



BEHAVIORAL HEALTH SERVICES (BHS) FISCAL YEAR 2026-27 BUDGET DEVELOPMENT

March 12, 2026

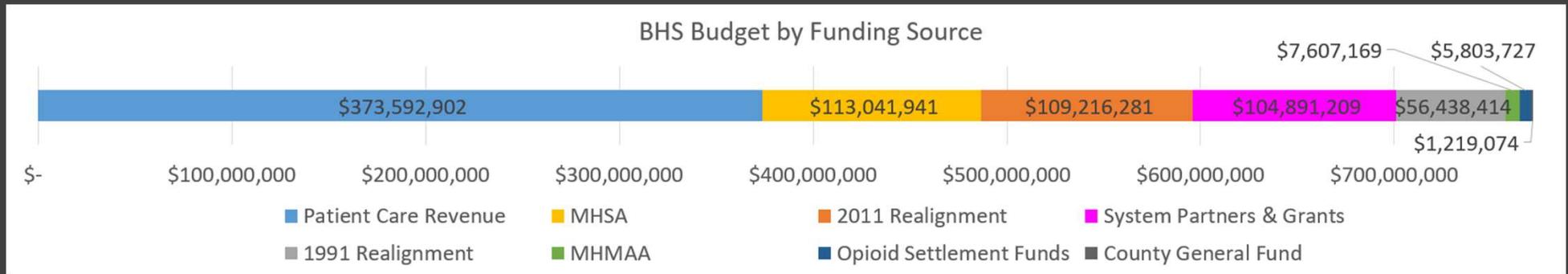
BUDGET / FUNDING

FAST FACTS

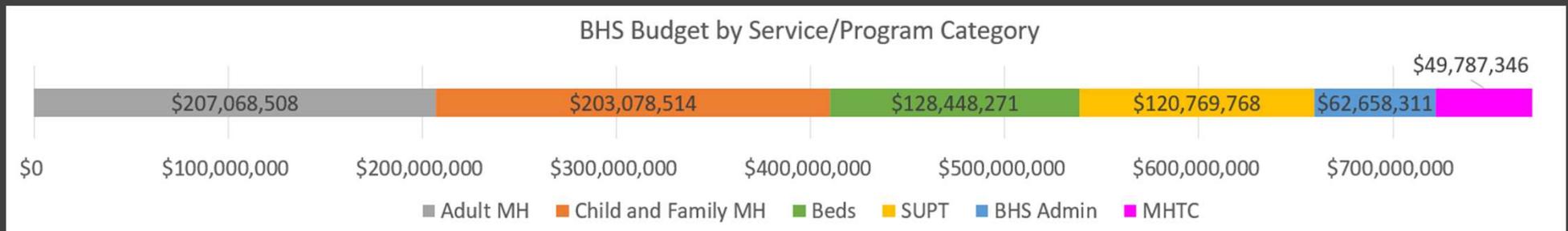
- FY 2025-26 Requested Budget \$771.8 M
- 161 Provider Agencies with 238 Programs
- Workforce of over 3,500 people across the BHS system of care
- 39,501 consumers served
- 300,000 in Prevention and Early Intervention (individual and outreach activities)
- Media campaign: 500 M impressions
- FY 2026-27 Requested Budget Expenditure Authority: \$740M
- Local funds are required as match for Federal Medicaid funds, but payments are received as Patient Care Revenue which is allowable as a matching fund

FISCAL YEAR 2025-26 BUDGET / FUNDING

BUDGET BY FUNDING SOURCE



BUDGET BY SERVICE/PROGRAM CATEGORY



FISCAL YEAR 2026-27 BUDGET OUTLOOK

- On January 13, 2026 The County's Chief Financial Officer held the FY 2026-27 Budget Workshop for the Board of Supervisors
- The workshop addressed the current and projected future fiscal environment, describing risks and pressures to the County
- At that time the Board approved budget priorities and the approach for initial resource allocations to Departments
- Risks included uncertainty around federal funding, unavoidable cost increases, and highlighted the Mays Consent Decree and the County Medically Indigent Services Program
- With current structures in place, it was projected that costs will outpace the County's Discretionary and Semi-Discretionary funding in FY 2026-27.

FISCAL YEAR 2026-27 BUDGET RECOMMENDATION

Recommendations included up to a 2% reduction in initial resource allocation compared to the adjusted FY 2025-26 allocation for all budget units except those with no spending discretion

For BHS:

- Reduction of Realignment revenues
- Increased costs due to COLAs and other escalators in labor agreements recently ratified
- Rate increases from some vendors
- Reduction of spending authority due to expiring grants
- Growth is different and is approved by the Board of Supervisors separately from the base budget – these are increases to service offerings or increased service levels in existing offerings

FISCAL YEAR 2026-27 BASE BUDGET

Each year the Departments are tasked with submitting a base budget:

- Base Budget is generally what the cost of continuing CURRENT services in the upcoming Fiscal Year are estimated to be
- Includes some cost of doing business increases
- Much of the cost is not within the authority of the Department to decide:
 - Staff Costs – defined by the County
 - Overhead and Allocated costs (IT infrastructure, liability insurance, building lease and use costs, vehicle costs outside of fuel)
- Includes some reductions if not at County's discretion (e.g. grant fund expires and program being funded is to be dismantled)

CRISIS-FOCUSED PROGRAMS 2026-27

Contracts	FY 2026-27 Amount	Comment
BACS CWRT	5.4M	
Crisis Residential (Pool)	10.69M	
MH/BH Urgent Care Clinic	5,475M	
Crisis Navigation	1.65M	
WIND	0.363M	
Q Spot	0.289M	
Consumer Self Help Center (Patient's Rights)	1.03M	
WellSpace CRBH	2.7M	
TOTAL	\$ 27.6M	

CRISIS-FOCUSED PROGRAMS 2026-27

County Programs	FTE reductions?
Community Wellness Response Team	No -
CST	No
Mental Health Treatment Center (CSU)*	No
* MHTC staff utilization presents a budget challenge, this data will be available in arrears once time studies are complete for the first year of BHSA	
BHSA Crisis and Field-Based Services Teams reporting category, approximate Cost, Salaries and Benefits only, \$6.6M	

JUSTICE INVOLVED PROGRAMS 2026-27

Justice involved Programs:

Contracts/County Partners	FY 2026-27 Amount	Comment
Renewed Hope BHBH	0.71M	15 post-jail discharge interim housing beds for individuals who are homeless upon exit. Includes flex dollars.
AOT (Telecare OASIS)	1.584M	
EMPOWER IST (Telecare)	8.206M	
BACS THRIVE OP	3.104M	
WellSpace Health THRIVE OP	3.375M	
BACS THRIVE FSP	5.0M	Procurement is in process – using FY 2025-26 amount
County Counsel	0.44M	For AOT and Care Act work
Public Defender	1.0M	for IST work
Probation	0.57M	for JJDTP Program
Probation	0.153M	for JDTRC Program
TOTAL	\$24.14M	

Adult Correctional Health BH Team (UCD) provides a significant amount of services, budget is in Primary Health Division

JUSTICE INVOLVED PROGRAMS 2026-27

Justice involved Programs:

County Programs	FTE reductions?
Collaborative Courts	No
Youth Detention Facility BH Team Incl. VOYA	No, Receive reimbursement from Probation
AOT (County Team)	No
JCAT/Collaborative Court/MHD Team	No
CARE Court	No
ADRC/AB109 Intake Teams	No
CCIT	No

BHS PRIORITIES FOR BASE BUDGET

The BHS priorities for base budget mostly remained as discussed in prior BH Commission meetings:

- Aside from contracts that were identified for sunset, keep the current service delivery system intact, despite the shift of funding away from services and into housing categories as mandated by the BHSA
- No layoffs
- Deal with reduction in semi-discretionary fund allocation

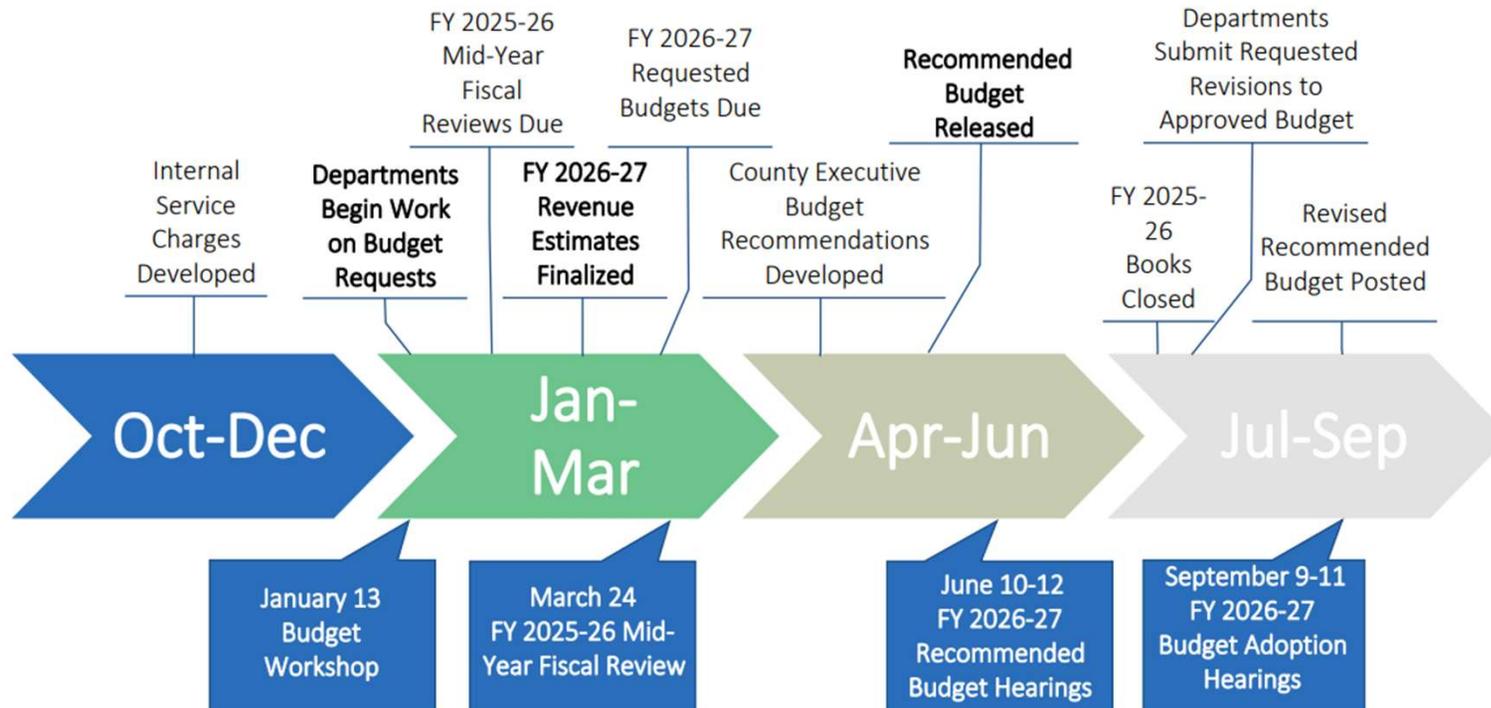
FORECAST FOR THE UPCOMING YEAR

Current forecast is one that warrants closer monitoring, but no action yet.

Sacramento County uses accepted revenue forecasts from CBHDA consultants and monitors deposits by the State into the various funds

BUDGET PROCESS AND TIMELINE (CFO PRESENTATION)

Budget Process and Timeline



THANK YOU!
