Section 11325.5 of the Welfare and Institutions Code is amended to read:

11325.5 (a) If, pursuant to the appraisal conducted pursuant to Section 11325.2 or assessment conducted pursuant to Section 11325.4, there is a concern that a mental disability exists that will impair the ability of a recipient to obtain employment, he or she shall be referred to the county mental health department or a community-based provider, as necessary.

(b) Subject to appropriations in the Budget Act, the county mental health department or community-based provider shall evaluate the recipient and determine any treatment needs. The evaluation shall include the extent to which the individual is capable of employment at the present time and under what working and treatment conditions the individual is capable of employment. The evaluation shall include prior diagnoses, assessments, or evaluations that the recipient provides.

(c) Each county welfare department shall develop individual welfare-to-work plans for recipients with mental or emotional disorders based on the evaluation conducted by the mental health department or community-based provider. The plan for the recipient shall include appropriate employment accommodations or restrictions, supportive services, and treatment requirements. Any prior diagnosis, evaluation, or assessment provided by the recipient shall be considered in the development of his or her individual welfare-to-work plan. (Amended by Stats. 2013, Ch. 21, Sec. 36. Effective June 27, 2013.)

Section 11325.7 of the Welfare and Institutions Code is amended to read:

11325.7 (a) It is the intent of the Legislature in enacting this section to create a funding stream and program that assists certain recipients of aid under this chapter to receive necessary mental health services, including case management and treatment, thereby enabling them to make the transition from welfare to work. This funding stream shall be used specifically to serve recipients in need of mental health services, and shall be accounted for and expended by each county in a manner that ensures that recipients in need of mental health services are receiving appropriate services.

(b) The county plan required by Section 10531 shall include a plan for the development of mental health employment assistance services, developed jointly by the county welfare department and the county department of mental health. The plan shall have as its goal the treatment of mental or emotional disabilities that may limit or impair the ability of a recipient to make the transition from welfare-to-work, or that may limit or impair the ability to retain employment over a long-term period. The plan shall be developed in a manner consistent with both the county’s welfare-to-work program and the county’s consolidated mental health Medical services plan. The county may use community based providers, as necessary, that have experience in addressing the needs of the CalWORKs population. The county, whenever
possible, shall ensure that the services provided qualify for federal reimbursement of the
nonstate share of Medi-Cal costs.

(c) Subject to specific expenditure authority, mental health services available under this section
shall include all of the following elements:

1. Assessment for the purpose of identifying the level of the participant’s mental health needs
and the appropriate level of treatment and rehabilitation for the participant.

2. Case management, as appropriate, as determined by the county.

3. Treatment and rehabilitation services, that shall include counseling, as necessary to
overcome mental health barriers to employment and mental health barriers to retaining
employment, in coordination with an individual’s welfare-to-work plan.

4. In cases where a secondary diagnosis of substance abuse is made in a person referred for
mental or emotional disorders, the welfare-to-work plan shall also address the substance abuse
treatment needs of the participant.

5. A process by which the county can identify those with severe mental disabilities that may
qualify them for aid under Chapter 3 (commencing with Section 12000).

(d) Mental health services available under this section may also include the provision of mental
health assessment, case management, and treatment and rehabilitation services, including
counseling, for children of CalWORKs recipients.

1. A parent in the assistance unit shall not be sanctioned in connection with her or his child’s
refusal or failure to participate in mental health services.

(e) Any funds appropriated by the Legislature to cover the nonfederal costs of the mental
health employment assistance services required by this section shall be allocated consistent
with the formula used to distribute each county’s CalWORKs program allocation. Each county
shall report annually to the state the number of CalWORKs program recipients who received
mental health services and the extent to which the allocation is sufficient to meet the need for
these services as determined by the county. The State Department of Health Care Services shall
develop a uniform methodology for ensuring that this allocation supplements and does not
supplant current expenditure levels for mental health services for this population.
Section 11325.8 of the Welfare and Institutions Code is amended to read:

(a) The county plan required by Section 10531 shall include a plan for the provision of substance abuse treatment services. The plan shall describe how the county welfare department and the county alcohol and drug program will collaborate to ensure an effective system is available to provide alcohol and drug services to recipients whose substance abuse creates a barrier to employment. The plan shall be developed in a manner that is consistent with the county’s welfare-to-work program. Substance abuse treatment services shall include evaluation, substance abuse treatment, employment counseling, provision of community service jobs, or other appropriate services.

(b) It is the intent of the Legislature that substance abuse treatment services for participants shall be provided by the county alcohol and drug program, or by a nonprofit agency under contract with the county alcohol and drug program. If the county welfare department determines that the county alcohol and drug program is unable to provide the needed services, the county department may contract directly with a nonprofit state-licensed narcotic treatment program, residential facility, or certified nonresidential substance abuse program to obtain substance abuse services for a participant.

(c) (1) A participant who is in a job search component of the county’s welfare-to-work program may be directed at any time to an assessment by the job search manager if the county believes that the participant’s substance abuse may limit or preclude his or her satisfactory completion of the job search component.

(2) During the assessment, if the case manager believes that substance abuse will impair the ability of the participant to obtain and retain employment, the case manager shall refer the participant to the county alcohol and drug program for an evaluation and determination of any treatment necessary for the participant’s transition from welfare to work. If the county alcohol and drug program is unable to provide the necessary services, the county may refer the participant to a state-licensed or certified nonprofit agency under contract with the county to perform these services.

(3) If a participant is determined to have a substance abuse problem, based on an evaluation by the county alcohol and drug program or a nonprofit state-licensed narcotic treatment program, residential facility, or certified nonresidential substance abuse program, the case manager shall develop the participant’s welfare-to-work plan based on the results of that evaluation. In such a case, the participant’s welfare-to-work plan may include appropriate treatment requirements, including assignment to a substance abuse program.

(4) A recipient of aid under this chapter shall be offered two opportunities to receive substance abuse treatment under subdivision (q) of Section 11322.6, except that the county may offer the recipient additional treatment opportunities.
(5) When a participant’s welfare-to-work plan includes assignment to a treatment program, a case manager may determine that the participant is out of compliance with that plan if, at any time, in consultation with the substance abuse treatment provider, the county determines that the participant has failed or refused to participate in a treatment program without good cause. The assigned treatment program shall be reasonably accessible within the county of residence or a nearby county.

(6) When a case manager determines that a participant in a treatment program as specified in his or her welfare-to-work plan is out of compliance with a program requirement other than participation in a required treatment program, the determination of whether the participant has good cause to be out of compliance shall include consideration of whether the participant’s substance abuse problem caused or substantially contributed to the failure to comply with the program requirements. In this determination, the county shall consult the substance abuse treatment provider as appropriate.

(d) No recipient may participate in a substance abuse treatment program for longer than six months without concurrently participating in a work activity, to be determined by the county and the recipient, in consultation with the treatment provider. However, if the recipient is in a state-licensed residential facility or a certified nonresidential substance abuse program that requires him or her to stay at the program site for a minimum of three hours per day, three days per week, or otherwise not to participate in nonprogram activities, the requirements of the treatment program shall fulfill the recipient’s work activity requirement.

(e) Substance abuse services available under this section may also include the provision of substance abuse evaluation, determination of necessary treatment, and substance abuse treatment for children of CalWORKs recipients.

(1) A parent in the assistance unit shall not be sanctioned in connection with her or his child’s refusal or failure to participate in substance abuse services.

(e) (f) Any funds appropriated by the Legislature for allocation to each county to eliminate barriers to employment due to participants’ substance abuse problems shall be allocated consistent with the formula used to distribute each county’s CalWORKs program allocation and shall be used to supplement, and not supplant, substance abuse treatment funds otherwise available to recipients. It is the intent of the Legislature that these funds be used to develop, expand, or develop and expand programs appropriate for CalWORKs program recipients. It is further the intent of the Legislature that, to the extent possible, these funds be used to maximize federal financial participation through Title XIX of the federal Social Security Act (Title 42 U.S.C. Sec. 1396 et seq.).

(f) (g) Each county shall report annually to the state the number of CalWORKs program recipients who receive substance abuse treatment and the extent to which the allocation is sufficient to meet the need for substance abuse services as determined by the county.