

**COUNTY OF SAN DIEGO
BOARD OF SUPERVISORS
TUESDAY, AUGUST 26, 2025**

MINUTE ORDER NO. 24

**SUBJECT: ADVANCING EQUITY THROUGH AN AD HOC SUBCOMMITTEE ON
SAFETY NET SERVICES AND BEHAVIORAL HEALTH SYSTEMS
TRANSFORMATION (DISTRICTS: ALL)**

OVERVIEW

San Diego County is at a critical inflection point in the evolution of its health and social services systems. Two concurrent developments demand focused, expert-driven planning: (1) the implementation of federal H.R. 1, which proposes sweeping changes to Medicaid and nutrition assistance eligibility, and (2) the strategic realignment of the County’s Behavioral Health Services (BHS) into a standalone organizational structure. Each initiative carries major implications for the County’s operational structure, budget, and ability to meet the needs of vulnerable populations. The convergence of these federal and local policy shifts presents both risk and opportunity-requiring a nimble, systems-level governance structure capable of identifying cross-cutting impacts, maximizing state and federal engagement, and ensuring thoughtful design and implementation.

On December 10, 2024 (32), the Board of Supervisors (Board) authorized a comprehensive assessment of the Behavioral Health Services (BHS) Department to optimize its role as a health plan, ensure effective service delivery, and strengthen system-wide integration. This action also directed an assessment of the potential impacts on the County’s Health and Human Services Agency (HHSA), recognizing the interdependencies between behavioral health, public health, and social service functions. To support this work, the Board approved a competitive solicitation for consulting services to conduct the assessments, analyze operational models, and identify strategies to enhance efficiency and outcomes.

Since that action, it has become clear that, in addition to the original Board direction, a more structured governance framework is needed to collaborate with the Chief Administrative Officer and any contracted consultants in advancing this critical work, particularly in light of recent developments in federal legislation. This enhanced structure would provide the capacity to integrate emerging federal requirements into the County’s planning, ensure cross-departmental coordination, and position the organization to respond effectively to both local priorities and external policy shifts.

This Board Letter recommends the establishment of an ad hoc subcommittee to advise on these critical transitions, with a scope that spans federal systems policy and local structural transformation. The subcommittee would examine the full range of fiscal, legal, operational, and equity considerations related to H.R. 1 implementation, the BHS realignment, and the organizational implications for the HHSA as a whole. This approach allows the Board to govern holistically across overlapping systems, elevate cross-departmental coordination, and partner with state and community stakeholders to ensure the County's strategy is both responsive and forward-looking.

RECOMMENDATION(S)

CHAIR TERRA LAWSON-REMER & VICE CHAIR MONICA MONTGOMERY STEPPE

1. Establish an ad hoc subcommittee of this Board, entitled the Ad Hoc Subcommittee on Social Safety Net and Behavioral Health Systems Transformation (“Subcommittee”), and appoint Supervisor Terra Lawson-Remer and Supervisor Monica Montgomery Steppe to explore, study, plan, and recommend actions to support and strengthen the County’s social safety net and behavioral health system. The Subcommittee shall work with the CAO and County Counsel to report back to and advise the Board on the following:
 - a. Developing a coordinated Countywide response to potential federal changes to eligibility systems for public benefits programs, including but not limited to Medi-Cal and CalFresh; and
 - b. Transforming the Behavioral Health Services (BHS) department into a distinct organization and to initiate a multi-year transformation approach at the earliest date possible. This should also include an assessment and possible recommendation(s) to restructure the Health and Human Services Agency (HHSA). In conducting its work, the Subcommittee may consider, but will not be limited to, the following:
 - i. Advising the CAO on structural and operational changes needed to establish BHS as a standalone structure, including adjustments to governance, organizational alignment, staffing, and resource deployment;
 - ii. Supporting a plan for BHS to function as a managed Medi-Cal specialty behavioral health plan in compliance with evolving federal and State regulations;
 - iii. Working with the CAO and contracted parties to identify and pursue external consulting resources and technical assistance to support the transformation of BHS and to conduct a comprehensive assessment of the remaining HHSA structure and functions, excluding BHS, in comparison to statutory mandates, service delivery responsibilities, and local needs;
 - iv. Advising on organizational realignment opportunities that improve transparency, fiscal sustainability, and service effectiveness across County health and human service systems;
 - v. Facilitating strategic planning, community engagement, and stakeholder input to ensure the Subcommittee’s work reflects the experiences and priorities of clients, providers, and impacted communities; and
 - vi. Guiding efforts to ensure the County maintains a responsive, equitable, and accountable behavioral health system while advancing organizational efficiencies and core public service delivery across HHSA.
 - c. Public Benefits Access and Eligibility Systems Planning: Assessing the potential operational and equity impacts of federal policy changes on Medi-Cal, CalFresh, and other public benefits programs, particularly among vulnerable populations. In conducting its work, the Subcommittee may consider, but will not be limited to, the following:
 - i. Evaluating workforce capacity and administrative readiness to manage anticipated increases in redeterminations, work requirements, and other procedural hurdles;
 - ii. Supporting the development of outreach, education, and communications strategies to inform residents of their rights, responsibilities, and available supports;

- iii. Facilitating cross-sector partnerships with legal service providers, community-based organizations, and healthcare providers to assist residents in navigating new administrative processes;
 - iv. Exploring technology and data solutions to streamline enrollment and case management and reduce barriers to access; and
 - v. Advising on engagement with state and federal agencies to shape implementation timelines and advocate for local flexibility
 - d. Once the purposes outlined above have been achieved, the Subcommittee will conclude its work.
2. Rescind all recommendations approved by the Board of Supervisors on December 10, 2024 (32), redirect \$0.4 million of funding previously appropriated for the actions for Recommendation 2, and direct the CAO to take any additional actions to effectuate this Recommendation.
 3. In accordance with Section 401, Article XXIII of the County Administrative Code authorize the Director, Department of Purchasing and Contracting to issue a competitive solicitation or solicitations, and upon successful negotiations and determination of a fair and reasonable price, award a contract or contracts for consulting services to support the work of the Subcommittee and advising of the CAO on organizational structure, services, contracted programs, revenues and expenditures, staffing, and operations, and upon successful negotiations and determination of a fair and reasonable price, award a contract for an Initial Term of up to one year, with four 1-year Options, and up to an additional six months, if needed; and to amend the contracts to reflect changes in program, funding or service requirements, subject to the availability of funds and the approval of the CAO or , and to include a contract option to assist the County in implementing recommendations as approved by the full Board. The CAO shall prepare any Statement of Work and evaluation criteria in accordance with this Board letter and in consultation with the Subcommittee.

EQUITY IMPACT STATEMENT

In the United States, health inequities persist along lines of race, ethnicity, sexual orientation, gender identity, and disability, creating disproportionate barriers to care for historically marginalized populations. According to the 2022 San Diego County Health Equity Report Series, Black residents experience significantly worse behavioral health outcomes compared to other racial groups. Recent sweeping changes to Medicaid and nutrition assistance eligibility at the federal level pose additional risks, potentially reducing access to essential healthcare and nutrition resources for low-income individuals and families. These changes are expected to disproportionately impact communities of color, people with disabilities, and LGBTQ+ residents, populations that already experience higher rates of chronic illness, food insecurity, and behavioral health challenges. Optimizing the Behavioral Health Services (BHS) organizational structure to improve access, coordination, and responsiveness will be critical to mitigating these inequities, safeguarding essential supports, and advancing the County of San Diego's commitment to health equity.

SUSTAINABILITY IMPACT STATEMENT

Adoption of these recommendations will enable the County of San Diego (County) to make progress toward Sustainability Goal #2 by ensuring just and equitable access to services and resources and will also advance Sustainability Goal #4 by safeguarding the health and well-being of everyone in the region. These actions will improve access to this array of services and will help address the needs of many vulnerable populations in the County while also planning for the future of service delivery in these areas.

FISCAL IMPACT

Funds for this request are included in the Fiscal Year 2025-26 Operational Plan for the Health and Human Services Agency. If approved, this request will result in Fiscal Year 2025-26 costs of an estimated \$400,000 to support efforts to strengthen safety net and behavioral health systems. Funding will be based on the redirection of amounts set aside for the December 10, 2024, actions that are proposed for rescission today; the funding source is Behavioral Health Realignment, to be supplemented as necessary with appropriate program revenue or General Purpose Revenue. There will be no General Fund impact and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

ACTION:

ON MOTION of Supervisor Lawson-Remer, seconded by Supervisor Montgomery Steppe, the Board of Supervisors took action as recommended.

AYES: Aguirre, Lawson-Remer, Montgomery Steppe
NOES: Anderson, Desmond

State of California)
County of San Diego) §

I hereby certify that the foregoing is a full, true and correct copy of the Original entered in the Minutes of the Board of Supervisors.

ANDREW POTTER
Clerk of the Board of Supervisors



Signed
by Andrew Potter

