



# Board Agenda Item 43

DATE: April 7, 2026

TO: Board of Supervisors

SUBMITTED BY: Susan L. Holt, Director, Department of Behavioral Health

SUBJECT: California Department of Health Care Services FY 2026-29 Performance Agreement No. 26-60028

RECOMMENDED ACTION(S):

**Approve and authorize the Chairman to execute Performance Agreement No. 26-60028 with the California Department of Health Care Services, effective July 1, 2026 through June 30, 2029 (\$0).**

Approval of the recommended agreement with the California Department of Health Care Services (DHCS) sets forth conditions and requirements that the County must meet to receive funding for multiple programs. These programs include Behavioral Health Services Act (BHSA), Lanterman-Petris-Short Act (LPS), Projects for Assistance in Transition from Homelessness (PATH), Community Mental Health Services Block Grant (MHBG), and Substance Use Prevention, Treatment and Recovery Services Block Grant (SUBG), with no increase in Net County Cost. This item is countywide.

ALTERNATIVE ACTION(S):

Should your Board not approve the recommended action, the Department's ability to collect reimbursement from DHCS for services provided to persons served with mental health conditions and substance use disorders would be limited.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. There is no monetary consideration included in the recommended Agreement. The funding agreements (BHSA, MHBG, PATH, and SUBG) related to the recommended agreement will be presented to your Board for approval upon receipt from DHCS.

DISCUSSION:

To receive funds for persons served with mental health conditions and substance use disorders participating in DHCS programs as provided by the BHSA, PATH, MHBG, SUBG, a Performance Agreement must be executed between the County and DHCS. The agreement requires that the County meet certain program conditions and requirements including:

- BHSA plan requirements;
- BHSA eligibility and prioritization of services requirements;
- BHSA Funding Component Allowances;
- Overview and application for funds and requirements for PATH, MHBG, and SUBG; and
- Reporting, Data Submission, and Data Sharing Requirements.

The recommended agreement will be monitored by DHCS to ensure compliance with applicable federal and state laws and other applicable regulations; however, it does not cover Federal Financial Participation or State General Funds as both relate to Medi-Cal services provided through Behavioral Health Plan contracts. The Department has successfully met the conditions and requirements and continues to receive program and grant funding each year.

On August 10, 2021, the Board executed State Performance Agreement No. 21-10080 (County Agreement No. 21-296). The initial agreement term was July 1, 2021 through June 30, 2024. The agreement term was extended twice resulting in the final termination date of June 30, 2026.

The recommended agreement includes Health Insurance Portability and Accountability Act (HIPAA) information, Contractor Certification Clauses (CCC 4/2017) confidentiality and security, audit and retention schedule, as well as additional general contractual provisions. The recommended agreement includes the following requirements:

- The County is agreeing to follow a dispute resolution process rather than seek immediate relief in a court of law.
- The County is agreeing to indemnify the state for intellectual property claims.
- The County will provide insurance.

OTHER REVIEWING AGENCIES:

The Fresno County Behavioral Health Board will be notified of the recommended agreement during the April 2026 meeting.

REFERENCE MATERIAL:

BAI #30, April 22, 2025  
BAI #36, April 23, 2024  
BAI #28, August 10, 2021

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with DHCS

CAO ANALYST:

Ronald Alexander