



BH-CONNECT Workforce Initiative: Medi-Cal Behavioral Health Scholarship Program

HCAI Health Workforce Development

February 4, 2026

Agenda

- Housekeeping and Introduction
- Opening Remarks and HCAI Overview
- Medi-Cal Behavioral Health Scholarship Program: Webinar Objectives
- Overview of BH-CONNECT and the Workforce Initiative
- Medi-Cal Behavioral Health Scholarship Program Overview
- Questions and Answers (Q&A)
- Closing Remarks

Housekeeping and Introduction

Before we begin, just a few quick notes to help you get the most out of today's session:

1. Platform: This session is hosted on Zoom Webinar. Your controls are in the toolbar at the bottom of your screen.
2. Q&A: We're using the Q&A feature for all comments and questions. Please type your input at any time.
3. Recording: Today's session is being recorded. The recording will be available on our website within 5 business days



Opening Remarks and HCAI Overview

Sharmil Shah, MA, Psy.D, Behavioral Health and Policy Branch Chief

HCAI's Vision and Mission



Vision

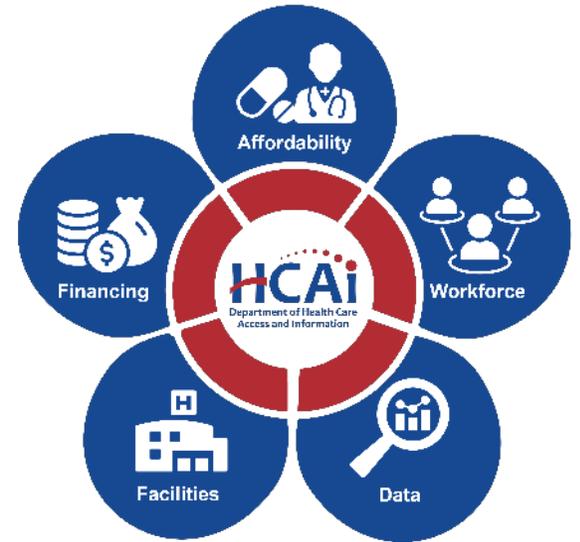
A healthier California where all receive equitable, affordable, and quality health care.

Mission

HCAI expands equitable access to quality, affordable health care for all Californians through resilient facilities, actionable information, and the health workforce each community needs.

HCAI Program Areas

- **Facilities:** Monitor the construction, renovation, and seismic safety of California's hospitals and skilled nursing facilities.
- **Financing:** Provide loan insurance for non-profit healthcare facilities to develop or expand services.
- **Workforce:** Expand and diversify California's health workforce for underserved areas and populations.
- **Data:** Collect, manage, analyze, and report actionable information about California's healthcare landscape.
- **Affordability:** Improve health care affordability through data analysis, spending targets, and measures to advance value. Enforce hospital billing protections, and provide generic drugs at a low, transparent price.



HCAI Health Workforce Approach and Strategy



HCAI enables the expansion and development of a **health workforce that reflects California and addresses supply shortages and access to care**. We do this by administering programs and funding and publishing actionable data about California's health workforce and training.



BEHAVIORAL
HEALTH



NURSING
& MIDWIFERY



PRIMARY
CARE



ORAL
HEALTH

Focus Our Programs in Four Areas

Develop, support, and expand a health workforce that:

- Serves medically underserved areas
- Serves Medi-Cal members
- Reflects and responds to the needs of California's population

Offer programs that provide financial support for:

- Organizations building the workforce pipeline
- Organizations expanding educational capacity
- Individuals pursuing health careers
- Organizations supporting providers and addressing retention

A laptop screen displays a video conference with four healthcare professionals. The participants are arranged in a 2x2 grid. Top-left: A woman with a stethoscope around her neck, smiling. Top-right: A woman with curly hair, gesturing with her hands while speaking. Bottom-left: An older man with a white beard and stethoscope, smiling. Bottom-right: A man with glasses and a stethoscope, looking forward. The video player interface at the bottom of the screen shows icons for chat, volume, mute, and a red 'X' to close the window. The background of the entire image is a blurred view of a person's hands typing on a laptop keyboard.

Medi-Cal Behavioral Health Scholarship Program: Webinar Objectives

Webinar Objectives

- Provide a brief presentation on the program and funding cycle
- Share key dates and requirements for applicants
- Offer an open forum Q&A session to address your questions



Overview of BH-CONNECT and the Workforce Initiative

Federal Approvals to Transform Behavioral Health Care in Medi-Cal

In December 2024, the Department of Health Care Services (DHCS) received approval from the Centers for Medicare & Medicaid Services (CMS) for the transformative BH-CONNECT initiative. BH-CONNECT grows out of our understanding of the lived experience of Californians with behavioral health needs and data-driven analysis of available services.

- BH-CONNECT seeks to transform California's behavioral health delivery system by **expanding access to highly effective community-based services, strengthening the behavioral health workforce, and ensuring Medi-Cal members receive high quality care.**
 - CMS approved key elements of BH-CONNECT through a new Section 1115 demonstration and a series of new State Plan Amendments (SPAs).

BH-CONNECT Workforce Initiative

- The Workforce Initiative will support the training, recruitment, and retention of behavioral health practitioners to provide services across the continuum of care within the Medi-Cal safety net, serving Medi-Cal members and the uninsured.
- Between 2025 and 2029, in partnership with the Department of Health Care Services (DHCS), HCAI will invest up to \$1.9 billion in five workforce programs.
- Recipients of workforce funding will commit to serving Medi-Cal members living with significant behavioral health needs for 2-4 years.
- The state may carry unused workforce initiative expenditure authority from one year to the next. After Demonstration Year 2, the state may redistribute up to 30% of Workforce Initiative funding across programs.



BH-CONNECT Workforce Initiative Programs

Medi-Cal Behavioral Health Student Loan Repayment Program

Medi-Cal Behavioral Health Scholarship Program

Medi-Cal Behavioral Health Recruitment and Retention Program

Medi-Cal Behavioral Health Community-Based Provider Training Program

Medi-Cal Behavioral Health Residency/Fellowship Training Program



Medi-Cal Behavioral Health Scholarship Program Overview

Samantha Sadler (she/her), Behavioral Health Policy Analyst

Medi-Cal Behavioral Health Scholarship Program

Goal:

The goal of the Medi-Cal Behavioral Health Scholarship Program (MBH-SP) is to expand the availability of behavioral health professionals in Medi-Cal safety net settings by supporting scholarships for individuals pursuing behavioral health degrees or certifications.

Funding:

Up to **\$96,900,000** is available for the current MBH-SP cycle which launched on February 2, 2026.

Individuals are eligible for up to **\$240,000** in scholarship funding depending on their profession* (see max award by profession slide).

- These amounts are set by the [BH-CONNECT Special Terms and Conditions Section 6.3\(a\)](#)

*Awards will be made directly to the grantee's educational institution. Grantees will not receive payment themselves.

Eligible Professions

- AOD (Alcohol and Other Drugs) Counselor
- Certified Peer Support Specialist
- Certified Wellness Coach
- Community Health Worker
(Promotores/Representative)
- Licensed Clinical Social Worker
- Licensed Clinical Psychologist
- Licensed Marriage and Family Therapist
- Licensed Professional Clinical Counselor
- Licensed Psychiatric Technician
- Licensed Vocational Nurse
- Nurse Practitioner
- Occupational Therapist
- Physician Assistant
- Registered Nurse

Maximum Award and Service Obligation by Profession

Max Award	Eligible Professions	Service Obligation
\$240,000	<ul style="list-style-type: none"> Nurse Practitioner Physician Assistant 	4 years regardless of funding
\$180,000	<ul style="list-style-type: none"> Licensed Clinical Social Worker Licensed Clinical Psychologist Licensed Marriage and Family Therapist Licensed Professional Clinical Counselor Licensed Psychiatric Technician Licensed Vocational Nurse Occupational Therapist Registered Nurse 	4 years regardless of funding
\$120,000	<ul style="list-style-type: none"> AOD (Alcohol and Other Drugs) Counselor Certified Peer Support Specialist Certified Wellness Coach Community Health Worker (Promotor/Representative) 	\$20,000 or greater: four years \$10,000 to \$20,000: three years Less than \$10,000: two years

Note: Other behavioral health professions will be categorized according to the special terms and conditions (STCs)

Eligibility Requirements

- By **September 30, 2026**, start an eligible education program that leads to licensure or certification
 - Submit a Free Application for Federal Student Aid (FAFSA) and Cal Grant application and provide the resulting financial aid award letter.
 - Submit Scholarship Verification Forms annually for the duration of their education program to verify attendance.
- Complete the education program as listed in the application by June 30, 2029.
- Achieve licensure or certification as the provider type listed in the original application and maintain this credential throughout the agreement term.
- Serve a full-time service obligation providing direct care in a Medi-Cal safety net setting.

Medi-Cal Safety Net Settings

All service obligations must be served in a Medi-Cal safety net setting which is defined as one of the following:

- Federally Qualified Health Centers (FQHC)
- Community Mental Health Centers (CMHC) as defined and certified by the [California Department of Public Health \(CDPH\)](#)
- Rural Health Clinics (RHC)
- Settings with the following payer mix:
 - Hospitals with 40% or higher Medicaid and/or uninsured population
 - Rural hospitals with 30% or higher Medicaid and/or uninsured population
 - Other behavioral health settings (e.g., certified treatment programs) with 40% or higher Medicaid and/or uninsured population

*Other Behavioral Health Settings

<ul style="list-style-type: none"> • Community Treatment Facilities – Must be licensed by the California Department of Social Services and hold a DHCS mental health program approval 	<ul style="list-style-type: none"> • Crisis Stabilization Unit (CSU)¹
<ul style="list-style-type: none"> • Independent licensed practitioners contracted with a behavioral health plan or managed care plan for specialty or non-specialty behavioral health services 	<ul style="list-style-type: none"> • Indian Health Care providers²
<ul style="list-style-type: none"> • Mental Health Rehabilitation Center (MHRC) as licensed by DHCS 	<ul style="list-style-type: none"> • Narcotic Treatment Programs (NTP) as licensed by DHCS
<ul style="list-style-type: none"> • Outpatient behavioral health clinics (other than certified outpatient Substance Use Disorder facility)² 	<ul style="list-style-type: none"> • Primary care or other clinic setting with co-located behavioral health services²
<ul style="list-style-type: none"> • Psychiatric Health Facility (PHF) as licensed by DHCS 	<ul style="list-style-type: none"> • Qualifying provider organizations that deliver primarily field-based or telehealth Medi-Cal behavioral health services²
<ul style="list-style-type: none"> • School-based behavioral health setting² 	<ul style="list-style-type: none"> • Short-Term Residential Therapeutic Program/Children’s Crisis Residential Program (Must be licensed by the California Department of Social Services and hold a DHCS mental health program approval)
<ul style="list-style-type: none"> • Skilled Nursing Facility with a Special Treatment Program for mental health (Must be licensed by the California Department of Social Services and hold a DHCS mental health program approval) 	<ul style="list-style-type: none"> • Social Rehabilitation Facility/Program (Must be licensed by the California Department of Social Services and hold a DHCS mental health program approval)
<ul style="list-style-type: none"> • Substance Use Disorder Treatment Facilities (residential; licensed by DHCS) 	<ul style="list-style-type: none"> • Substance Use Disorder Treatment Program (outpatient; certified by DHCS)
<ul style="list-style-type: none"> • Psychiatric Residential Treatment Facilities (licensed by DHCS) 	

*Other Behavioral Health Settings must deliver Medi-Cal behavioral health services and must meet the payor mix requirements in the BH-CONNECT STCs. All Medi-Cal safety net settings will go through a verification process

¹ Crisis Stabilization Units provide Medi-Cal Crisis Stabilization services, as defined in Supplement 3 to Attachment 3.1-A of California’s Medicaid State plan. Medi-Cal Crisis Stabilization services must be delivered at a provider site certified by the State Department of Health Care Services or a county mental health plan.

² Not all Indian health care providers, primary care sites, school-based sites, or outpatient clinics will automatically qualify as behavioral health sites. Additional verification will be required to confirm that the site is actively providing behavioral health services.

Full-Time Employment Policy

- In accordance with Section 6.1 of the [BH CONNECT Special Terms and Conditions](#), HCAI cannot permit a grantee to work less than full-time in a Medi-Cal safety net setting.
- HCAI defines full-time as a minimum of **32** hours per week providing direct client care or **30** hours per week of direct care in a school-based behavioral health setting.
- Direct client care includes behavioral health services such as prevention, early intervention, assessment, treatment, counseling, procedures, patient self-care, patient education, and documentation relating to patient encounters being treated by or suspected of needing behavioral health services; Direct client care includes face-to-face care, telehealth-based care, and first-line supervision.
- To fulfill the full-time requirement, a grantee may work at one or multiple organizations.

Funding Categories

- MBH-SP funding **can** be used for:
 - Tuition and fees
 - Textbooks and supplies required for the program
- MBH-SP funding **cannot** be used for:
 - Living expenses, including on- and off-campus housing
 - Childcare
 - Transportation
 - Other costs not directly related to the program or coursework



MBH-SP Key Dates and Application Process

Charles Pfof, Program Officer, Grants Management

Key Dates

Event	Date
Application Opened	February 2, 2026, at 3:00 p.m.
Application Deadline	March 16, 2026, at 3:00 p.m.
Anticipated Award Notice Date	June 2026
Anticipated Grant Agreement Start Date	August 2026

Application Components

The application has twelve sections:

1. Attestations
2. Profession
3. Degree or Certification
4. Accredited Pathway
5. Conflicts of Interest
6. Expected Graduation
7. FAFSA/Cal Grant Upload
8. Tuition and Budget
9. Budget and Obligation Details
10. Additional Questions
11. Profile Confirmation
12. Confirmation

What you need to apply

1. Confirmation of your application submission to the Free Application for Federal Student Aid (FAFSA)/Cal Grant program.
2. Screenshot of the page displaying the publicly listed tuition for your program for Academic Year 2025/26.
3. Conflict of Interest Statement (if applicable).

Post-Award and Payment Provisions

- Payments will be made directly to the grantee's educational institution, **NOT** the grantee. Multiple payments may be issued between August 2026 to May 2029.
- The grantee must notify HCAI immediately of any changes or delay in completing their education program or service obligation.
- HCAI expects the grantee will begin performance of their responsibilities on the start date in the grant agreement.
- HCAI cannot provide tax advice to the grantee. HCAI are not tax professionals and tax consequences may vary depending on the grantee. For this reason, grantees should seek professional tax advice.

Breach

- HCAI will recoup all payments made on the behalf of the grantee if the grantee fails to complete their education or perform their service obligation.
- HCAI acknowledges that the service commitment associated with this program may be extensive (up to 4 years). Applicants are therefore encouraged to carefully evaluate their personal and professional goals prior to entering into a grant agreement.
- In the event of a breach of the agreement, the grantee will owe the entirety of their award amount back to HCAI.
- Except in very limited circumstances, HCAI is unable to waive a service obligation after payment to your education institution has been issued. Please refer to pages 21-22 of the grant guide for the waiver policy.

A man with a beard, wearing a green button-down shirt, is seated at a desk in an office. He is looking down at a document on his desk, holding a blue pen in his right hand. A laptop is open in front of him. In the background, another person is partially visible, and the office environment is softly blurred.

MBH-SP Evaluation and Scoring Procedures

Application Evaluation Criteria

- Scoring criteria includes consideration of the following elements:
 - Select languages known other than English (10 points)
 - •Prior participation in publicly funded grant programs (15 points)
 - Prior experience working in a Medi-Cal safety net setting (10 points)
 - HCAI's Behavioral Health Scholarship Program or Wellness Coach Scholarship Program Recipient (3 points)
 - Education institution type (3 points)
 - Degree type (20 points)

Resources

- Please visit our website to access all the resources that are available:
 - [Medi-Cal Behavioral Health Scholarship Program](#)
- By clicking the link, you will see the following:
 - MBH-SP Grant Guide
 - MBH-SP Informational Flyer
 - Today's webinar once it is uploaded

A blurred background image showing a group of people in a meeting or conference room. Several hands are raised in the air, indicating an interactive session or a Q&A period. The scene is brightly lit, likely from large windows in the background.

Questions and Answers

Chris Roina, Lead Communications Analyst

A wooden boardwalk winds through a grassy dune landscape. The boardwalk is made of light-colored wooden planks and curves from the foreground towards the background. The landscape is filled with tall, dry grasses and small shrubs. In the distance, there are rolling dunes under a cloudy sky.

Closing Remarks

Sharmil Shah, MA, Psy.D, Behavioral Health and Policy Branch Chief

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Contact Us!



BH-CONNECT Helpline 916-326-3899



MBHSP@hcai.ca.gov

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