



Administrative Policies and Procedures: 23.23

Subject Families First Diversion Payments

Approval Date: 10/21/2016

Approved by Charles Bryson, Interim Assistant Commissioner

Effective Date: 10/31/2016

Authority T.C.A. 71-3-109; Rule 1240-01-49.09

Application Families First/TANF Diversion Program Staff

Policy Statement

The Department of Human Services (DHS) shall implement a Diversion payment option to Temporary Assistance for Needy Families (TANF) eligible families.

Purpose

To outline a process of addressing an immediate and compelling financial need of TANF eligible families by allowing them the opportunity to request a lump sum Diversion payment in exchange for Families First benefits, thus reducing their reliance on monthly Families First payments.

Procedures

A. Diversion Payments Requirements

DHS Diversion payments:

1. The Families First (FF) Diversion payment is designed to address immediate and compelling financial needs and help an applicant secure or maintain employment.
2. Are only available to eligible Families First families.
3. It can be more than once in a lifetime. Diversion payments made prior to June 30, 2015 may be eligible for another Diversion payment after the twelve (12) months of ineligibility have ended.
4. It is based on the monthly TANF benefit according to family (AG) size.
5. Will meet the immediate and compelling need of Families First recipient.
6. Will reduce the temporary cash assistance lifetime limit of sixty (60) months eligibility by the number of months the applicant receives a Diversion payment.
7. Will range from one (1) to twelve (12) months of temporary cash assistance depending on Department's determination of the applicant's immediate and

compelling need. When the grant is less than \$10.00, use existing time limits as outline in Section 29.4 of the DHS Families First Online Manual.

8. Will not cover the same type of immediate need met by a previous Diversion grant, unless the Department determines beyond doubt, that the applicant has a new and verified emergency.
9. During the Diversion months of assistance, the client is ineligible for another Diversion or Families First cash benefits. DHS allows no early re-entry after Diversion issuance. Diversion payments made prior to June 30, 2015 may be eligible for early re-entry.

B. Diversion Payment Eligibility To qualify for Diversion payment, applicant will meet all the following:

1. Families First eligibility criteria;
2. Be a resident of Tennessee not less than six (6) months (forms of documentation may include driver's license, statement from landlord, utility bills, and rent receipt);
3. Have no major barrier to employment, like a drug/alcohol problem and domestic violence etc.;
4. GED or High School diploma;
5. Recent work history of six (6) of the last twelve (12) months with three (3) months being consecutive, (some acceptable forms of documentation include pay stubs, bank direct deposit records, or letter from employer.);and
6. Have an immediate and compelling financial need. This will be determined by the client representative on a case-by-case basis.
7. If an individual who has an uncured sanction applies for a diversion payment on or after July 1, 2015, he/she may be eligible for a diversion payment if all other qualifying points of eligibility for diversion are met. If the individual with an uncured sanction applies for a subsequent diversion payment, the individual will not be eligible until the mandatory sanction period has been served. The two (2) week compliance period must also be met if the client returns to FF cash assistance.
8. A two (2) parent family may only receive one (1) Diversion payment, even if they are eligible to group into separate assistance units.
9. A person who is receiving a Families First grant in a "Child Only" case but does not receive FF for his/her own child(ren) may qualify for a Diversion payment for his/her own children, if all other points of eligibility are met.

C. Diversion Payment Calculation Will be calculated based upon the temporary cash assistance an applicant is eligible to receive under the Temporary Assistance for Needy Families/Families First (TANF/FF) program

D. Other Benefits to Diversion Recipient A client receiving Diversion payment who is employed within thirty (30) days of enrollment into Diversion program may be eligible to receive twelve (12) months of subsidized childcare assistance. (Recipient will be responsible for a co-payment amount)

1. If employed, the twelve (12) month count will begin with the month following the month of approval (plus the partial month if approval did not occur on first day of the month).
2. If employment begins within thirty (30) days of authorization, the twelve (12)

month count will begin with the month following the month employment began (plus the partial month if approval did not occur on the first day of the month).

3. Diversion child care recipients are not eligible for Child Care after twelve (12) months.
4. Child care for Diversion recipients will follow Transitional Child Care (TCC) income guidelines. If the Families First benefits close for the recipient to receive Diversion, then eighteen (18) months of TCC may be issued. In all cases, all qualifications must be met to be eligible.

E. Proof of Identifiable Need for Diversion Payment

1. Applicant will submit appropriate documentation to verify his/her claim of immediate and compelling financial need.
2. The following are some examples of appropriate reasons to grant a Diversion payment to an eligible Families First recipient:
 - a) An applicant is off of work without pay due to injury (verification statement from doctor and employer).
 - b) An applicant's vehicle needs a major repair and he/she has no other transportation available to go to work (Car repair estimate from workshop).
 - c) An applicant needs a certain license in order to start work (Statement from employer).
 - d) An applicant needs special shoes or uniforms to work (Statement from employer).
 - e) An applicant has been released from a half-way house or institution and has a job, but needs money for a deposit and first month rent (Proof of income and rent deposit verification).
 - f) A relative can no longer care for applicant's child and the applicant needs temporary help with child care expenses (Statement from relative).
3. The following are some examples of inappropriate or unallowable reasons for Diversion payments:
 - a) An applicant needs school clothes or supplies for his/her children.
 - b) An applicant has outstanding medical bills.
 - c) An applicant has property taxes due.

F. Documentation

1. The client representative must document in the eligibility and case management system why the applicant is or is not eligible for a Diversion payment.
2. During the Diversion months of assistance, the client is ineligible for another Diversion or FF cash benefits.
3. The client representative will also document in the eligibility and case management system that a Diversion Agreement was signed and that the client was given a copy of the Agreement. File Diversion with Personal Responsibility Plans (PRPs).
4. Update SFFF screen with FF months and document CLRC in ACCENT database. Retain Diversion agreements for five (5) years.
5. In cases where recipients were granted a diversion payment while having an uncured sanction, the client representative must document the number of months remaining on the mandatory ineligibility period. This mandatory ineligibility period must be completed prior to the approval of any subsequent

diversion payment.

G. Process

1. If the client chooses Diversion, the case manager should not ask the questions on the Drug Screening Questionnaire. The client representative will present the Diversion option during the orientation interview to clients who have a work requirement. (for additional information see Diversion Training PowerPoint).
2. If a client meets the Diversion criteria and chooses to receive a payment in lieu of Families First, the client representative will:
 - a) Request that the client sign a Diversion Agreement.
 - b) Give the client a copy of the signed agreement.
 - c) Enter the Diversion reason code in the eligibility and case management system.
 - d) Complete Diversion documentation information in the eligibility and case management system.
 - e) Make an application for Child Care eligibility through TCCMS if employed.
 - f) Issue a Diversion payment (as an auxiliary payment accessed with an EBT card).
3. Only FS1's and CRFS1's or higher can update SFFF months and authorize auxiliaries.

H. Sanctions

There are no sanctions associated with diversion payments.

I. Diversion Indicator

1. The amount of the diversion payment will be calculated on a case-by-case basis based on the amount of the monthly temporary cash assistance an applicant/recipient is eligible to receive, not to exceed twelve (12) months.
2. The calculation will be done manually using the method described in the diversion calculation worksheet pending a system modification.

Forms

[hs-2943](#), [hs-2943s](#) Diversion Agreement – ([Instructions](#))

Collateral Documents

[Transitional Child Care \(TCC\) Policy](#)

Collateral ID#: [23.06-15.00 - Diversion Calculation Worksheet](#)

Collateral ID#: [23.06-15.01 - ACCENT Modifications for Families First Diversion Payment Change](#)

[Diversion Training PowerPoint](#)

Additional Resources

None

Retention of Records Pending

Glossary

Term/Acronym	Definition
Diversion Payment	A lump-sum payment that is designed to address immediate and compelling financial needs of eligible Families First individuals which is expected to help the applicant secure or maintain employment.
AG	Aid Group
CLRC	Running Record Comments
CRFS1	Client Representative Field Supervisor 1
DHS	Department of Human Services
EBT	Electronic Benefits Transfer
FF	Families First
FS1	Field Supervisor 1
GED	General Equivalency Diploma
PRP	Personal Responsibility Plan
TANF	Temporary Assistance for Needy Families
SFFF	Families First Time Limit Counters
TCC	Transitional Child Care
TCCMS	Tennessee Child Care Management System