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DIRECTOR

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



GAVIN NEWSOM  
GOVERNOR

DATE: November 9, 2022

Behavioral Health Information Notice No.: 22-059

TO: California State Association of Counties  
County Behavioral Health Directors Association  
Urban Counties of California  
Rural County Representatives of California  
California Association of Public Administrators, Public Guardians and  
Public Conservators  
County Welfare Directors Association

SUBJECT: General Uses of the Community Assistance, Recovery, and  
Empowerment (CARE) Act Startup Funding

PURPOSE: The purpose of this Behavioral Health Information Notice (BHIN) is to  
notify counties of the purposes of the startup funds distributed in  
support of the implementation of the CARE Act.

REFERENCE: Senate Bill (SB) 1338 (Umberg, Chapter 319, Statutes of 2022)  
Assembly Bill (AB) 179 (Ting, Section 135, Provision 32(a)-(c), Budget  
Act of 2022)

**BACKGROUND:**

On September 14, 2022, the Governor approved SB 1338, which enacted the CARE Act. The CARE Act creates a process, called the CARE process, in California's civil courts to provide earlier action, support, and accountability for both individuals with untreated schizophrenia spectrum and psychotic disorders, and the local governments responsible for providing behavioral health services to these individuals. The program will be implemented in two phases, with Glenn, Orange, Riverside, San Diego, Stanislaus, and Tuolumne Counties, and the City and County of San Francisco (Cohort I) required to implement the CARE process by October 1, 2023. All other counties are required to implement the CARE process by December 1, 2024.<sup>1</sup>

AB 179 appropriated \$57 million in funding to the Department of Health Care Services (DHCS) for the implementation of the CARE Act. Of the \$57 million, \$26 million was appropriated to be distributed to Cohort I, and the remaining \$31 million was appropriated to be distributed to all counties and the City and County of San Francisco.

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<sup>1</sup> This BHIN does not provide guidance under which counties can apply for, and be provided, additional time to implement the CARE process pursuant to the Welfare & Institutions Code section 5970.5.

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DHCS consulted with counties, the California State Association of Counties, Urban Counties of California, and Rural County Representatives of California to develop an allocation of these funds amongst the counties. Enclosure 1 displays the allocation of the \$26 million amongst Cohort 1, and Enclosure 2 displays the allocation of the \$31 million.

**POLICY:**

Of the \$57 million, \$31 million is available for each county and the City and County of San Francisco to support planning and preparation activities, including, but not limited to, hiring, training, and development of policies and procedures, and to support information technology infrastructure costs, including, but not limited to, changes needed to electronic medical record systems, changes to collect needed reporting data, and case tracking and new billing processes to bill commercial plans, and excluding capital expenses.

Of the \$57 million, \$26 million is available to support Cohort I county planning and preparation to implement the CARE Act.

The allocation amounts to each county are currently in process, and the funding will be remitted to counties within the next 30 days.

Questions regarding this BHIN may be directed to [BHFSOps@dhcs.ca.gov](mailto:BHFSOps@dhcs.ca.gov).

Sincerely,

Original signed by

Brian Fitzgerald, Chief  
Local Governmental Financing Division

Enclosures