SCALING DYADIC CARE GRANT PROGRAM

Grant Strategy Document

September 2026

DHCS
CALIFORNIA DEPARTMENT OF
HEALTH CARE SERVICES

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OVERVIEW

As a part of the Children and Youth Behavioral Health Initiative (CYBHI),[1] the California Department of Health Care Services (DHCS) is launching a two-year statewide grant and technical assistance program designed to accelerate the implementation of dyadic services across California. DHCS has invested approximately $17 million to support direct funding to providers to build sustainable models of Dyadic Care. The Scaling Dyadic Care Grant Program supports providers with two years of funding and technical assistance in building the clinical, operational, and data infrastructure necessary to deliver, bill for, and sustain dyadic services. This approach recognizes that successful implementation of dyadic services requires upfront investment in workforce, infrastructure, training, and care delivery redesign, while also ensuring that funded provider service locations are positioned to sustain services beyond the grant period through Medi-Cal reimbursement pathways.

Through this two-year project, participating providers will receive structured support to establish dyadic care services while leveraging the Medi-Cal Dyadic Care benefit pathways to support financial sustainability. Provider-level support is central to the initiative, pairing flexible grant funding with multi-year technical assistance to help providers effectively start up trauma-informed dyadic care services for Medi-Cal children and families.

The grant structure reflects established best practices from state and federal implementation funding models and is intentionally designed to balance access, equity, operational feasibility, and fiscal responsibility.

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[1] The Children and Youth Behavioral Health Initiative (CYBHI) was established pursuant to California Welfare and Institutions Code § 5961. California Welfare and Institutions Code § 5961. The Medi-Cal Dyadic Services Benefit was established through California State Plan Amendment (SPA) 23-0010 and is implemented in accordance with DHCS All Plan Letter (APL) 22-029 (Revised). See SPA 23-0010 Approval and APL 22-029 (Revised).

EQUITY APPROACH AND POPULATIONS OF FOCUS

Equity-Driven Approach

The Scaling Dyadic Care Grant Program is committed to advancing equitable statewide access to dyadic services through a review and award selection process intentionally designed to account for community need, geographic diversity, and structural barriers impacting pediatric behavioral health care delivery. The program will utilize a standardized, data-driven equity composite index, based on publicly available indicators, to ensure that funding decisions are objective, reproducible, and aligned with statewide priorities to serve communities with the greatest need.

Equity has been incorporated throughout the application review methodology by:

- Utilizing publicly available county-level indicators related to pediatric Medi-Cal enrollment, community conditions, and behavioral health infrastructure
- Prioritizing providers serving high-need and historically underserved populations
- Supporting diverse representation of California communities
- Incorporating geographic allocation methodologies to reduce over concentration of awards within a single region or provider type
- Recognizing workforce development activities in regions experiencing behavioral health workforce shortages
- Applying standardized statewide scoring methodologies to promote transparency and consistency across applicants

The application's Equity Domain will additionally incorporate elements of Brooks et al's PETAL Framework to help assess how applicants operationalize health equity within clinical practice and organizational systems.

- Prioritizing health equity within organizational strategy and leadership
- Engaging patients, families, and communities in quality improvement and care design
- Targeting and addressing health disparities affecting pediatric populations
- Advancing equitable access to behavioral health and dyadic services
- Learning, continuous improvement, and accountability related to equity initiatives

This equity approach is intended to ensure funding decisions reflect both implementation readiness and the diverse needs of California communities, while supporting sustainable expansion of pediatric integrated behavioral health and dyadic care services statewide.

Equity in Monitoring

Equity is integrated into the monitoring framework through both quantitative and qualitative review processes. In addition to tracking demographic and utilization data to assess equitable reach of dyadic services, University of California, San Francisco Center for Advancing Dyadic Care in Pediatrics (UCSF CADP) applies a relationship-based oversight approach that considers provider context, capacity, and community needs when evaluating performance. Data collection will incorporate both qualitative and quantitative methods, avoiding reductionistic approaches, and insights will be shared with grantees and FAB to collaboratively inform ongoing efforts.

Populations of Focus

By focusing on prevention in the earliest years, this initiative shifts care from individualized crisis response to relational, strength-based support, allowing systems to address inequities before they widen over time.

This initiative advances health equity by reducing disparities through targeted outreach, community engagement, and tailored support for providers serving diverse populations. Grant funding and technical assistance will prioritize organizations serving these populations.

- Young children ages 0–5, and especially those in Black, Indigenous, and People of Color (BIPOC) communities
- Children and youth with developmental disabilities or behavioral health concerns Families of children with complex needs
- Rural and under-resourced regions
- Lower-income families
- Pregnant and postpartum individuals
- LGBTQIA+ communities
- Families facing social drivers of health (SDOH) concerns or who are at-risk for systems involvement

PURPOSE AND PRIORITIZED OUTCOMES

The Scaling Dyadic Care Grant Program is designed to meaningfully advance the availability and quality of integrated dyadic and behavioral health services for Medi-Cal children and families across California. This program aims to demonstrate that dyadic care can be implemented equitably and sustainably within pediatric primary care settings, while generating actionable data to inform broader statewide policy and scalability.

This program is designed to achieve the following goals, identified in Table 1: Prioritized Outcomes below.

Table 1: Prioritized Outcomes

TIER	Prioritized Outcomes
Service Delivery Outcomes	**Expanding access and utilization of dyadic services in Medi-Cal primary care** » Increase utilization of dyadic behavioral health services within Medi-Cal pediatric primary care settings » Enhance team-based delivery of care, integrating behavioral health clinicians, pediatric providers, and allied health professionals » Increase early intervention and preventative behavioral healthcare opportunities, focusing on children ages 0–5 » Improve access to non-specialty mental health services for underserved Medi-Cal populations
Patient & Family Outcomes	**Improving health, development, and equity for children and families** » Improve early childhood developmental and behavioral health outcomes » Improve social drivers of health (SDOH) outcomes by connecting families with needed support services

TIER	Prioritized Outcomes
Provider & System Sustainability Outcomes	**Building lasting clinical, operational, and financial infrastructure** » Strengthen provider capacity for integrated care, including operational workflows, documentation, and data infrastructure » Advance financial sustainability at the provider level through Medi-Cal dyadic service billing and reimbursement pathways » Improve county and managed care infrastructure to facilitate dyadic service networks and long-term sustainability
Statewide System Learning Outcomes	**Generating evidence to inform future policy and scale** » Inform statewide scalability by generating implementation evidence and lessons learned from a concentrated, regionally focused set of participating providers

TIMELINE

Major milestones of the Scaling Dyadic Care Grant Program will take place following the schedule below, and are subject to change:

Milestone	Deadline
RFA Release	September 2026
Informational Webinar	September 23, 2026 12:00–1:00 pm Register here.
Application Deadline	October 2026
Awards Announced	January 2027
Grantees receive contracts	January 2027
Contracts Executed	March 2027
First Disbursement	April–July 2027
Final Disbursement	Feb–March 2029

TECHNICAL ASSISTANCE AND PROGRAM DELIVERY

Governance Structure

The Scaling Dyadic Care Grant Program utilizes a collaborative governance structure designed to support effective implementation, fiscal stewardship, and long-term sustainability. The program is administered through a partnership between the DHCS, UCSF CADP, and a Third-Party Administrator (TPA), with each partner serving complementary roles throughout the grant period.

DHCS provides overall program oversight, establishes program priorities, and ensures alignment with statewide Medi-Cal and Children and Youth Behavioral Health Initiative (CYBHI) objectives.

UCSF CADP serves as the Technical Assistance (TA) Vendor, leading implementation support, clinical consultation, provider education, learning collaboratives, and continuous quality improvement activities. Drawing on implementation science and real-world experience, UCSF CADP provides relationship-based technical assistance to help grantees build sustainable, high-quality dyadic care programs.

The Third-Party Administrator (TPA) is responsible for grant administration, including contracting, payment disbursement, fiscal oversight, and coordination of grant reporting and compliance activities in partnership with DHCS and UCSF CADP. The TPA consists of California Institute for Behavioral Health Solutions (CIBHS) and Heluna Health.

Technical Assistance Delivery

Technical assistance is delivered through a multi-level approach designed to support implementation at the provider, county, and statewide levels. Individualized coaching, learning communities, public educational resources, and implementation tools are intended to strengthen clinical practice, operational workflows, billing and financial sustainability, and long-term adoption of dyadic care across California.

Additional governance responsibilities, technical assistance activities, and operational requirements are described in the Request for Applications (RFA).

Stakeholder Engagement

The program's stakeholder engagement strategy did not begin with the launch of this grant, but rather it is rooted in UCSF CADP's history of direct work alongside providers, county partners, managed care plans, and families across California. Prior to the design of this program, the Children's Health Center HealthySteps program and founders of

the UCSF CADP led the 2020 San Francisco Dyadic Care Billing Pilot at Zuckerberg San Francisco General Hospital, which established the foundational reimbursement pathways for dyadic services within Medi-Cal managed care.

This was followed by a UCSF CADP-facilitated Northern California Pilot Learning Community; a multi-year, county-based initiative funded by health plans, the county, and the CYBHI, which increased dyadic behavioral health visits over three years. Parallel statewide TA work generated rich, real-world insight into what providers need to implement, bill, and sustain dyadic services. The lessons from this body of work, including navigating challenges with benefit structure, documentation privacy, operational workflows, and the behavioral health workforce, directly shaped the design of the current grant and TA program.

Building on this foundation, the Scaling Dyadic Care Grant program will incorporate structured ongoing stakeholder engagement throughout implementation:

- **A Family Accountability Board (FAB)** will include representatives from representative counties to share lived experience, identify needs and gaps, and ensure dyadic services remain inclusive and responsive to families.
- **A Grantee Advisory Board (GAB)** will provide each grantee service location with a formal role in shaping TA design and program improvement throughout the two-year grant period.
- **County Roundtables** will convene partners from across each county, including Managed Care Plans (MCPs), county stakeholders, mental health advocates, community-based organizations, and consumers, to promote system-level alignment and sustainability.

GRANTEE SELECTION AND AWARD PHILOSOPHY

The Scaling Dyadic Care Grant Program is designed to support equitable statewide expansion of pediatric integrated behavioral health and dyadic services across California's diverse healthcare delivery systems. The application review and award selection methodology was intentionally developed to balance objective statewide scoring with equity-driven investment strategies that reflect the diversity of California communities, provider types, and geographic regions.

The program recognizes that communities across California experience varying levels of behavioral health access, workforce capacity, infrastructure readiness, and social and economic barriers impacting children and families. As a result, the selection methodology is designed not only to identify applicants prepared to successfully implement dyadic services, but also to prioritize communities demonstrating significant need for increased behavioral health access and strong commitment to integrated pediatric behavioral health care.

The review process incorporates standardized statewide scoring methodologies, publicly available county-level indicators, and geographic allocation approaches intended to support transparent, reproducible, and equitable funding decisions. The methodology additionally seeks to ensure diverse representation of California communities and across California's diverse pediatric Medi-Cal delivery systems.

Through this approach, the program aims to support both high-need communities and providers demonstrating readiness, commitment, and long-term potential to sustainably integrate dyadic services into pediatric care delivery.

Application Components and Evaluation Criteria

Applications will undergo a multi-step review and award selection process designed to support transparent, equitable, and data-informed funding decisions. First, applications will undergo an eligibility and completeness review to ensure applicants meet minimum program requirements. Incomplete, non-responsive, or ineligible applications will not advance to the scoring review phase.

Applications will subsequently be evaluated using a standardized statewide scoring methodology assessing Program Impact, Implementation Readiness, Strategic Alignment, Equity and Community Impact, and County Need indicators. The scoring process will also incorporate publicly available county-level data and a Workforce Development Incentive Adjustment recognizing applicants supporting behavioral health workforce pipeline development and training activities.

Following scoring review, applications may undergo a minimum competitive threshold review. Applications scoring below established overall or domain-specific thresholds may not advance to final award consideration.

Final award decisions will prioritize the highest-scoring competitive applications within each geographic allocation pool using standardized and predetermined selection methodologies established in the RFA. Award distribution will be guided by objective thresholds and allocation parameters related to regional representation, geography type, funding availability, minimum quality standards, and statewide diversity goals to support equitable and transparent distribution of funding across California communities.

Additional Considerations: The administering entity may request additional information or clarification from applicants as needed. Submission of an application does not guarantee funding; all applications will be evaluated based on defined criteria and overall competitiveness.

Rationale for Approach

The scoring framework is designed to ensure that funding decisions are:

- Objective and consistent across applicants
- Aligned with statewide program goals and priorities
- Grounded in both implementation readiness and demonstrated community need
- Responsive to equity considerations through measurable and reproducible criteria

At a high level, application scoring will be structured across multiple core domains, which may include, but are not limited to:

- Organizational readiness and implementation capacity
- Medi-Cal pediatric population and service reach
- Pathway to scale and long-term sustainability
- Equity and community need
- Data reporting and technical assistance participation capacity

Each domain will be assigned a proportional weight reflecting its relative importance to achieving program objectives. Collectively, these weights will total 100 percent and will be applied consistently across all applications.

The weighting approach is intended to balance:

- Immediate implementation feasibility (e.g., readiness, staffing, infrastructure)
- Potential for population level impact (e.g., service volume, Medi-Cal population served)

- Advancement of equity goals (e.g., service to high need and underserved communities)
- Long term sustainability (e.g., integration into Medi-Cal billing and managed care systems)

To promote transparency and procurement integrity, final scoring weights, domain definitions, and evaluation criteria will be fully specified and published in the Scaling Dyadic Care Grant Program RFA and applied uniformly during the application review process.

In addition, the scoring framework will incorporate quantitative measures of equity and community need, using standardized, publicly available data sources where feasible, to ensure that funding decisions are data informed, reproducible, and aligned with statewide equity priorities.

DHCS and/or its authorized designee will administer the scoring process in accordance with established review procedures, ensuring that all applications are evaluated consistently in alignment with the published criteria.

GRANT DESIGN OVERVIEW AND FUNDING STRATEGY

Tiered Funding Structure

The program utilizes a tiered funding model to align grant award amounts with provider size and pediatric Medi-Cal volume.[2] Providers will be assigned to Tier 1 or Tier 2 based solely on the number of Medi-Cal children ages 0–5 served by the applying provider service location or eligible provider service location partnership.

Objective scoring results will be used to determine which applicants are selected for funding; however, scoring will not determine tier placement. Tier placement and corresponding maximum award amounts will be based on the published pediatric Medi-Cal volume thresholds in the Request For Applications (RFA).

Providers will be assigned to Tier 1 or Tier 2 based solely on the number of Medi-Cal children ages 0–5 served.

This approach ensures that funding decisions are:

- Based on clear and objective volume criteria
- Proportionate to expected service delivery capacity
- Consistent across applicants
- Grounded in transparent, data informed evaluation outcomes

Across both tiers, funding is structured to support a clear pathway to financial sustainability through Medi-Cal reimbursement, with expectations calibrated to the scale, capacity, and starting point of each provider.

Detailed tier definitions, pediatric Medi-Cal volume thresholds, award amounts, eligibility criteria, and performance expectations will be fully specified in the Request For Application (RFA). All applicants will be assigned to funding tiers based on published volume criteria, and funding selection decisions will be made through the published application review and scoring process.

[2] Provider service location is defined as a distinct physical clinical site delivering services that typically has its own Medi-Cal enrollment/National Provider Identifier, and one which operates as a unique care delivery setting, or part of the same legal entity.

Grant Award Period

The grant award period will span April 2027 through March 2029, aligning with the program's phased approach to implementation, scaling, and sustainability.

Table 2: High Level Implementation Timeline

Phase	Timing	Month	Focus
Phase 1: Ramp Up	April–Sept 2027	1–6	Hiring, infrastructure, workflow development
Phase 2: Standardization and Optimization	Oct 2027–March 2028	7–12	Service launch and operational integration
Phase 3: Expansion and Optimization	April–Sept 2028	13–18	Expansion of service delivery and workflow refinement
Phase 4: Sustainability and Scaling	Oct 2028–March 2029	19-24	Sustainability, evaluation, and program closeout

The award period is intentionally structured to support provider service locations through three key phases of dyadic service implementation: Ramp Up, Standardization and Optimization, Expansion and Optimization, and Sustainability and Scaling. This phased approach ensures that provider service locations are supported in building the foundational components necessary for dyadic care, while also establishing a clear pathway toward long-term sustainability.

Grant funding will be distributed throughout the award period to align with each phase. A portion of funds will be provided upfront to support initial implementation costs, including staffing, information technology enhancements, and administrative capacity. Subsequent payments will be disbursed at regular intervals and tied to implementation milestones and performance indicators.

The payment structure is designed to reflect the realities of clinical transformation and billing system adoption, including an initial ramp-up period during which performance expectations are calibrated to emphasize engagement, infrastructure development, and early service initiation. As the grant program progresses, increasing emphasis will be placed on service delivery, utilization, and integration into routine care.

Grant Payment Structure

Grant funds will be distributed through a blended payment methodology that combines payment methodology and disbursement structure, upfront funding, and milestone-based disbursements.

This approach is designed to balance the need for early investment in infrastructure and workforce with accountability for implementation progress and service delivery outcomes. It aligns funding with both capacity-building and measurable outcomes, while maintaining flexibility to support diverse provider settings.

This payment structure supports provider service locations in initiating dyadic services, while ensuring that continued funding is tied to active participation, measurable progress, and demonstrated movement toward sustainable service delivery within Medi-Cal.

Payment Methodology and Disbursement Structure

The program will utilize a phased disbursement approach designed to align funding with key stages of implementation, performance, and progress towards sustainability, as described in the RFA.

Grant payments will be structured to support:

- Initial startup in infrastructure development, including workforce readiness and system preparation.
- Early service delivery and program activation, including the initiation of dyadic services, scaling and expansion of service capacity, and increasing reach to medical populations.
- Ongoing performance, reporting, and progress towards sustainable integration, including alignment with medical billing and long-term financial pathways.

This alignment is intended to promote accountability, timely implementation, and measurable progress throughout the grant.

Disbursements will be tied to defined program milestones and participation requirements, ensuring that funding supports measurable progress while maintaining flexibility to accommodate varying levels of organizational readiness and community needs.

Detailed payment schedules, timing, conditions, and disbursement requirements will be fully specified in the RFA and grant agreements and will be applied consistently across all awarded entities.

Upfront Funding

Upfront investment is provided for workforce expansion, infrastructure, training, technical assistance, and care delivery redesign, while also ensuring that funded provider service locations are positioned to sustain services beyond the grant period through Medi-Cal reimbursement pathways Specifically, upfront funding is intended to enable recruitment and onboarding of staff, early workflow design and operational planning, electronic health record (EHR) configuration and data infrastructure development, and participation in training and technical assistance activities.

This initial investment recognizes that provider service locations require early capital to establish the foundational components necessary for implementation.

Milestone-Based Disbursements

The tiered funding approach will be further supported by phased payment structures that align funding disbursement with program milestones, and which may include implementation readiness benchmarks, service delivery initiation and expansion, data reporting milestones, and participation in technical assistance activities.

This alignment is intended to promote accountability, timely implementation, and measurable progress throughout the grant period.

Milestone-based payments are intended to ensure that funding is aligned with tangible progress in implementation, while allowing flexibility for provider service locations to adapt to local contexts. Milestone expectations will be tied to metrics and milestones as further defined in the RFA.

ACCOUNTABILITY FRAMEWORK

The Scaling Dyadic Care Grant Program is designed to balance early implementation support with clear accountability for public funding. Throughout the grant period, grantees will be expected to actively participate in technical assistance, implement dyadic services, demonstrate measurable progress toward program goals, and comply with fiscal and reporting requirements.

Rather than relying solely on compliance activities, the program utilizes a relationship-based accountability approach that integrates ongoing technical assistance, routine monitoring, milestone tracking, and continuous quality improvement. This framework is intended to identify implementation challenges early, provide targeted support, and promote long-term sustainability while ensuring responsible stewardship of grant funds.

Grant payment decisions will be informed by implementation progress, participation in required program activities, and timely submission of required reports and data. Detailed monitoring processes, payment requirements, reporting expectations, and corrective action procedures are provided in the Request for Applications (RFA) and associated grant agreements.

If you have questions or would like to share feedback, please contact DHCS at scalingdyadic@cibhs.org.

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