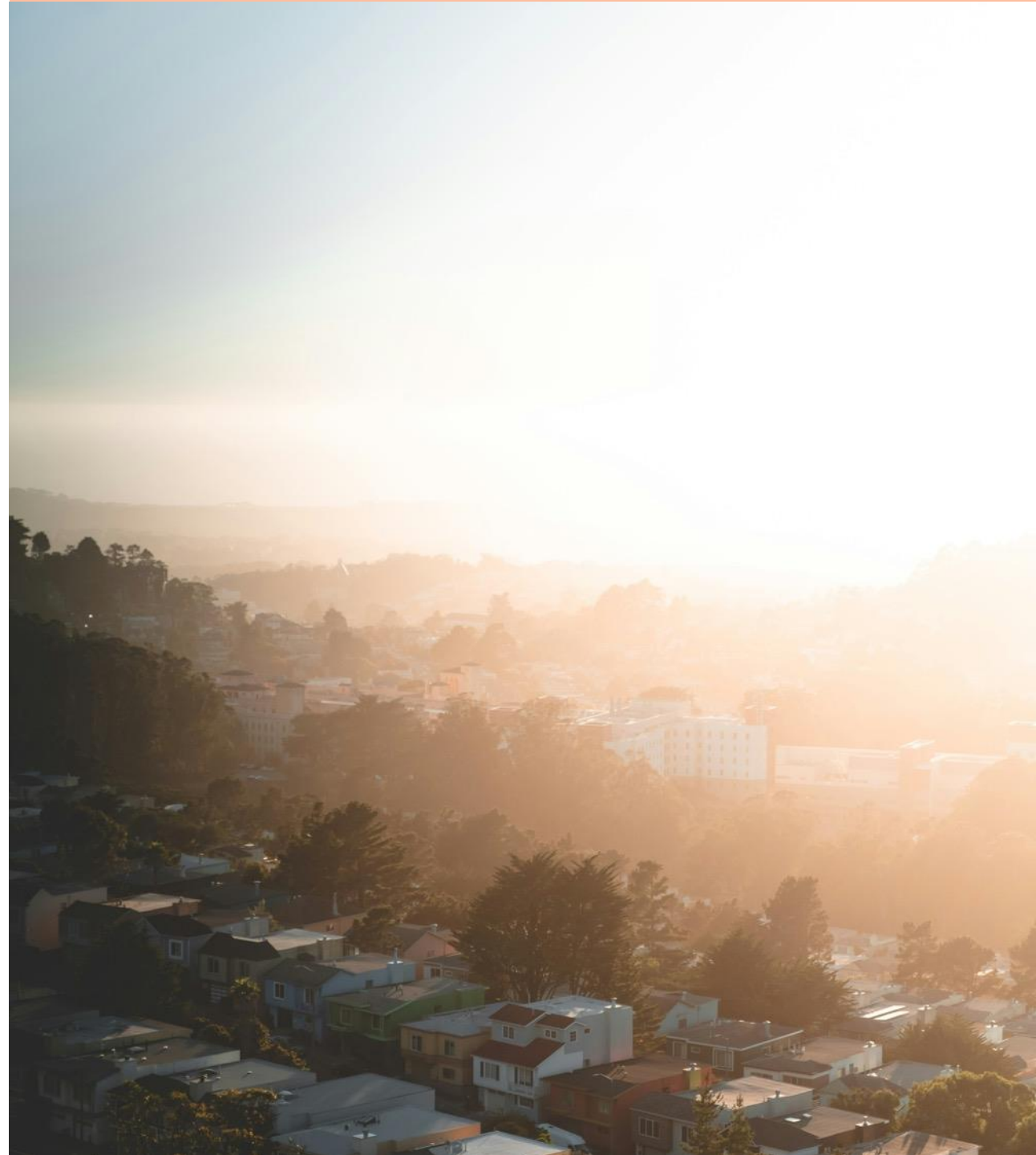




Innovation Partnership Fund (IPF)

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Innovation Partnership Fund (IPF)

- Created by Proposition 1 in the shift from the Mental Health Services Act (MHSA) to the Behavioral Health Services Act (BHSA)
- Under MHSA, 5% of total MHSA county funding was reserved for innovation projects, which the Commission for Behavioral Health (CBH) approved
- Under BHSA, innovation funds shift from being county-directed to state-directed
- The IPF is administered by the CBH
 - Up to \$20 million per year for 5 years (FY 2026–27 through FY 2030–31; \$100 million total)

Innovation Partnership Fund

Today we are focused on adopting the framework for IPF that was developed through extensive public engagement and input from a wide range of stakeholders.

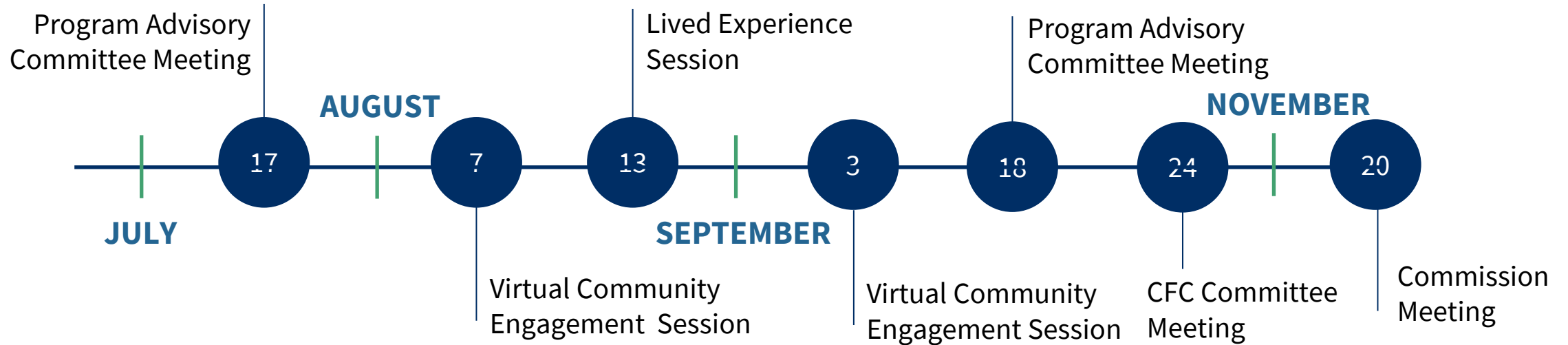
The adoption of the framework will allow staff to focus on the nuts and bolts of the RFP development and keep us on track for presenting the outline at the January Commission meeting.

Given the current budget climate, delays in moving the IPF Framework and RFP forward may risk partial or full loss of these funds (similar to what occurred with the Mental Health Wellness Act funds in the 2025 May Revision).



Innovation Partnership Fund Framework Development

TIMELINE



ENGAGE WITH US!

Provide written feedback
online via CBH website.



Definition of Innovation

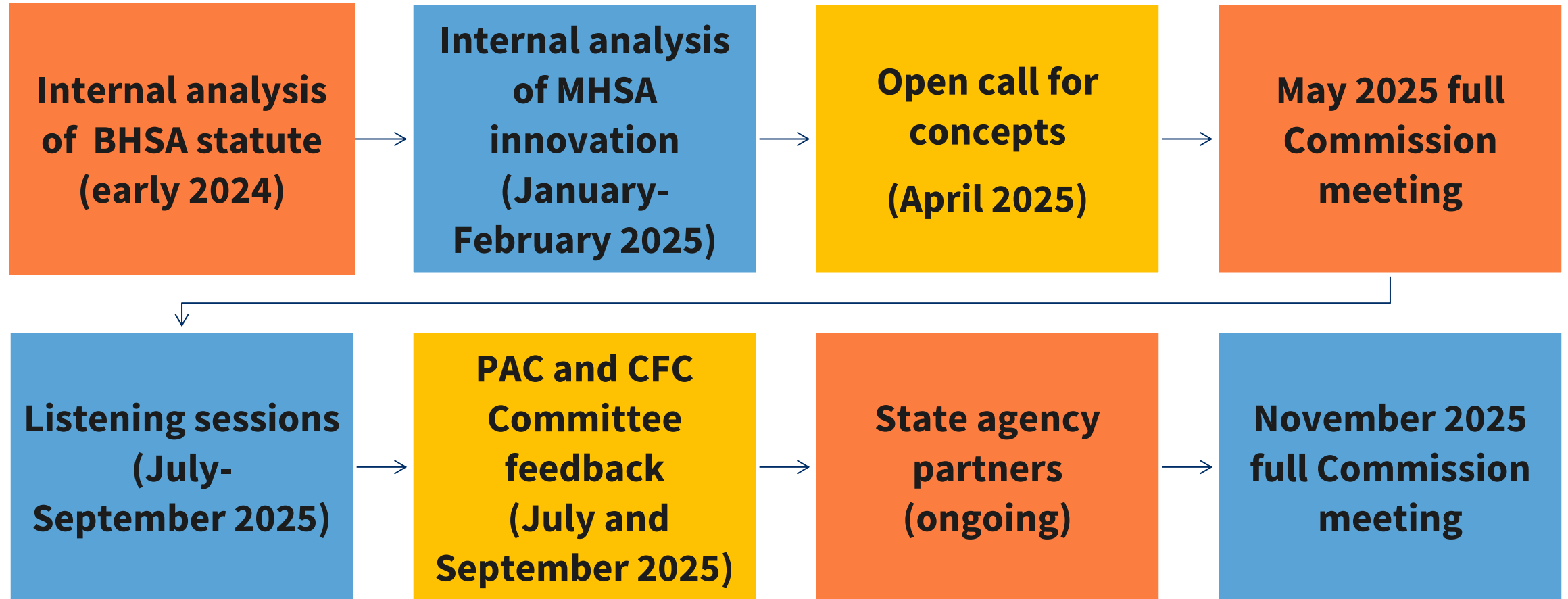
“Innovation” would be defined as a new or adapted approach to solving persistent problems in California’s behavioral health system – especially those that relate to equity, access, workforce shortages, and service fragmentation.

-  Advance new models, tools, partnerships, or technologies
-  Introduce or scale practical, community defined evidence-based practices that increase access to indicated prevention, treatment, and recovery supports
-  Be actionable and ready for real-world implementation
-  Demonstrate a clear break from the status quo, not simply incremental improvements to existing programs or efforts
-  Consider ideas from other sectors or geographies, adaptation of promising practices, or bold new models co-created with people with lived experience



Engagement Efforts and Alignment

Engagement Sources and Process



What we learned from stakeholders

- Statutory mandates were new to stakeholders.
- Target populations should prioritize vulnerable and/or communities experiencing disparities, including BIPOC, LGBTQ+, older adults, youth, those with co-occurring disorders.
- The Commission should ensure opportunities for robust community participation and input with transparent planning process.
- Funding should be prioritized for public agencies, nonprofits, and tribal organizations with the for-profit sector as subcontractors and vendors.
- The definition of innovation should be defined to include community-defined, non-clinical approaches, not only medical models.
- Grant awards should be focused on systems change and be centered around equity, sustainability, and long-term community impact.

How we addressed stakeholder input

- We included additional information in the framework and in our presentations specifying the statutory mandates.
- We held three listening sessions, prioritized IPF at two PAC meetings, and presented the framework at the CFC meeting.
- We are exploring the possibility of awarding additional scoring points to the procurement process for proposals with CBOs as lead.
- We clarified that equity is a crucial cross-cutting consideration and that indicated prevention fits under the umbrella of meeting the statutory mandates.
- The framework clearly calls out community-defined evidence practices and provides room for non-clinical strategies and approaches.
- The framework specifies that, in addition to equity, sustainability and long-term impact should be considered.

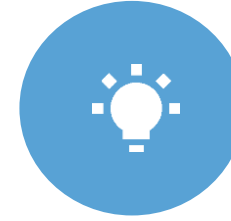
Alignment



Equity



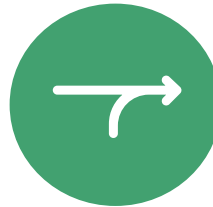
**Finance and
sustainability**



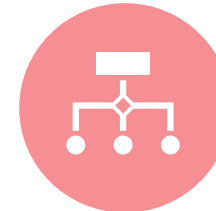
**Public-private
partnership**



**Lived experience
and community
leadership**



**Alignment with
State efforts**



**Agility and quality
improvement**

We all agree that IPF should be ...

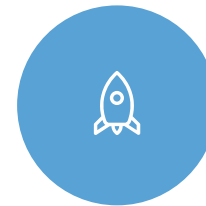
- Equity-focused
- Involve community and lived experience
- Focus on sustainability
- Leverage data
- Include community-centered solutions



**Statute
and policy**



**Community
partner input**



**Committee and
Commissioners**

These considerations are all represented in the current framework.

IPF SHOULD ...

*increase equity,
reduce disparities,
and ensure
innovations serve
underserved and
those most in need.*

CROSS-CUTTING ELEMENTS (PAGE 3)

Equity: Proposals should demonstrate how they will advance racial equity and close gaps in access, experience, and outcomes for communities historically underserved by the behavioral health system – including communities of color, LGBTQ+ individuals, people with disabilities and substance use disorders, rural residents, and others marginalized by systemic barriers.

These considerations are all represented in the current framework.

IPF SHOULD ...

involve community input and lived experience in the design, implementation, and evaluation.

CROSS-CUTTING ELEMENTS (PAGE 3)

Lived Experience and Community Leadership: Proposals should demonstrate how they are co-designed with people with behavioral health conditions and lived experience. Proposals should demonstrate meaningful engagement of individuals, families, and communities who are most directly impacted – through co-design, shared governance, continuous feedback loops, and leadership roles in implementation. Lived experience must inform every stage of the innovation process to ensure relevance, trust, and impact.

These considerations are all represented in the current framework.

IPF SHOULD ...

be financially sustainable beyond the life of the grant.

CROSS-CUTTING ELEMENTS (PAGE 3)

Financial Sustainability: Proposals should demonstrate a clear, feasible plan for long-term sustainability. This may include alignment with Medi-Cal, commercial health plans, philanthropic investment, public-private partnerships, or local funding streams. The goal is to ensure that effective innovations can be scaled and sustained beyond initial investments.

These considerations are all represented in the current framework.

IPF SHOULD ...

leverage data to identify what's working and what to improve.

CROSS-CUTTING ELEMENTS (PAGE 3)

Demonstrate Agility and Quality Improvement Integration:

Proposals should demonstrate agility and a commitment to nimble, quality improvements. This includes building the necessary infrastructure, cultivating a culture of continuous learning, and developing teams that can rapidly iterate, pivot, and operate under a continuous quality improvement philosophy. The goal is to fully leverage available funds while ensuring that lessons are quickly learned and immediately incorporated into ongoing efforts.

These considerations are all represented in the current framework.

IPF SHOULD ...

include community-centered solutions (including community-defined evidence-based practices).

DEFINITION OF INNOVATION (PAGE 3)

Introduce or scale practical, community-centered solutions (including community-defined evidence practices) that increase access to behavioral health treatment and recovery supports – particularly for historically underserved populations and inclusive of harm reduction approaches.



Elements Informed by Statute and Policy

Statute and Policy



IPF may focus on different elements of prevention; however, indicated prevention may best ensure a focus on individuals at risk of SED, SMI, and/or SUD



IPF will focus on strategies, partnerships, programs, and efforts that support county behavioral health programs and services

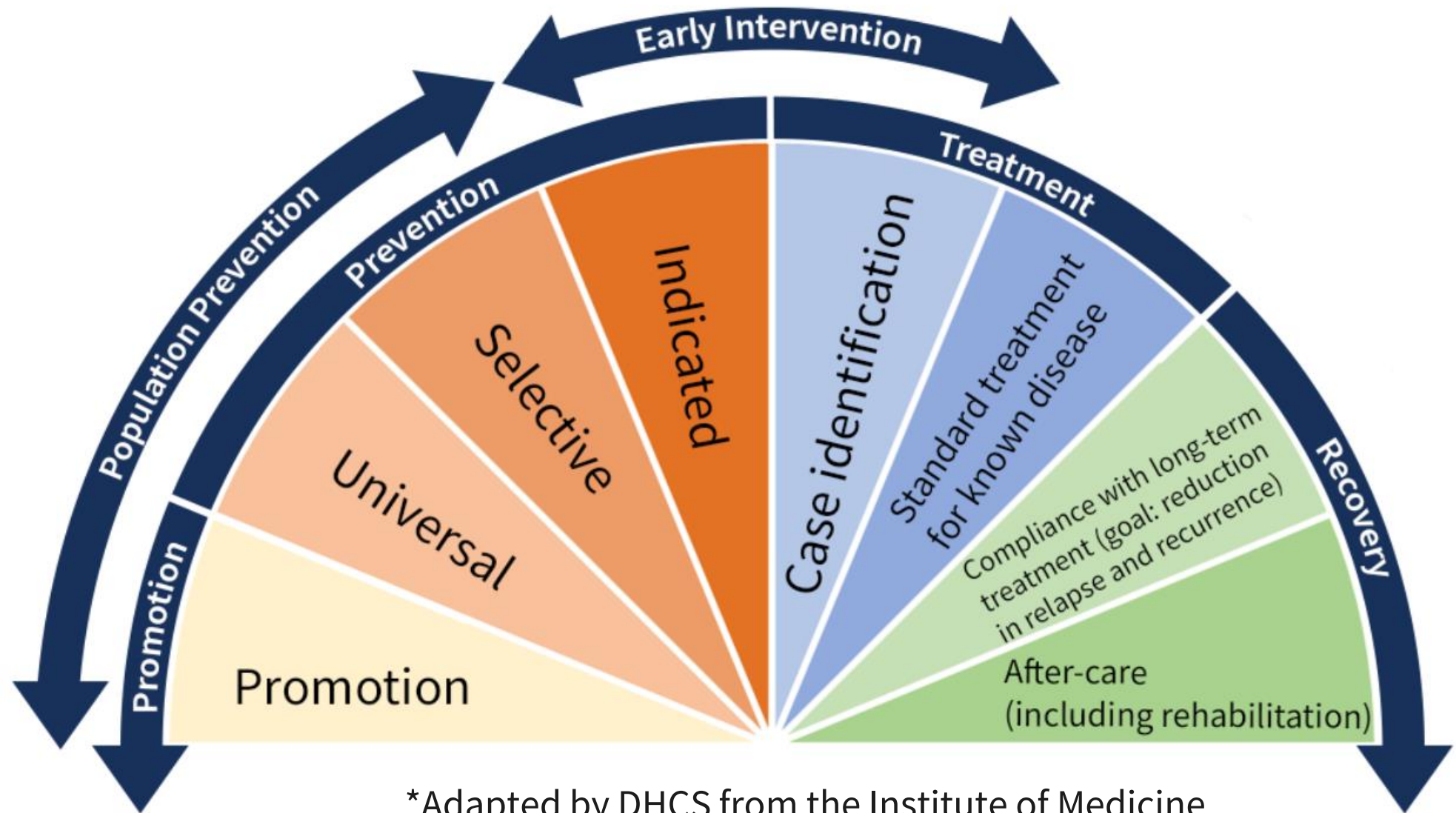


These strategies and efforts must align with county and state efforts to successfully implement BHSA



The specified goals and objectives of these strategies and efforts must align with broader BHSA goals and consider the quality and equity metrics identified by DHCS

Continuum Spectrum Early Intervent Services



*Adapted by DHCS from the Institute of Medicine

County Priority Populations

To meet statutory intent, projects must improve county BHSA programs, which prioritize the following populations:

CHILDREN AND YOUTH WHO SATISFY ONE OF THE FOLLOWING:

- Are chronically homeless or experiencing homelessness or at risk of homelessness
- Are in, or at risk of being in, the juvenile justice system
- Are re-entering the community from a youth correctional facility
- Are in the child welfare system
- Are at risk of institutionalization

ADULTS AND OLDER ADULTS WHO SATISFY ONE OF THE FOLLOWING:

- Are chronically homeless or experiencing homelessness or at risk of homelessness
- Are in, or at risk of being in, the justice system
- Are re-entering the community from state prison or county jail
- Are at risk of conservatorship
- Are at risk of institutionalization

County Priority Populations and IPF Population Focus

The county program priority populations are identified in the statute but do not exclude or deprioritize BIPOC, LGBTQ+, older adults, or other marginalized and/or vulnerable populations.

Additionally, the IPF Statute specifically calls out the following populations:

- Underserved populations
- Low-income populations
- Communities impacted by other behavioral health disparities
- Other populations as determined by the Commission

Outcomes and Indicators of Success – Statewide BHSA Goals and Objectives

In line with the goals of BHSA and the DHCS-defined population Behavioral Health goals.

BHSA GOALS

- Prioritize people with the most significant needs
- Integrate mental health and SUD treatment
- Expand housing and community-based services
- Grow and diversify the behavioral health workforce
- Advance equity and reduce disparities
- Strengthen oversight, transparency, and accountability

DHCS STATEWIDE POPULATION GOALS

Reduce

- | | |
|--|-------------------------------------|
| ↓ Suicide | ↓ Institutionalization |
| ↓ Overdose | ↓ Homelessness |
| ↓ Untreated behavioral health conditions | ↓ Justice involvement |
| | ↓ Removal of children from the home |

Increase

- | | |
|---|---------------------|
| ↑ Care experience | ↑ Quality of life |
| ↑ Access to care | ↑ Social connection |
| ↑ Prevention and treatment of co-occurring conditions | ↑ School engagement |
| | ↑ Work engagement |

Together, these provisions provide a clear statutory mandate

Proposition 1 funding, and specifically IPF, must be directed toward innovative mental health and substance use disorder programs and practices that improve county BHSA programs; county programs that must prioritize the populations with the highest behavioral health needs who often face structural barriers. Projects must align with the statewide goals of the BHSA and demonstrate innovation in serving eligible priority populations or groups, as defined in law.

PAC and CFC Recommendations

PAC (SYMBOLIC MOTION PASSED)

That the Program Advisory Committee recommend the adoption of the IPF Framework 3.0 to the full Commission.

CFC (SYMBOLIC MOTION PASSED)

That the CFC Committee recommend the adoption of the IPF Framework 3.0 to the full Commission and emphasize and incentivize community-run organizations and community-based practices.*

**CBH is researching the feasibility and legality of this incentive recommendation for the RFP.*

Next Steps

- Full Commission vote on adoption of the IPF Framework
- Continue to engage State agency departments mandated by IPF – CalHHS and DHCS, and potentially CDPH and HCAI, as relevant
- If the IPF Framework is adopted:
 - Incorporate recommendations from community partners, State agency departments, and Commissioners into a Request for Proposal (RFP), within the legal scope of what is allowable
 - Present an RFP outline to the full Commission in January 2026
 - If the RFP outline is approved, release the RFP and target issuance of grant awards to begin IPF project implementation by July 1, 2026

Motion

That the Commission adopt the IPF Framework 4.0 to inform the development and implementation of the Innovation Partnership Fund, as specified in the Behavioral Health Services Act.

