

Community Forensic Partnerships Division
1210 O Street
Sacramento, California 95814
www.dsh.ca.gov



DEPARTMENT LETTER: 26-002

September 21, 2026

TO: ALL COUNTY DSH DIVERSION PROGRAM CONTACTS
ALL COUNTY BEHAVIORAL HEALTH DIRECTORS
ALL COUNTY CHIEF ADMINISTRATIVE/EXECUTIVE OFFICERS
ALL COUNTY COUNSELS
ALL COUNTY DISTRICT ATTORNEYS
ALL COUNTY HEALTH DIRECTORS
ALL COUNTY PROBATION OFFICERS
ALL COUNTY PUBLIC HEALTH DIRECTORS
ALL COUNTY PUBLIC DEFENDERS
ALL COUNTY SHERIFFS
ALL COUNTY SUPERIOR COURTS

SUBJECT: INFORMATION REGARDING DSH DIVERSION PROGRAM AND
REPORTING REQUIREMENTS ON DSH DIVERSION DATA

EXPIRES: RETAIN UNTIL RESCINDED

SUPERSEDES: DEPARTMENT LETTER 19-001

Purpose

The purpose of this Departmental Letter is to provide counties with guidance regarding general diversion program requirements and the requirement to submit data and outcome measures to the Department of State Hospitals (DSH) on Felony Mental Health Diversion Clients participating in a program funded by DSH in accordance with [Welfare & Institutions Code \(WIC\) § 4361](#).

This direction is intended for counties who have contracted with DSH to receive funding for a Felony Mental Health Diversion Program in accordance with [Penal Code \(PC\) § 1001.36](#), [PC § 1370](#), and WIC § 4361.

Background

The Legislature enacted PC § 1001.36 and WIC § 4361 and amended PC § 1370 on June 27, 2018, which authorizes DSH to contract with counties as a funding mechanism for the establishment of new, or expansion of existing pre-trial mental health diversion programs. The 2022 Budget Act approved ongoing funding for the implementation of a permanent DSH Diversion program. Subsequently, the Legislature amended PC § 1001.36, PC § 1370, and WIC § 4361 on June 29, 2024, to authorize additional or clarifying diversion requirements, including WIC § 4361, subsection (g), which updated the criteria for reporting data and outcomes to DSH.

Additionally, SB 1323, effective January 1, 2025, amends PC § 1001.36, PC § 1370 and WIC § 4361, and modifies incompetent to stand trial (IST) procedures by providing treatment-based options for felony IST defendants when the court finds that it is not in the interest of justice to restore the individual to competency. SB 1323 revised WIC § 4361 by removing the requirement for a felony IST individual to be committed to DSH in order to participate in the DSH-funded Mental Health Diversion Program. PC § 1370 and PC § 1001.36 establish the criteria by which a court can divert an individual to a county pre-trial Felony Mental Health Diversion Program and WIC § 4361 outlines the criteria for clients participating in a county program funded by DSH. DSH has authority to contract with counties to operate diversion programs and to provide funding as specified in WIC § 4361.

Definitions

Data Dictionary: A listing of required data deliverables to be submitted by Contractors for all admitted clients on a weekly and monthly basis, as defined by DSH. DSH has the right to amend the data dictionary at any time and will provide Contractor with advance notice to implement any such change.

Diversion Tracker: A standardized Excel spreadsheet with all data deliverables, as defined in the data dictionary, for Contractor to enter the required information.

Felony Mental Health Diversion Clients: Individuals with a serious mental disorder who have been charged with certain felony crimes and found by a court to qualify for diversion services pursuant to PC section 1001.36 and WIC section 4361.

Wraparound Services: Services provided in addition to the mental health treatment necessary to meet the Felony Mental Health Diversion Program client's needs for successfully managing their mental health symptoms and to successfully live in the community. Wraparound services shall include appropriate housing, intensive case management, and substance use disorder treatment, and may include, without limitation, forensic assertive community treatment teams, crisis residential services, criminal justice coordination, peer support, and vocational support.

Authority and Role of DSH

Pursuant to WIC § 4361, subsection (k), DSH has the authority to issue Departmental Letters to implement and interpret WIC § 4361. DSH is a “health oversight agency” as defined by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) at [45 C.F.R. part 164.501](#) and acting as a program evaluator and auditor consistent with [42 C.F.R. part 2.53](#).

DSH shall collect data from counties to ensure that the provision of services is consistent with WIC § 4361, Departmental Letters, and the diversion contracts; provide reports on the diversion programs to the Legislature and stakeholders; perform research related to recidivism and improved services to the target population; and validate invoice submissions. WIC § 4361 and DSH require data and outcome measures from counties to accomplish these purposes.

Reporting Requirements of Data and Outcome Measures

Counties shall provide the data deliverables, as defined in the data dictionary, to remain contractually compliant. This includes both weekly and monthly data submissions. The Diversion Tracker and data dictionary can be found on the DSH SharePoint site.

Weekly data submissions will focus on census and demographic information and are due no later than close of business every Tuesday for the week prior. If Tuesday is a holiday, the submission will be due the next business day.

Monthly data submissions will focus on services provided and are due thirty (30) days after the end of each month. If the due date falls on a weekend or holiday, the submission will be due the next business day.

To capture the data submissions, counties will enter all required data variables into their Diversion Tracker, located on the SharePoint site. All contracted counties are provided with training from DSH on how to navigate the SharePoint site and input data into the tracker prior to their first submission. The tracker is standardized by DSH for all counties and cannot be individualized.

The SharePoint site is managed by DSH and access will be granted to the appropriate program staff as identified by the county. DSH will no longer be using a third-party secure portal to upload data files.

In addition to the data points in the Diversion Tracker, the county shall provide the following documentation to support the data. The required documentation will be uploaded to the identified folder on the same SharePoint site.

- Diversion Enrollment Packet: Felony IST (FIST) Finding Court Order, FIST Diversion Order, and FIST Diversion Suitability Report will be submitted within one calendar week of the date of FIST Diversion Order, to align with weekly census data.
 - The FIST Finding Court Order indicates court determination of incompetence to stand trial pursuant to PC 1370.
 - The FIST Diversion Order indicates court approval of mental health diversion pursuant to PC 1001.36 and WIC 4361. If the Diversion Order cannot be obtained, Court Minutes including the approval of mental health diversion pursuant to PC 1001.36 and WIC 4361 may be submitted instead.
 - The Suitability Report refers to the report submitted to the court recommending FIST Diversion.
- Diversion Termination Orders: Orders concluding DSH Mental Health Diversion (MHD) Programming will be submitted within one calendar week of the date of Diversion termination, to align with weekly census data. Termination orders will include any revocations of MHD, program completion due to term limits, or successful graduation with program completion and dismissal of felony charges.

Counties shall provide data when requested by DSH on the arrest and criminal history of Felony Mental Health Diversion Clients including the California Information and Identification (CII) numbers.

Counties shall flag, mark, or clearly note when substance use disorder treatment data reported to DSH is covered by 42 C.F.R. part 2. DSH shall comply with all 42 C.F.R. part 2 requirements regarding disclosure and use limitations and shall protect the data consistent with federal law.

DSH shall comply with 42 C.F.R. part 2.52, Civil Code section 1798.24, and DSH's internal policy regarding the review and approval of any use of data for research. DSH shall obtain approval from the California Health and Human Services Institutional Review Board, the Committee for the Protection of Human Subjects, before starting any research.

DSH funded county diversion programs are required to execute a contract with DSH and have an approved Program Plan in order to receive funding. Furthermore, complete and timely data submissions are required to validate and reconcile all invoices for wraparound service funding. Any overdue, missing, incomplete, and/or inaccurate data sets may be cause for issuance of a STD 209, Invoice Dispute Notification, and may result in delay of payment for services rendered. Data that is not provided timely or is otherwise deemed incomplete or inaccurate may result in the termination of an Agreement, as determined by DSH on a case-by-case basis.

Counties shall provide DSH with the name and contact information of the person(s) delegated to submit data within their Program Plan. Counties shall provide updated contact information to DSH as necessary.

If you have any questions or require additional information, please contact DSH Diversion by email at DSHDiversion@dsh.ca.gov and your county's assigned Consulting Psychologist.

Original Signed By

A handwritten signature in blue ink that reads "Scamacho".

Stacey Camacho
Deputy Director, Community Forensic Partnerships Division
Department of State Hospitals