



California Department of Health Care Services  
Behavioral Health Continuum Infrastructure Program  
Round 4: Children and Youth  
Program Update

The California Department of Health Care Services (DHCS) has launched the Behavioral Health Continuum Infrastructure Program (BHCIP) to address historic gaps in the behavioral health and long-term care continuum and meet the growing demand for services and support across the life span. **The following information is provided as a supplement to the upcoming release of the Request for Applications (RFA) for BHCIP Round 4: Children and Youth.**

State priorities for BHCIP:

- Invest in behavioral health and community care options that advance racial equity
- Seek geographic equity of behavioral health and community care options
- Address urgent gaps in the care continuum for people with behavioral health conditions, including seniors, adults with disabilities, and children and youth
- Increase options across the life span that serve as an alternative to incarceration, hospitalization, homelessness, and institutionalization
- Meet the needs of vulnerable populations with the greatest barriers to access, including people experiencing homelessness and justice involvement
- Ensure care can be provided in the least restrictive settings to support community integration, choice, and autonomy
- Leverage county and Medi-Cal investments to support ongoing sustainability
- Leverage the historic state investments in housing and homelessness

*“Assessing the Continuum of Care for Behavioral Health Services in California”*

According to a statewide needs assessment conducted in 2021, “Assessing the Continuum of Care for Behavioral Health Services in California,” the mental health and well-being of California’s children and youth (25 years and younger) are a rising concern.<sup>1</sup> Amid rising rates of children and youth experiencing behavioral health conditions, youth emergency department (ED) visits for mental health concerns, and

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<sup>1</sup> Mannat Health & Bland, A. N. (2022, Jan. 10). *Assessing the continuum of care for behavioral health services in California*. <https://www.dhcs.ca.gov/Documents/Assessing-the-Continuum-of-Care-for-BH-Services-in-California.pdf>

youth suicides, there are limited treatment options available to children with significant mental health and substance use disorders (SUDs). Moreover, in California, rates of serious mental illness and SUDs are highest for individuals ages 18 to 25.

Across the state, there are regions and counties with limited or no treatment options for children and youth, such as the Superior region and western counties in the Central region. Five counties have no facilities serving children and youth (Glenn, Kings, Modoc, Mono, and Tehama), and 17 have no short-term residential treatment programs (STRTPs). Seventy-five percent of stakeholders surveyed for the needs assessment identified an urgent need for psychiatric acute care and inpatient treatment beds for youth; the lack of these beds directly leads to children and youth sitting in EDs for excessive periods of time while awaiting placement.<sup>2</sup> There are also large disparities in outpatient services between adult and youth programs: 32 percent of outpatient facilities do not treat children and youth at all, 30 percent of counties report an urgent need for individual and group counseling, and 25 percent of counties report issues with identifying providers who are willing to treat youth involved in the justice system.

Stakeholders also highlighted the lack of services for youth experiencing SUDs: 75 percent of counties lack residential beds specifically for youth, 68 percent of counties lack providers with the training and experience to meet the needs of youth, and only 58 percent of providers are available to treat co-occurring mental health and SUD needs in youth. As a result, treatment options for youth, including residential care, are sometimes mixed in with adult treatment options. In some instances, youth must be sent out of state to receive care.<sup>3</sup>

The needs assessment identifies seven of the highest priorities, two of which focus on children and youth specifically:

1. More treatment options are vital for children and youth living with significant mental health and substance use disorders.
2. Prevention and early intervention provided through schools and other community-based organizations are critical for children and youth, especially those who are at high risk.

### Emerging and existing initiatives to improve the behavioral health of California's children and youth

The California legislature and the Newsom administration have adopted a number of high-profile initiatives to support the mental health and well-being of children and youth. The Children and Youth Behavioral Health Initiative (CYBHI) includes nine key components designed to transform California's behavioral health system into an innovative ecosystem in which all Californians 25 years of age and younger, regardless of payer, are screened, supported, and served for emerging and existing behavioral health needs. DHCS has extended enhanced reimbursement for screening for adverse childhood experiences (ACEs), developmental screenings, and well-child visits. The 2021 Budget Act added dyadic services for families with children (starting January 2023), doula services (starting January 2023), and services provided by community health workers (starting July 2022) as benefits in Medi-Cal. California has adopted a 5-year plan to implement the Title IV-E Prevention Program to prevent child welfare involvement and promote family stability, expand services for children requiring residential treatment,

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<sup>2</sup> Ibid., p. 97

<sup>3</sup> Ibid., p. 125



and ensure each child and family is provided a trauma-informed prevention plan rooted in evidence-based practices. The legislature created the System of Care, which requires each county to develop and implement a memorandum of understanding (MOU) outlining the roles and responsibilities of the various local entities that serve children and youth in foster care who have experienced severe trauma.

DHCS will be coordinating with CYBHI, California Advancing and Innovating Medi-Cal (CalAIM), and the Children's Crisis Continuum Pilot Program to ensure project alignment and successful implementation of a robust and expanded service delivery system for children and youth. As the needs assessment demonstrates, service expansion often requires investment in infrastructure. Stakeholders surveyed for the needs assessment repeatedly commented on the lack of facilities to provide services along with the lack of means to renovate facilities to expand services. BHCIP Round 4: Children and Youth and future rounds will provide the infrastructure necessary for service expansion.

### Behavioral Health Continuum Infrastructure Program

DHCS was authorized through 2021 [legislation](#) to establish BHCIP and award \$2.1 billion to construct, acquire, and expand properties and invest in mobile crisis infrastructure related to behavioral health. DHCS is releasing these funds through six grant rounds targeting various gaps in the state's behavioral health facility infrastructure. This is the fourth round, and through it, DHCS will award \$480.5 million for children- and youth-focused behavioral health infrastructure projects. Awarded grant funds for BHCIP Round 4: Children and Youth need to be fully expended by June 2026.

Three BHCIP rounds were released in 2021 and early 2022:

- Round 1: Mobile Crisis, \$205M (\$55M Substance Abuse and Mental Health Services Administration grant funding)
- Round 2: County and Tribal Planning Grants, \$16M
- Round 3: Launch Ready, \$518.5M

The remaining BHCIP rounds will be released in 2022:

- Round 4: Children and Youth, \$480.5M
- Round 5: BH Needs Assessment Phase One, \$480M
- Round 6: BH Needs Assessment Phase Two, \$480.7M

### Technical assistance

Advocates for Human Potential, Inc. (AHP), a consulting and research firm focused on improving health and human services systems, is serving as the administrative entity for BHCIP. AHP assists state and local organizations to implement and evaluate a wide range of services focusing on mental health treatment and recovery, SUD treatment and prevention, workforce development, homelessness, housing, and criminal justice.

Beginning in June 2022 and as part of the RFA process, AHP will provide pre-application consultations and technical assistance (TA) to individual Round 4 applicants. Specialized TA will be provided to counties, tribal entities, and nonprofit organizations. In addition, AHP will offer ongoing general training and TA for grantees throughout the life of the project. Applicants will submit a request for a pre-application consultation and complete a survey to indicate their understanding of the project requirements. The deadline to request a pre-application consultation will be 3 weeks before the



application deadline. TA will help applicants understand the minimum project requirements and budgeting practices. Minimum project requirements include a sustainable business plan, a conceptual site plan, architectural and engineering narratives, and an initial budget based on the site plan. Applicants will also be required to discuss how their proposed project meets local gaps identified in “Assessing the Continuum of Care for Behavioral Health Services in California” and addresses State priorities. An AHP implementation specialist will work with applicants to support them in these areas by connecting them with subject matter experts in real estate, facility financing, and programmatic best practices serving children and youth (25 years and younger) to bring targeted TA to applicants and grantees.

Upon release of the BHCIP RFA for Round 4 and in conjunction with DHCS, AHP will conduct informational webinars on topics such as strategies to serve children and youth, braiding resources to ensure viability, and green/sustainable building practices. Additional information on webinars related to the RFA will be available at <https://www.buildingcalhhs.com/>. This will include topics to help address concerns common to capital development projects serving children and youth, such as best practices related to siting facilities and community collaboration and support.

### Eligible entities

Counties, cities, tribal entities (including 638s and urban clinics), nonprofit organizations, and for-profit organizations whose projects reflect the State’s priorities are eligible to apply for this funding, noting the following stipulations and specifications:

- Proposed projects need to expand community capacity for serving Californians ages 25 and younger.
- Projects must make a commitment to serve Medi-Cal beneficiaries.
- For-profit organizations, including private real estate developers, with related prior development experience who are collaborating with nonprofit organizations, tribal entities, or counties may apply, but will be required to demonstrate a legal agreement (e.g., MOU) with the county, tribe, city, for-profit, or nonprofit organization to confirm the organization’s role in the project, including that they are working on behalf of the service provider.

### Eligibility considerations

The population for Round 4 is children and youth ages 25 and younger, including pregnant and postpartum women and their children, children, and transition-age youth (TAY), along with their families. All applicants must demonstrate how their infrastructure project will expand behavioral health services for this population exclusively. Applicants can provide services for any of the sub-populations in this age group, along with family-based clinical services and support. Regional models or collaborative partnerships to construct, renovate, or expand behavioral health facilities for children and youth are encouraged to apply.

All prospective applicants will be required to engage in a pre-application consultation that will provide an opportunity to discuss proposed projects, match requirements and potential sources of local match, statutory and regulatory requirements, how the project addresses local need/gaps and the State’s priorities, and other related considerations. AHP will provide these pre-application consultations in coordination with Community Development Financial Institutions (CDFIs) and real estate development experts.



For BHCIP Round 4 funding, three phases of project development will be considered during evaluation of each application. Applicants must be in one of the three phases, and applicants in later phases will be scored higher. All projects must meet the minimum threshold of project readiness to be awarded grant funds. Applicant projects are considered to be in a given phase of development only after they have met all the requirements in the previous phase. Required documentation will be reviewed with each applicant during the pre-application consultation process and must be submitted as part of the application.

To be eligible for BHCIP Round 4 funding, a project must demonstrate “project readiness.” The **minimum threshold requirements** for “project readiness” are as follows:

- Sustainable business plan with 5-year projections of future objectives and strategies for achieving them
- Conceptual site plan with a forecast of the developmental potential of the property
- Stakeholder support as demonstrated by letters of support from internal board of directors and professional/community partners
- Demonstration of county and Medi-Cal investments to support ongoing sustainability
- Match amount identified
- Initial budget, one for each phase and a total budget for acquisition and construction

Projects will be funded by phase as the applicant demonstrates successful completion of the phase (outlined below). These phases are the pre-construction activities. Applicants must submit documentation demonstrating the completion of each phase below in order to move ahead to the next phase.

- Phase 1: Planning and pre-development
  - Development team established; to include attorney, architect, and/or design-build team
  - Basis of design; includes architectural and engineering narratives
  - Property-specific Site Investigation Report and Due Diligence
  - Budget with cost estimates based on site plan/drawings
- Phase 2: Design development
  - Site control established with deed, Purchase and Sale Agreement, Option Contract, Letter Of Intent, leasehold
  - Site plan established with a schematic plan with architectural and engineering specifications
  - Able to gain building permits within 6 months of funding
  - Able to close on land, after gaining building permits, within 6 months of funding
  - Able to start construction within 6 months of grant funding
- Phase 3: Shovel ready
  - Ownership of real estate site
  - Preliminary plan review completed, with comments received
  - Construction drawings complete or near completion
  - General contractor (builder) selected and ready for hire
  - Ninety-five percent of construction drawings ready for submission for building permit
  - Building permit issued



- Able to start construction within 60 days or less

Full funding of a proposed development project will be contingent on completion of all three phases of development planning. Planning and pre-development phase must be completed in 90 days.

Construction documents need to be submitted for building permit review within 6 months of grant award.

### Eligible facility types

The following facility types and subcategories may be considered for project funding **only** if they are expanding behavioral health services for this population.

Type of facility	Serving children (Birth–18 years)	Serving TAY (18–25)	Perinatal (pregnant and postpartum women and their children)
<b>Outpatient Services</b> (includes a variety of settings delivering clinical support services, but not overnight residential services)			
Community mental health clinic (outpatient)	X	X	X
Community treatment facility (CTF)	X	X	X
Community wellness centers/prevention centers	X	X	
Outpatient treatment for SUD	X	X	X
School-linked health centers	X	X	
<b>Residential Clinical Programs</b> (includes a variety of settings primarily focused on delivering clinical services; also provide shelter and support, from overnight to many days, weeks, and months)			
Adolescent residential treatment facilities for youth with SUDs	X	X	
Children’s crisis residential programs (CCRPs)	X		
Crisis stabilization unit (CSU)	X	X	
Perinatal residential SUD facilities	X	X	X
Psychiatric acute care hospital	X	X	
Psychiatric health facility	X	X	
STRTPs	X		



For purposes of this funding, a community wellness/prevention center must focus on serving children and youth with behavioral health conditions (mental health and substance use disorders), commit to serving Medi-Cal beneficiaries, and offer some or all of the following:

- A comprehensive program of behavioral health services in an outpatient setting, including preventive services, screening, diagnosis, and treatment/management of behavioral health conditions
- Community support groups for people with mental health disorders and SUDs, including traditional healing activities (talking circles)
- Health education and information, including on behavioral health
- Service navigation and enabling services such as case management/care coordination, transportation, and translation services
- Youth development programming and activities, including mentoring, peer support, and/or parenting/family management services
- Behavioral health prevention coalitions and/or workgroups

Publicly funded perinatal facilities must adhere to DHCS Perinatal Practice Guidelines.

Facility types that are not eligible for funding:

- Correctional settings
- Schools

Applicants will be expected to define the types of facilities they will operate and explain how they will expand services for children and youth. Facilities that serve adults must demonstrate how expansion through this funding round will specifically serve youth ages 18 to 25. Facility expansion can include building or renovating a separate wing or center that serves children and youth. Regional models and collaborative partnerships are strongly encouraged to apply. Consideration will be given to entities that propose facilities with new services or expanded services in underserved counties and regions based on the needs assessment.

All applicants must describe the local needs based on “Assessing the Continuum of Care for Behavioral Health Services in California” and any local needs assessment used to justify the proposed expansion. All applicants will be required to demonstrate how the proposed project will advance racial equity. Projects will be required to certify that they will not exclude certain children and youth populations, such as those who are justice involved or in foster care. BHCIP Round 4 grantees with behavioral health facilities that offer Medi-Cal behavioral health services will be expected to have a contract in place with their county to ensure the provision of Medi-Cal services once the funded facility’s expansion or construction is complete. Community wellness centers and youth behavioral health prevention centers are not required to have a contract to provide Medi-Cal behavioral health services; however, they must provide services to Medi-Cal beneficiaries.

### [Funding parameters and use restrictions](#)

Applicants will be expected to develop a competitive and reasonably priced development budget that will be scored alongside applications for projects of similar setting types and sizes. In addition, scoring will take into consideration a focus on the State’s priorities, including efforts to advance racial equity



and to expand services in regions and counties that do not currently have an adequate number of treatment options for children and youth.

AHP and its subcontractors will conduct a financial viability assessment, considering continued fluctuations in construction and other costs. Through various TA activities, such as the RFA pre-application consultation, interviews, and financial document review, the State will assess long-term operational sustainability once the capital project is complete and in use for its intended purpose.

Applicants will be required to commit to a provision of services and building use restriction for the entire 30-year period.

### Match

Match guidelines will be set according to applicant type.

- Tribal entities = 5 percent match
- Counties, cities, and nonprofit providers = 10 percent match
- For-profit providers and/or private organizations = 25 percent match

Match in the form of cash and in-kind contributions—such as land or existing structures—to the real costs of the project will be allowed. The State must approve the match source. Cash may come from

- [American Rescue Plan Act \(ARPA\)](#) funds granted to counties and cities,
- Local funding,
- [Mental Health Services Act \(MHSA\)](#) funds in the 3-year plan (considered “other local”),
- Foundation/philanthropic support,
- [Opioid settlement funds](#) for SUD facilities,
- Loans or investments,
- Incentive payments from managed care plans, or
- Another source.

Services, Behavioral Health Subaccount funding, and State general funds will **not** be allowed as match.

### Funding regions

Regional funding caps will be established and the amounts available per region will be determined based on the Behavioral Health Subaccount.

In addition, 20 percent of funds available for BHCIP will be set aside for use in regions at the State’s discretion to ensure funding is effectively aligned with need (for instance, this reserve money may be used to fund high-scoring projects in oversubscribed regions). Another 5 percent of funds will be set aside for tribes.

Following an initial round of funding allocations (timeframes to be determined by DHCS), DHCS will conduct periodic reviews of the number of completed applications from each region. Any unspent funds may be considered for viable applications falling outside of the initial allocation priority schedules, geographical divisions, or other initial fund allocation restrictions.

