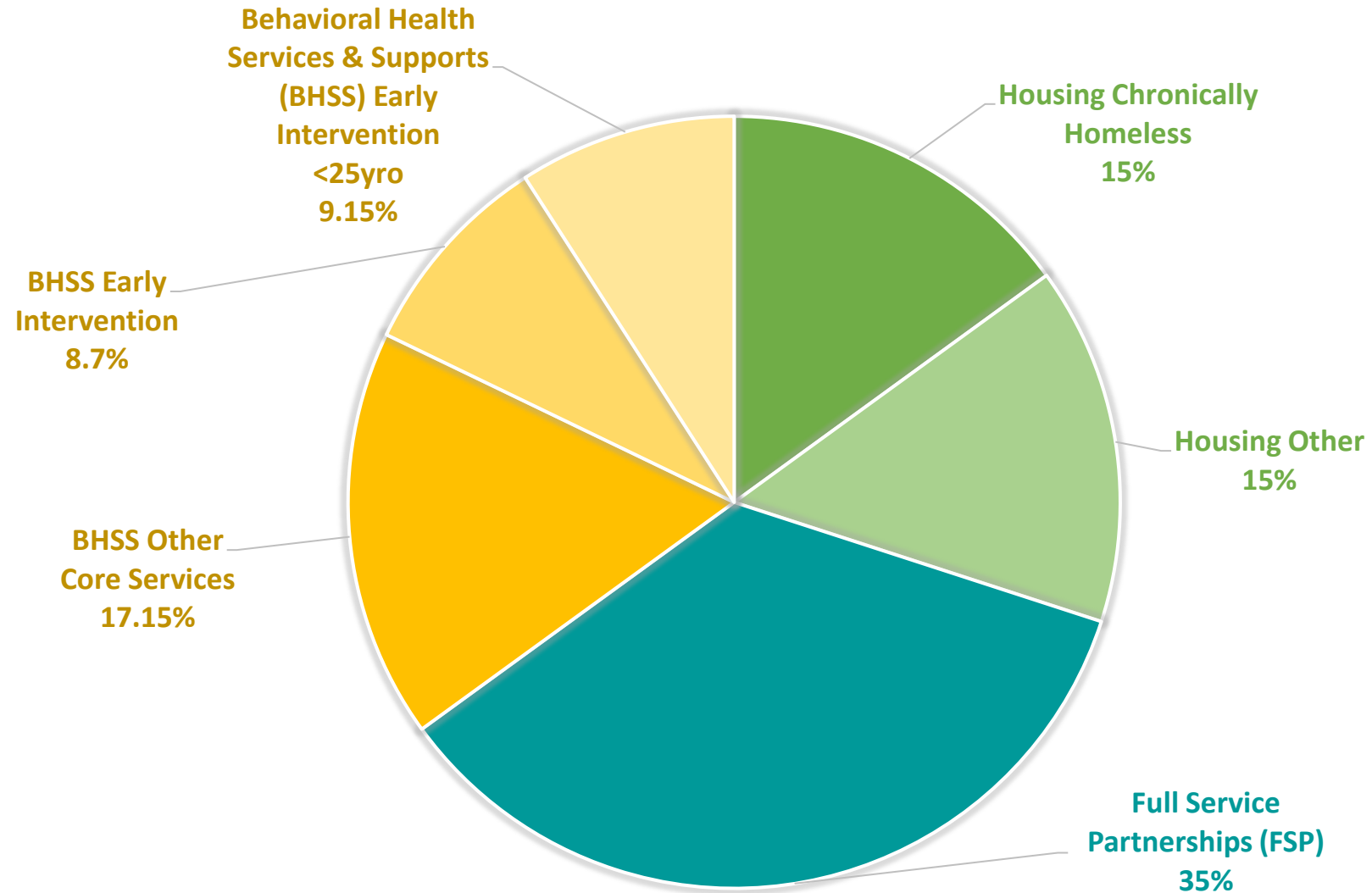


Behavioral Health Services Act (BHSA) Housing Workgroup



BHSA Funding Categories



State Housing Initiatives

BHSA language builds upon and aligns with other major housing initiatives in California

Homekey & Homekey+

Behavioral Health Bridge
Housing (BHBH)

No Place Like Home
(NPLH)

Project Roomkey

Community Care
Expansion (CCE) Program

Housing & Homelessness
Incentive Program (HHIP)

Encampment Resolution
Fund (ERF)

Homeless Housing
Assistance & Prevention
Grant Program (HHAP)

CalAIM Community
Supports

Transitional Rent through
MCPs

Highlights of the Housing Interventions Category

Represents **30%** of the Total Local BHSA Funds

- **50%** of the Housing funds **must** be used for individuals who are ***chronically homeless*** per the federal Department of Housing and Urban Development (HUD) definition under **24 CFR section 91.5** with a ***focus on encampments***
- **No more than 25%** may be used on capital projects with approval by the California Department of Health Care Services (DHCS)

Innovative Behavioral Health Pilots/Projects - Counties may pilot and test innovative behavioral health models of care across each BHSA funding category with a goal to build the evidence base for new statewide strategies.

BHSA Eligible Populations for Housing Interventions

Per BHSA persons “experiencing homelessness or at risk of homelessness” means people or are homeless or at risk of homelessness as defined by [24 CFR section 91.5](#) or otherwise defined by DHCS for the purpose of the Medi-Cal program.

At-Risk of Homelessness

Experiencing Homelessness

**Chronically Homeless with a focus on those in
encampments**

Definitions of Homelessness

For purposes of the BHSA, DHCS adopted the definitions of *experiencing homelessness* and *at risk of homelessness* consistent with **CalAIM Community Supports**, which align with the definitions provided under **24 CFR section 91.5** with three modifications, as follows:

- Individuals exiting an institution or carceral setting are considered homeless if they were homeless immediately prior to entering that institutional or carceral stay or become homeless during that stay, regardless of the length of the institutionalization or incarceration.
- The timeframe for an individual or family who will imminently lose housing is extended from 14 days for individuals considered homeless and 21 days for individuals considered at-risk of homelessness to 30 days.
- An individual or family is not required to have an annual income below 30 percent of median family income for the area.

Additionally, anyone who was homeless or at risk of homelessness **prior** to the receipt of Transitional Rent (as covered by a Medi-Cal managed care plan) or **prior** to the receipt of housing funded by MHSA is considered homeless for BHSA purposes

Definition of Chronically Homeless

While DHCS adopted the HUD definition of *chronically homeless* as identified under 24 CFR section 91.5 there are two modifications as follows:

- The requirement that a discontinuous period of 12 months of homelessness over the last three years occur on at least four separate occasions is eliminated; any number of occasions will suffice so long as the combined duration equals at least 12 months.
- Consistent with the Medi-Cal modification to the definition of "homeless," anyone residing in an institutional care facility, defined according to the HMIS definition of "institutional situations," who was chronically homeless prior to entry retains that status upon discharge, regardless of length of stay.

Additionally, anyone who was chronically homeless *prior* to the receipt of Transitional Rent or *prior* to the receipt of housing funded by MHSA and is transitioning from either of these services to Housing Interventions will be considered chronically homeless for BHSA purposes.

Definition of Encampments

An encampment includes the following:

- A group of people sleeping outside in the same location for a sustained period.
- The presence of some type of physical structures (e.g., tents, tarps, lean-to's).
- The presence of personal belongings (e.g., coolers, bicycles, mattresses, clothes).
- The existence of social support or a sense of community for residents.

Counties are expected to prioritize serving individuals living in encampments with methods consistent with the U.S. Interagency Council on Homelessness' [19 Strategies for Communities to Address Encampments Humanely and Effectively.](#)

Housing Interventions Requirements

- Housing for FSP consumers **must** be funded from the Housing Interventions Category
- Counties are **prohibited** from using Housing funds for mental health or substance use disorder treatment programs
- Housing interventions are **not restricted** to individuals enrolled in Medi-Cal
- BHSA Housing Interventions funds **cannot be used** for housing interventions covered by Medi-Cal Managed Care Plans (MCPs)
- Counties **must** coordinate with MCPs
- Housing Interventions may include **recovery housing**
- Counties must operate Housing Interventions in accordance with the Homeless Management Information System (HMIS) reporting requirements.
- All Housing Interventions as appropriate **must** be available to support Family Housing as defined by HUD

Prohibition on Housing Interventions

BHSA Housing Interventions funding **cannot be used** to cover any of the Medi-Cal MCP services as identified below when the individual is eligible for the service through the MCP. BHSA Housing Interventions funds **can be used** if the MCP is not offering Community Support services in a county or if the individual has expended a benefit with a timeline restriction.

Service	Coverage ^{127,128}
Housing Deposits	Covered by all MCPs in all counties
Housing Transition Navigation Services	Covered by all MCPs in all counties
Housing Tenancy and Sustaining Services	Covered by all MCPs in all counties
Recuperative Care	Varies by MCP
Short-Term Post-Hospitalization Housing	Varies by MCP
Transitional Rent ¹²⁹	All MCPs required to cover for the behavioral health population beginning January 1, 2026

Allowable BHSA Housing Interventions

Core components of the Housing First Model are required across all Housing Interventions

- **Rental Subsidies:**
 - Rental Assistance
 - Project-Based Housing Assistance
 - Master Leasing
- **Operating Subsidies**
- **Allowable Settings** (see next page/slide)
- **Other Housing Supports:**
 - Landlord Outreach & Mitigation Funds
 - Participant Assistance Funds
 - Housing Transition Navigation Services and Tenancy & Sustaining Services
 - Outreach and Engagement (**up to 7%**)
- **Capital Development Projects (up to 25%)**



Allowable Housing Settings

Non-Time Limited Permanent Settings

- Supportive housing
- Apartments, including master-lease apartments
- Single and multi-family homes
- Housing in mobile home communities
- Single room occupancy units
- Accessory dwelling units, including Junior Accessory Dwelling Units
- Tiny Homes
- Shared housing
- Recovery/Sober Living housing, including recovery-oriented housing
- Assisted living (adult residential facilities, residential facilities for the elderly, and licensed board and care)
- License-exempt room and board
- Other settings identified under the Transitional Rent benefit

Time Limited Interim Settings

- Hotel and motel stays
- Non-congregate interim housing models
- Congregate settings that have only a small number of individuals per room and sufficient common space (not larger dormitory sleeping halls) (does not include behavioral health residential treatment settings)
- Recuperative Care
- Short-Term Post-Hospitalization housing
- Tiny homes, emergency sleeping cabins, emergency stabilization units
- Peer respite
- Other settings identified under the Transitional Rent benefit

Permanent Settings vs. Interim Settings

- “For BHSA eligible individuals who have exhausted the Transitional Rent benefit [max 6 months], counties may use the BHSA Housing Intervention funding to provide an additional 6 months of subsidy for placement in an interim setting.”
- “For BHSA eligible individuals who are not eligible for Transitional Rent, 12 months of coverage in an interim setting may be provided,” with BHSA Housing Intervention funding.
- “**After the 6- or 12-month** time limit has expired, Housing Interventions funds **may only** be used for placement in a permanent setting.”

Source: [BHSA County Policy Manual Version 1 2.2 – April 2025](#)

Capital Development Projects

Counties can allocate **no more than 25%** of the Housing Interventions funding on capital development projects intended to increase the supply of Permanent Supportive Housing (PSH), or affordable units that provide long-term housing stability and supportive services to eligible individuals and their families.

- May fully fund a capital development project or fill gaps in funding within a larger development project to include a set number of PSH units for eligible individuals and their families.
- Counties are encouraged to align these projects with other local, state and federal programs, e.g., braid requirements and funding from multiple programs.
- May fund **new construction** and/or **rehabilitation of housing units** provided the project meets eligibility and access requirements as outlined in the BHSA Policy Manual.

Housing First Evidenced-Based Model

Model uses housing as a tool rather than a reward for recovery.



To learn more about the Housing First model:
[HUD Housing First in Permanent Supportive Housing Brief](#)
or [U.S. Interagency Council on Homelessness Housing First Checklist](#)

California's Housing First Law

BHSA Housing Interventions are aligned with the California Interagency Council on Homelessness Housing First law.

Harm Reduction Approach

- Recognizes substance use & addiction as part of tenants' lives
- Nonjudgmental communication
- Offers education on reducing risky behaviors and safer practices



Outreach & Engagement

Outreach and engagement activities necessary to **locate**, **identify**, and **build relationships** with individuals or families living in unsheltered settings for the purpose of providing immediate support, intervention and linkage with homeless assistance programs or social services and housing programs.

Activities may include but not limited to:

- 1:1 engagement or conducting regularly-scheduled broad outreach in high-need areas in conjunction with community partners.
- Purchase and distribution of items like food, hygiene products, clothing, blankets, and water to provide immediate support and foster future service engagement.
- Providing immediate, onsite direct navigation to housing resources.
- Coordinating behavioral health service and housing resources for unsheltered individuals in collaboration with other outreach and engagement efforts.
- Travel by outreach workers, social workers, medical professionals, or other service providers during the provision of eligible street outreach services.
- Transporting unsheltered people to emergency shelters or other service facilities.
- Harm reduction activities and the distribution of harm reduction supplies.

Individuals Transitioning from MHSA Housing to BHSA Housing

- Counties **may** transfer individuals housed in permanent housing directly to BHSA-funded Housing Interventions **without eligibility redetermination**.
- Individuals receiving interim housing under the MHSA who are not enrolled in an MCP **may** also be transferred to BHSA Housing Interventions **without eligibility redetermination**.
- For individuals in interim housing who are in an MCP, the county should connect the individual to their MCP for assessment of eligibility for Transitional Rent. This will require the delivery systems to put processes in place for effective coordination.
 - Those determined eligible for Transitional Rent **may** be transferred to the MCP and **may not** receive rental assistance or housing under BHSA Housing Interventions until they are no longer eligible for Transitional Rent. After 6 months of Transitional Rent county BHSA Housing Intervention funds can be used to fund ongoing housing starting month 7.
 - Those determined ineligible for Transitional Rent **may** be transferred directly to BHSA Housing Interventions **without eligibility redetermination**.
- Anyone who was chronically homeless when housed under MHSA, and who was transferred from MHSA to BHSA, will be considered chronically homeless for purposes of the requirement to direct 50 percent of Housing Interventions to individuals who are chronically homeless

Currently Funded Housing Interventions

