Behavioral Health Continuum Infrastructure Program (BHCIP)

Application Feedback Webinar

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Agenda

1. Bond BHCIP Round 1: Launch Ready At-A-Glance

2. Common Factors Impacting Award Determination

3. Bond BHCIP Round 2: Unmet Needs Overview

Bond BHCIP Round 1: Launch Ready At-A-Glance

Number of Applications Received: **294***
- County – **17.7%**
- City – **2.4%**
- Tribal Entity – **6.1%**
- Nonprofit Organization – **48.0%**
- For-Profit Organization – **25.9%**

Total Funding Available: **$3,300,000,000**
Total Funding Requested: **$8,797,073,405**

Common Factors Impacting Award Determination

Common Factors Impacting Award Determination

- Insufficient funding to award all applications
- Does not have site control
- High risk project considerations
- Risk of supplantation
- High cost versus low bed/slot count
- Ineligible facility type

- Proposed facility type(s): outpatient only with minimal to no connection to the Behavioral Health Continuum
- Preservation of current capacity not allowed
- Project does not expand Behavioral Health services
- Low Medi-Cal expansion
- Inconsistent information of proposed project

Insufficient Funding to Award All Applications: BHCIP Rounds 3 through 5

BHCIP Round 3 available funds: $518,500,000

Total funding requested: ~$2 billion

BHCIP Round 4 available funds: $480,500,00

Total funding requested: ~$1.5 billion

BHCIP Round 5 available funds: $430,049,000

Total funding requested: ~$2 billion

Insufficient Funding to Award All Applications: Bond BHCIP Round 1

Bond BHCIP Round 1 available funds: Up to $3.3 billion

Of $3.3 billion, $1.5 billion was designated for cities, counties, and Tribal entities.

Of the $1.5 billion, $30 million was designated to tribal entities, as required by statute.

The total funding amount requested for Bond BHCIP Round 1 was approximately $9 billion.

Does Not Have Site Control

One of the following must be used to prove site control:

- Title vested to applicant demonstrated with current title report (ownership).
- Executed Purchase and Sale Agreement (PSA).
- Mutually executed Letter of Intent (LOI).
- Preexisting long-term lease
- Executed Exclusive Negotiation Agreement (ENA).

Other complex factors:

- Conflicting covenant
- Lack of a solid property lease
- Seismic or historic concerns about building
- Concern about access to public water for the property/project
- No confirmed lease or ownership
- Option to Purchase Not Executed
- Planning to build, but no land secured

High Risk Project Considerations

High Risk Projects:
- Match requirements at time of application
- Acquiring multiple funding streams
- Cost overrun and sustainability concerns
- Insufficient site control
- Projected project completion date inconsistent with application information
- Lack of demonstrated impact or sustainability
- Not in my backyard (NIMBY) issues
- Pro forma real estate projections

Risk of Supplantation

What is Supplantation?
Refers to the practice where grant funds take the place of other funds that were already designated for a specific purpose.

Examples of Supplantation:
- Proposing projects constructed prior to the Notice of Award
- Payments to existing mortgage
- Using BHCIP funds to reimburse for incurred and paid costs prior to the BHCIP Notice of Award

High Cost Versus Low Bed and Slot Count

DHCS reviewed high costs of facility types versus the expanded capacity (bed/slot count).

Other considerations:
- Development cost per facility type
- Total project cost
- Number of proposed facilities
- Square footage
- Construction type

Beds and Slots

Bed

"Bed" refers to a physical bed in a BH facility that can accommodate one person per 24-hour period. This figure must reflect the new number of individual physical beds that will be available after the residential/inpatient facility expansion is complete.

Slot

"Treatment slot" (aka "chair") capacity is defined as the existing number of treatment chairs a BH facility has, multiplied by how many times those treatment chairs are used in a 24-hour period, based on the facility's plan of operation.

For more information on outpatient treatment slots and calculations, please refer to the DHCS BHCIP Slot Infographic available on the BHCIP website.

Ineligible Facility Type

- Only proposed eligible facility types listed in the RFA for each of the infrastructure funding rounds were considered for BHCIP/Bond BHCIP funding.

- Eligible facility types focused on mental health and/or substance use disorders.

- Correctional settings, school-linked centers, and supportive housing were not eligible.

Proposed Facility Type(s): Outpatient Only with Minimal to No Connection to the Behavioral Health Continuum

Proposed project was expansion of an outpatient facility with limited to no connections to strengthen the behavioral health system.

Examples of projects that include little/no connection to the behavioral health continuum include:

- Standalone modality
- General medical facilities
- Housing-only or combined with housing projects
- Expansion includes non-behavioral health facilities
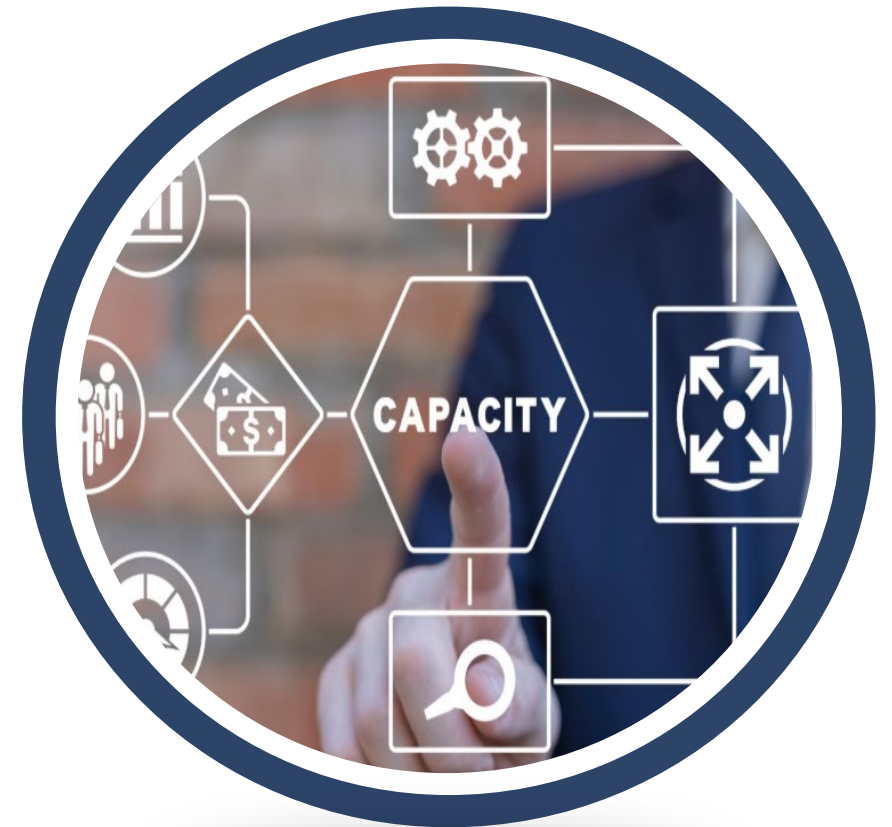- Narrative did not connect to their existing behavioral health system

Preservation of Current Capacity Not Allowed

Funding is to be used towards new behavioral health expansion.

Awarded funds are not intended to preserve existing service capacity or repurpose existing BH or non-BH infrastructure.

Example: Facility currently has 10 existing adult residential SUD beds, and the project proposal aims to expand capacity by 6 additional beds, awarded Bond BHCIP funds could be used for costs associated with the addition of 6 new beds however; costs to preserve the 10 existing beds are not an allowable use of awarded funds.

Project Does Not Expand Behavioral Health Services

Proposed project did not expand infrastructure for behavioral health services (mental health conditions and/or substance use disorders).

Examples:
- The proposed project was specific to supportive housing.
- Administration or support buildings.
- Non allowable costs, including but not limited to moving/relocation, or rental space during construction.

Proposed projects were to address the expansion of behavioral health infrastructure and align with local behavioral health needs.
- DHCS Needs Assessment
- LAO Report

Low Medi-Cal Expansion

Medi-Cal Commitment*

Applicants must commit to serving Medi-Cal members and vulnerable populations, including unhoused people, veterans, older adults, adults with disabilities, and children and youth.

Medi-Cal Investments

Leverage county and Medi-Cal investments to support ongoing sustainability.

- The proposed Medi-Cal percentages of individuals to be served identified in the application will be part of project scope of work and monitored by DHCS post-award.

Inconsistent Information of Proposed Project

Information of proposed project is inconsistent throughout submitted application

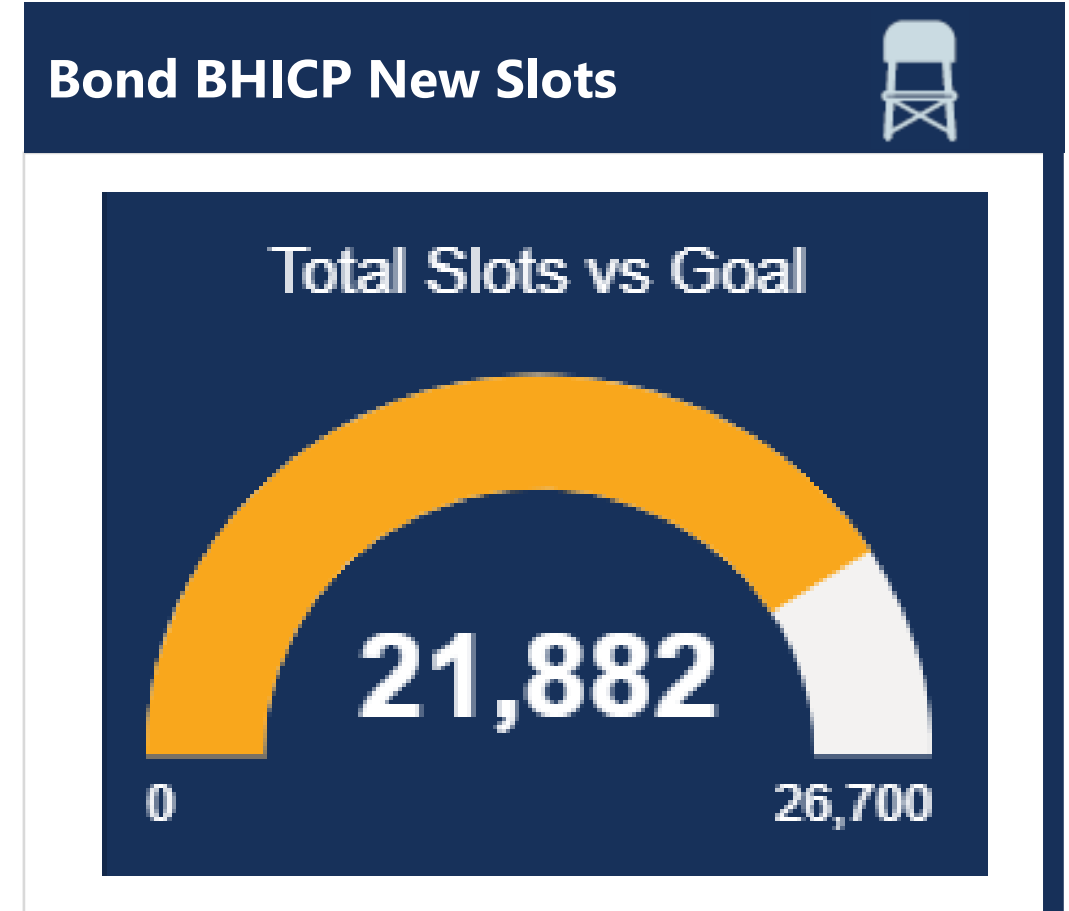Letters of support and/or other supporting documentation does not align with the project proposal

Proposal does not articulate need or how it aligns with the Behavioral Health continuum of care.

Discrepancies in budget and/or construction plans.

Bond BHCIP Round 2: Unmet Needs Overview

Bond BHCIP Funding Goals

Bond BHCIP New Beds

Total Beds vs Goal

5,077

0   6,800

Bond BHICP New Slots

Total Slots vs Goal

21,882

0   26,700

*Data as of June 2025

Bond BHCIP Round 2: Important Dates

Application Portal Opens	July 2025
Deadline to schedule a required Pre-Application Consultation (PAC)	**August 29, 2025**
PAC window	June 26 – October 1, 2025
Office Hours (recommended PAC be completed first)	Schedule Time Slot (ends October 23, 2025)
Application deadline – No Exceptions	**October 28, 2025, 5:00 p.m. PT**
Award announcements	Anticipated Late Spring 2026

Bond BHCIP Round 2: Unmet Needs Request for Applications (RFA)

01

Funding Available:
- Over $800 million in competitive grants to construct, acquire, and rehabilitate facilities that will expand service capacity for behavioral health facility infrastructure.

02

Eligible Applicant Entities:
- Counties
- Cities
- Tribal entities
- Nonprofit organizations
- For-profit organizations

03

DHCS Focuses:
- MH community residential beds and crisis settings
- Rural/remote areas with outstanding BH needs or insufficient BH infrastructure.
- Geographic areas with no prior BHCIP infrastructure projects
- Regional models aimed at constructing, renovating, and/or expanding community-based services.

Regional Model

A regional model is described as counties and/or Tribal entities partnering to create established networks of organized systems of care. This may include two or more counties and/or Tribal entities that propose a facility that will provide behavioral health services to residents of all counties involved.

Eligible Facility Types for Bond BHCIP Round 2: Unmet Needs (RFA Section 2.4)

Mental Health Facilities

- Acute Psychiatric Hospital
- Behavioral Health Urgent Care/Mental Health Urgent Care*
- Children's Crisis Residential Program
- Community Mental Health Clinic (outpatient)
- Community Treatment Facility
- Crisis Stabilization Unit *
- General Acute Care Hospital for Behavioral Health services only
- Mental Health Rehabilitation Center
- Peer Respite*
- Psychiatric Health Facility
- Psychiatric Residential Treatment Facility
- Short-Term Residential Therapeutic Program
- Skilled Nursing Facility with Special Treatment Program
- Social Rehabilitation Facility[1]

Substance Use Disorder (SUD) Facilities

- Adolescent Residential SUD Treatment Facility
- Adult Residential SUD Treatment Facility
- Chemical Dependency Recovery Hospital
- Hospital-Based Outpatient Treatment (outpatient detoxification/withdrawal management)
- Narcotic Treatment Program (NTP)
- NTP Medication Unit
- Office-Based Opioid Treatment
- Outpatient Treatment for SUD
- Partial Hospitalization Program
- Perinatal Residential SUD Facility
- Sobering Center

[1] Also referred to as Social Rehabilitation Program (SRP). California Department of Social Services licenses SRFs and DHCS provides the Social Rehabilitation Program certifications as either a Short-Term Crisis Residential Treatment Program, Transitional Residential Bond BHCIP Round 2: Unmet Needs RFA 14 Treatment Program, or Long-Term Residential Treatment Program. The SRP is a certification and does not exist without the SRF license.

* Eligible facility types that are highly encouraged. These proposed facility types do not guarantee a Bond BHCIP award.

Application Submission Requirements

- Site Control
- Preliminary Title Report*
- Sustainable Business Plan/ Pro Forma*
- Conceptual/Schematic Site Plan*
- Stakeholder Support

- Letters of Support*
- Match
- Board Authorizing Resolution*
- Photo of proposed property*

* To be submitted along with the application.

30-Year Requirement for Behavioral Health Services

- In accordance with section 5960.15 of the California Welfare and Institutions Code (WIC), applicants will be required to commit to operating behavioral health services for a minimum of **30 years.**

- Grantees must submit to DHCS regular reporting requirements, provide updates, and information as deemed necessary by DHCS to monitor compliance and/or perform project evaluation.

- Additional reporting requirements will be required by DHCS for up to 30 years after completion of project construction.
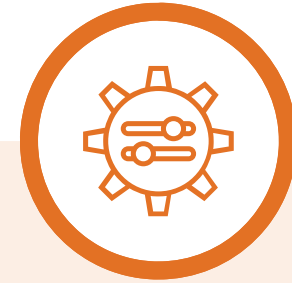
Importance Of A Strong Narrative

Write a strong narrative in all applicable sections of the application and ensure all data matches across the application (beds/slots, populations served, etc.).

Answers should be thorough to ensure all aspects of the question are addressed. Being concise will help ensure the question is thoughtfully answered, meeting the word limit.

Questions should be answered as stand-alone answers without referencing other answers. Answers should be independent and unique.

Important Reminders

1. Review the Bond BHCIP Round 2: Unmet Needs RFA in its entirety.

2. Confirm the project meets all eligibility considerations, including facility type(s), and the project minimum threshold.

3. Register for the Pre-Application Consultation (PAC) before the August 29, 2025 deadline.

4. Complete the application, include all required information and supporting documents.

5. Submit Application by the deadline of October 28th, 2025, at 5 p.m. PT

For More Information

BHCIP
Visit the BHCIP website
Email BHCIP@dhcs.ca.gov

Behavioral Health Transformation
Visit the BHT website
Email BHTInfo@dhcs.ca.gov