



# AGENDA ITEM 8

Action

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## Innovation Partnership Fund Grant Outline

### Item Goals

- Review and consideration for approval of the Innovation Partnership Fund (IPF) Request for Proposal outline to enable timely release of funding in alignment with Behavioral Health Services Act (BHSA) implementation beginning July 1, 2026.

### Behavioral Health Landscape

- The IPF provides the Commission a maximum of \$20 million annually for five years (FY 2026–27 through FY 2030–31, totaling up to \$100 million), with future funding to be determined through the state budget process. Additional support may also be leveraged through the Mental Health Wellness Act (MHWA), as permitted.
- Beginning January 1, 2030, the Commission will submit a report to the Legislature every three years covering the prior three fiscal years, detailing the IPF-funded projects.
- The innovative mental health and substance use disorder programs and practices shall be designed for improving BHSA programs and practices funded for underserved populations, low-income populations, communities impacted by other behavioral health disparities, and other populations as determined by the Commission, as outlined in Welfare and Institutions Code 5845.1(c)(2)(A).
- Additionally, the RFP will prioritize BHSA priority populations, outlined in Welfare and Institutions Code 5892(d), that include children, youth, adults, and older adults who are experiencing or at risk of homelessness, justice system involvement, reentry from incarceration or institutional settings, are in the child welfare system, or are at risk of institutionalization or conservatorship.
- Under the Mental Health Services Act (MHSA), 5% of total MHSA county funding was reserved for innovation projects, of which the Commission for Behavioral Health approved. The Commission will continue to approve county-level innovation plans through June 2026.
- In addition to the IPF, under the BHSA, 35% of county funds shall be focused on Behavioral Health Services and Supports, which include innovative behavioral health

pilots and projects but they do not require Commission approval. The goal of these pilots is to build an evidence base for effective new statewide strategies.

- The Commission may publish a list of innovative behavioral health models of care and promising practices to support the counties in their efforts.

## Relevant Commission Work

- While similar in name, the county-level innovation work currently approved by the Commission through June 2026 differs substantially in scope and implementation from the statewide IPF grant program established by Proposition 1 (2024). IPF has clear statutory requirements and policy implications for target populations served, outcomes, and eligibility.
- The Commission began gathering information to inform development of the IPF in Fall 2024. The Commission gathered stakeholder feedback through community surveys and reported out on findings and themes to the Commission in March 2025.
- The Commission hosted three community listening sessions with 321 community participants, including a session focused on individuals with lived experience.
- The Commission presented an open call for concepts to the public, from which we received 49 developed submissions.
- The Commission engaged with state agency departments mandated through the BHSA; California Health and Human Services Agency and its departments, including the Department of Health Care Access and Information, Department of Health Care Services, and the Department of Public Health.
- The Commission conducted a thematic analysis on the combined community feedback and identified themes that could inform the scope of the IPF Framework (these have been incorporated), and other feedback that can inform the requirements for the Request for Proposal.
- The Commission approved the IPF Framework Version 4.0 at the November 20, 2025, meeting following approval by the Program Advisory Committee on September 18, 2025, and the Client, Family, and Community Inclusion, Lived Experience, and Diversity Advisory Committee (CFC) on September 25, 2025.
- The Program Advisory Committee approved recommending to the Commission the adoption of the IPF grant outline on December 15, 2025.
- The CFC approved recommending to the Commission the adoption of the IPF grant outline on December 17, 2025.

## Proposed Motion

That the Commission approves the Innovation Partnership Fund grant procurement outline plan not to exceed \$20 million and authorizes the Executive Director to conduct the competitive solicitation, issue a Notice of Intent to Award to the highest-ranked proposer(s), and execute all resulting grant agreements in accordance with the approved outline plan and applicable procurement laws.