



State of California—Health and Human Services Agency  
Department of Health Care Services



GAVIN NEWSOM  
GOVERNOR

DATE: December 10, 2021

Behavioral Health Information Notice No: 21-074

TO: California Alliance of Child and Family Services  
California Association for Alcohol/Drug Educators  
California Association of Alcohol & Drug Program Executives, Inc.  
California Association of DUI Treatment Programs  
California Association of Social Rehabilitation Agencies  
California Consortium of Addiction Programs and Professionals  
California Council of Community Behavioral Health Agencies  
California Hospital Association  
California Opioid Maintenance Providers  
California State Association of Counties  
Coalition of Alcohol and Drug Associations  
County Behavioral Health Directors  
County Behavioral Health Directors Association of California  
County Drug & Alcohol Administrators

SUBJECT: CalAIM Behavioral Health Quality Improvement Program (BHQIP)

PURPOSE: To provide CalAIM BHQIP program implementation guidelines, funding allocation methodology and claiming process to Mental Health Plans, Drug Medi-Cal State Plans and Drug Medi-Cal Organized Delivery Systems

REFERENCE: Welfare & Institutions Code section 14184.405 -044

BACKGROUND:

The Department of Health Care Services (DHCS) created the Behavioral Health Quality Improvement Program (BHQIP) to support implementation of the [California Advancing & Innovating Medi-Cal \(CalAIM\) initiative](#),<sup>1</sup> (CalAIM BHQIP). The CalAIM BHQIP is structured as an incentive program, whereby a Mental Health Plan (MHP), a Drug Medi-Cal State Plan (DMC-SP) or a Drug Medi-Cal Organized Delivery System (DMC-ODS), hereafter referred to as a participating entity, may earn incentive payments by achieving certain CalAIM implementation milestones.

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<sup>1</sup> Welf. & Inst. Code § 14184.405

The CalAIM BHQIP incentives are available beginning July 1, 2021 through December 31, 2023. For Fiscal Year (FY) 2021-22, Senate Bill (SB) 129 (Chapter 69; Statutes of 2021), authorized \$21,750,000 in General Fund dollars for the CalAIM BHQIP. DHCS has authority to issue guidance regarding the CalAIM BHQIP by information notice.<sup>2</sup>

**POLICY:**

**Funding Allocation Methodology**

The allocation schedule (Enclosure 1) involves the following two steps:

1. Each participating entity is eligible for an initial allocation of program startup funds in the amount of \$250,000. (Please refer to [BHIN 21-044](#) for information regarding the startup funds claiming process). Startup funds will be available until January 31, 2022. BHQIP claiming forms were due to DHCS by October 1, 2021. If a participating entity does not submit the claiming form by January 31, 2022, DHCS will not issue any start-up funds to that entity, and the funds will be added to the BHQIP pool for distribution in FY 2021-22.
2. For the remaining funds, each participating entity allocation is based on its share of statewide claims value reported to DHCS for Fiscal Year 2019-20 for Specialty Mental Health Services, Drug Medi-Cal Organized Delivery System and Drug Medi-Cal State Plan. The methodology includes an equity adjustment to ensure that each participating entity, regardless of its claims value, is eligible to receive a minimum of \$100,000 per year of the program.

**Participating Entity Responsibilities**

For the entirety of the CalAIM BHQIP term, each participating entity shall perform all required BHQIP activities as specified in detail in the CalAIM BHQIP Program Implementation Plan and Instructions for County Behavioral Health Plans to achieve the following program goals by June 30, 2023:

1. Payment Reform
2. Implementation of CalAIM Behavioral Health Policy Changes
3. Data Exchange

Each participating entity is required to submit to DHCS a comprehensive BHQIP Implementation Plan (IP) within 60 days from the date of the publication of this BHIN. The IP should outline how the participating entity will achieve and operationalize the above program goals. The IP must specify key action items and deliverables that will be completed by the end of each reporting period.

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<sup>2</sup> Welf. & Inst. Code § 14184.102(d), 14184.402(i)

DHCS will review all timely submitted IPs and either approve or return them to the participating entities for required amendments. All IPs must be finalized and approved by DHCS by March 31, 2022 in order to receive an incentive payment. Each participating entity will receive an incentive payment by June 2022 if the submitted IP is approved. Untimely county responses may lead to forfeiture of incentive payments, as all FY 21-22 distributions must be distributed by June 30, 2022, and are not carried over into the next fiscal year.

### **DHCS Responsibilities**

1. Review all submitted IPs and provide technical assistance during the BHQIP Implementation Plan development phase.
2. Provide each participating entity with Technical Assistance and Training throughout the BHQIP phases as needed.
3. Provide incentive payments to each participating entity on a biannual basis.

### **Claiming Forms and Instructions**

1. CalAIM BHQIP Funds Availability Schedule (Enclosure 1)
2. CalAIM BHQIP Program Implementation Plan and Instructions for County Behavioral Health Plans (Enclosure 2)
3. BHQIP Program Funding Claiming form (Enclosure 3)

### **Payment Schedule**

DHCS will release incentive payments to a participating entity that meets program milestones as specified in the entity's IP. Each participating entity is required to report achievement of milestones and to submit associated deliverables to DHCS by the reporting period deadlines. Reporting period deadlines are September 30 and March 1 of each year. Please refer to the enclosed Implementation Plan (Enclosure 2) for further details.

Questions regarding this BHIN may be directed to the Quality Assessment and Performance Improvement Section at [BHQIP@dhcs.ca.gov](mailto:BHQIP@dhcs.ca.gov).

Sincerely,

Original signed by

Shaina Zurlin, LCSW, PsyD, Chief  
Medi-Cal Behavioral Health Division