

TABLE OF CONTENTSTEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) **GUIDANCE** MANUAL

Chapter 800 - Diversionary Assistance Program	
Purpose	801.1
Screening	801.2
Voluntary	801.3
Eligibility Determination Period	801.4
Eligibility Factors	801.5
Determining the Amount of the Payment	801.6
Period of Ineligibility	801.7
Vendor Payments	801.8
Appendix 1 – Diversionary Assistance Examples	

801.1 PURPOSE

The diversionary assistance program was established by HB 2001, passed by the 1995 General Assembly. Authorized by Section 63.2-617 of the Code of Virginia, this program is intended to prevent potential TANF recipients from becoming ongoing TANF recipients. If immediate intervention with short-term aid will resolve a one-time emergency or crisis situation and prevent the need for ongoing TANF, the assistance unit may be granted diversionary assistance.

It is anticipated that the applicant's emergency or crisis situation will be related to basic needs such as food, shelter, medical expenses, child care expenses or the costs associated with getting or keeping employment, including transportation costs. Local agencies shall strive to provide the most cost effective, appropriate solution to the one-time crisis or emergency situation. (This may include referrals to other community organizations for assistance when the receipt of diversionary assistance will not resolve the situation.)

801.2 SCREENING

The worker must explain the diversionary assistance program to all TANF applicants. The worker must screen all TANF applicants for eligibility for diversionary assistance at the time of application. The applicant will declare if she has a one-time emergency or crisis situation. The worker will determine whether diversionary assistance can resolve it.

801.3 VOLUNTARY

The eligibility worker and the applicant must discuss the appropriateness of diversionary assistance to the applicant's situation. If the applicant meets the eligibility factors for diversionary assistance, he may decide whether or not to receive diversionary assistance rather than TANF. Receipt of diversionary assistance is voluntary and in every case requires the written consent of the applicant. A signed Acceptance of Terms of Issuance of Diversionary Assistance will serve as written consent. All applicants for diversionary assistance must first sign the Acceptance of Terms before the application can be approved.

801.4 ELIGIBILITY DETERMINATION PERIOD

Local social services agencies must determine eligibility for diversionary assistance within five working days of the receipt of the final verification that substantiates eligibility, or within 30 calendar days following the date of receipt of the signed application, whichever occurs first. If the applicant fails to provide all needed verifications and/or sign the Acceptance of Terms by the 30th calendar day after application, the application will be denied. (Note: When the 30th calendar day falls on a weekend or holiday, the worker must provide a decision on the application on the last working day prior to the 30th day.) The applicant may file a new application for TANF or diversionary assistance at a future date.

801.5 ELIGIBILITY FACTORS

Only applicants may be approved for DA. Current recipients of TANF are not eligible. Additionally, a recipient who chose to receive TANF at the time of application may not close her TANF case after approval and become eligible for DA based on her circumstances at the time the TANF application was approved. Example: client applies for TANF on March 15 due to her spouse's incarceration (his wages were the only income for the household). She chooses to receive TANF assistance and is approved for March. On April 18, client requests her TANF case be closed. On May 1, client reapplies for assistance and requests DA based on the loss of income when her husband became incarcerated in March. The client is not eligible for DA.

Receipt of DA will not count toward either the 24 or 60-month limit on the receipt of TANF. However, an assistance unit that is in a period of ineligibility for TANF due to either the 24 or 60-month limit on the receipt of TANF will also be ineligible for DA. The applicant must verify all of the following factors and the worker must document the case record accordingly before an assistance unit can receive DA:

- A. The assistance unit is eligible to receive TANF. A child is eligible for TANF by meeting the TANF requirements in Section [201.1.A](#) (categorical requirements of age, relationship/living arrangements, residency, citizenship/alien status, and financial need).

The **following** conditions of eligibility in 201.1.B (**complying with the school attendance requirement, signing the VIEW APR or participating in VIEW, cooperating with DCSE**) **do not have to be met** to be eligible for DA, but citizenship or alien status of each applicant or other adult who will be included in the assistance unit for DA must be verified prior to case approval. (Note: The legal presence provision that allows up to 90 days for an applicant age 19 and over to verify his status (201.7.D) does not apply to DA.)

The caretaker shall be eligible for TANF unless one of the exceptions specified in 302.7. D or E is applicable. The caretaker does not have to meet the conditions of eligibility (including VIEW participation and cooperation with DCSE). However, if the caretaker has been referred for or is in a VIEW sanction or if the TANF case was previously closed due to DCSE noncooperation and the caretaker is not in good standing with DCSE at the time of the DA application, the entire assistance unit is ineligible for DA. The client cannot "cure" the sanction, or begin to cooperate with DCSE, in order to become eligible for DA. Note: Case closure due to failure to sign the Agreement of Personal Responsibility (APR) is not a VIEW sanction. Therefore, a DA case may be approved after a TANF case was closed for failure to sign the APR.

The "Do You Have a Disability?" form (032-03-0670) must be completed for a DA application. The Notice of Personal Responsibility for the TANF Program (032-03-0750), the Notice of Cooperation and Good Cause (032-03-0036), and the Notice of Intentional Program Violations and Penalties (032-03-0646) forms are not required for a DA application.

- B. The assistance unit meets TANF income limits based on DA guidelines for the treatment of terminated and anticipated income at [801.6](#);

- C. The assistance unit has:
- experienced a loss of income in the six months prior to the date of application which has resulted in the current emergency, or
 - experienced a reduction in income in the six months prior to the date of application which has resulted in the current emergency, or
 - a delay in starting to receive income resulting in the current emergency. (The income must be scheduled to start within 60 days following the date of application.)

The income that is lost or reduced must be the earned or unearned income of the applicant or other **adult** household member who would be part of the assistance unit for TANF purposes or whose income would be considered available to the assistance unit. (See 302.7) **Income from child support payments made on behalf of a child in the household will be considered income of the applicant or other adult household member.**

Income cannot have been voluntarily lost or reduced in order to qualify for Diversionary Assistance. The lost or reduced income cannot be the income of a minor child or the income of an individual who **cannot** be included in the assistance unit. **The lost or reduced income cannot have been received by the household as a gift. The lost or reduced income cannot be from TANF or Refugee Cash Assistance.**

The loss or reduction of income requirement will not be met if the loss or reduction of earned income is due to a voluntary quit without good cause. Good cause includes circumstances beyond the applicant's control, such as but not limited to, loss of child care, transportation, illness of the applicant or a family member, or another emergency situation.

- D. The worker must have verification of the loss of income, reduction in income, or the anticipated start date of new income.
- E. The worker must determine that diversionary assistance will resolve the one-time emergency or crisis situation.
- F. The emergency or crisis situation does not result from debts owed as a result of receipt of TANF assistance in any state (including Virginia). This will include all previous TANF overpayments, overpayments for services, and debts incurred for child support. Note: Diversionary Assistance funds cannot be used to pay for debts owed as a result of the receipt of TANF assistance in any state.

801.6 DETERMINING THE AMOUNT OF THE PAYMENT

The exact amount of the diversionary assistance payment will be the maximum TANF amount for four months or the amount of the applicant's needs, whichever is less. The payment cannot exceed the total TANF payments that the recipient would otherwise be eligible to receive in four months. The diversionary assistance payment for applicants reapplying for TANF with four or less months remaining on the VIEW clock or the TANF 60 month clock will be calculated following the same guidelines as for other applicants.

In determining the applicant's need for assistance, consider the applicant's immediate ongoing income only. Do not include terminated income or anticipated income in determining the applicant's need. Do not enter terminated or TANF anticipated income in ADAPT. Follow these steps to determine the amount of the diversionary assistance payment:

- A. Calculate a maximum DA amount - Compute the monthly grant amount for the assistance unit. Any ongoing income, such as social security income, will be counted. (Income from a terminated source, or income that has not started, is not considered ongoing income for DA purposes.) Multiply the monthly grant amount by four.
- B. Determine the basic needs (as described in [801.1](#)) of the assistance unit - The DA amount can cover more than one basic need and can include items such as shelter payments, utility payments, and transportation assistance. (Note: When the need is vehicle repair, the vehicle must be registered - either solely or jointly - in the name of at least one of the household members applying for assistance.) Document the case as to the needs that will be covered and the verified cost of providing for each need. The case record must contain copies of documents (such as bills, cut-off notices, rental agreements, and automobile repair estimates) that verify each need.

Choose the most cost-effective, appropriate solution to the applicant's needs. For example, if the emergency has created a need for transportation, the agency may calculate the cost of bus tickets versus the price of repairing the car.

- C. Compare the amounts in A and B - The lesser amount of A and B is the amount of the DA payment.

Example: Ms. Z applies for DA for herself and two children. Her car broke down, and she is unable to get to work. As there is no countable income, the maximum she can receive is \$1,280 ($\$320 \times 4 = \$1,280$). There is no other transportation available, and Ms. Z needs her car to get to work. Ms. Z provides verification that the repairs to her car will cost \$900. Since \$900 is less than the maximum available DA payment amount of \$1280 and Ms. Z did not report any additional needs, the DA **amount would be** \$900.

- D. Supervisory approval is required for all DA payments. It is the responsibility of the supervisor to ensure that the payment is made by a check to the vendor, or when that is not possible, by a check to the client. In no case is a DA payment to be made by debit card.**

801.7 PERIOD OF INELIGIBILITY

- A. If an assistance unit receives a DA payment, it shall be ineligible for TANF for up to 160 calendar days beginning with the date that the DA is issued. To determine the period of ineligibility follow these steps:
1. Determine the monthly amount of TANF for which the applicant is eligible. If an Intentional Program Violation (IPV) has been committed, exclude the disqualified individual's needs from the monthly grant amount. Follow IPV procedures in [Section 102.3.A](#). Note: To determine how many months will be counted as months of disqualification to be deducted from the individual's IPV penalty period, divide the number of days that are covered in the payment amount (as determined in step 3 below) by 30. Round up to the next whole number.
 2. Divide the amount determined in Step 1 by 30. This is the daily amount of assistance.

3. Divide the diversionary payment amount by the daily amount determined in Step 2 to determine how many days are covered in the payment amount. Round up to the next whole number.
 4. Determine the number of days of ineligibility by multiplying the number of days determined in Step 3 by 1.33. Round up to the next whole number. This number cannot exceed 160 days.
 5. Using the number of days determined in Step 4, determine the date that the period of ineligibility ends. Note: this date is automatically calculated by ADAPT and pre-filled on the AESANC screen.
- B. An assistance unit which has received DA is not eligible for TANF again until the period of ineligibility expires. During this period of ineligibility, the case will be considered a public assistance (PA) case for SNAP purposes. Any AU member that is in a POI for DA is not eligible to receive TANF in any assistance unit until the POI has ended.
- Example: Mr. Raymond received DA in one AU. He is now in a POI for DA. He moves to another AU. Mr. Raymond is not eligible to receive TANF in that AU until his POI for DA has ended.
- C. A child(ren) born to a client who is in a period of ineligibility for TANF due to receipt of a DA payment is not eligible for TANF until the period of ineligibility expires.
- D. An assistance unit can receive DA only once in a twelve- month period.

801.8 VENDOR PAYMENTS

DA payments are to be made in the form of vendor payments whenever possible in order to ensure that the specific emergency or crisis situation is resolved. These payments are issued as TANF supplemental checks to be sent directly to the vendor and are entered in ADAPT on the BATASC screen. The account number, and name on the account, if different from the case name, must be entered on the “secondary line” so the payment can be correctly credited by the vendor. The client should be instructed to contact the vendor when DA has been approved and advise the vendor to expect the check from the Virginia Department of Social Services. The EW should include a reminder about this on the Notice of Action.

Note: If the worker cannot issue a vendor payment due to systems limitations, or if a vendor payment is not appropriate based on the circumstances of the case, a payment may be made directly to the recipient. The recipient should be advised that she is expected to use the payment to pay the vendor.

Prior to beginning the process to reissue a check when a vendor reports non-receipt of a DA check, the worker should review the Check Actions Due Listing in ADAPT. If the check does not appear on the list, the worker should contact the Fiscal Processing Unit at Home Office to confirm that the check has not already been cashed.

DIVERSIONARY ASSISTANCE EXAMPLES

EXAMPLE #1:

Ms. Elliott applied for diversionary assistance on June 1st for herself and two children. She had been working full time but was laid off on May 24th. She will receive her final paycheck on June 4th in the amount of \$403. She also has a part time job working 15 hours a week at \$8 an hour.

Ms. Elliott is requesting assistance in paying off a \$1200 medical bill. She is no longer able to make payments on it since she lost her full time job and has been threatened with court action. Her situation meets the Diversionary Assistance requirement of a crisis or emergency situation which can be solved by short-term aid.

Because the final check Ms. Elliott will receive is from a terminated source, that income will not be considered in determining her eligibility for diversionary assistance and will not be entered on the income grid. (Note: If the amount of the final paycheck is entered, it will be counted in determining eligibility even though it is from a terminated source.) Ms. Elliott has monthly income from her part time job of \$516 (\$8 per hour x 15 hours per week x 4.3 = \$516). That income is ongoing and will be counted in determining DA eligibility.

Ms. Elliott's monthly income of \$516 is less than **the \$622** maximum family income for a family of 3 in a Group II **locality** and the case passes the 185% income screen. The Standard of Assistance for her family size is **\$336**, but the case is eligible for only **\$47** per month based on Ms. Elliott's income. The total diversionary assistance amount available to the family is **\$188**. Ms. Elliott agreed that this amount would not help her situation. She needed a minimum of \$600 to forestall court action. She decided to proceed with an application for TANF instead of diversionary assistance.

Earned Income	\$ 516.00	(ongoing income)
Standard Deduction for 3	- 155.00	
Sub Total	\$ 361.00	
20% Reduction	- 72.20	
Total Grant Reduction	\$ 288.80	
Grant Amount	\$ 47.00	(Group II, SOA for 3 = \$336; \$336 - \$288.80 = \$47.20)
Maximum DA period	x 4	months Total Diversionary Allowable
	\$ 188.00	
Applicant Need	\$ 1200.00	(medical bill)
Diversionary Issued	None, based on client's decision to apply for TANF	

EXAMPLE #2:

Ms. Ortiz applies for diversionary assistance on November 2nd for herself and her two nieces. She works at a large retail nursery supplying herbs and produce to restaurants and grocery stores in the eastern states. The nursery closes from November 1st to February 28th each year.

Ms. Ortiz works between 25 and 40 hours a week and earns \$8 per hour. She worked 30 hours the last week in October and will receive her final paycheck on November 9th. That paycheck, for gross income of \$240, will be the only income, earned or unearned, that she and the children will receive for November. Ms. Ortiz states that she is optimistic that she will find a job in the next week or so, but does not have enough money to pay her November car payment of \$325, her rent of \$900 and her utility bill, including arrears, of \$163.

Ms. Ortiz's situation meets the Diversionary Assistance requirement of a crisis situation which can be solved by short-term aid, and she meets TANF income and other eligibility criteria.

While Ms. Ortiz has \$240 in earned income for November, the income is not counted in determining the amount of assistance since it is from a terminated source. The income is not entered on the income grid. Her needs total \$1388 which exceeds the maximum diversionary assistance payment of **\$1344**. The diversionary assistance granted is the maximum payment of **1344**. Ms. Ortiz's sister agrees to give her **\$44** to combine with the maximum diversionary amount so that the crisis situation can be resolved.

The household has no countable income.

Grant Amount	\$ 336.00	(Group II, SOA for 3 = \$336)
Maximum DA period	$\times \frac{4}{1}$	months
Total Diversionary Allowable	\$ 1344.00	
Applicant Need	\$ 1388.00	(\$325.00 car payment + \$900.00 rent + \$163.00 utility bill)
Diversionary Issued	\$ 1344.00	

EXAMPLE #3:

Mr. and Mrs. Carter apply for diversionary assistance on July 25th for themselves and their three young children. Mr. Carter's employer, a small manufacturer supplying the automobile industry, closed abruptly on March 20th. The employees were given no notice and no severance pay. Mr. Carter received his last paycheck, which included his wages through the day the plant closed, in the mail the next week. Since then, the family has survived with the help of family and friends, and a hardship withdrawal of \$12,000 from his small 401k. The balance in the 401k is now \$2,000 and Mr. Carter is hesitant to use it since the family will then be destitute. The family is requesting help with August rent and utilities.

Since the Mr. Carter's employment income from March is from a terminated source and since the loss of income occurred within the six month preceding the application date, it is not considered in determining eligibility for Diversionary Assistance and is not entered on the income grid. The family has no other income and the case passes the 185% screen.

The Carter family’s need for rental and utility assistance meets the Diversionary Assistance requirement of a crisis or emergency situation which can be solved by short-term aid. However, the family did not have copies of the children’s birth certificates at the time of application so the agency was unable to immediately establish relationship and approve the DA application.

Mr. Carter returned to the agency on August 11th with the children’s birth certificates and the agency was able to establish relationship. Mr. Carter told the agency at that time that his wife had begun caring for a neighbor’s child after school and would be making \$50 a week through the end of the school year. She was paid \$50 for one week of work on August 9th.

Since the agency had not yet approved the DA application, and since Mrs. Carter has received income which will be ongoing, the agency must re-determine the family’s eligibility for assistance.

Mrs. Carter’s monthly income of \$215 is less than the **\$1043** maximum family income for a family of 5 **in a Group III locality** and the case passes the 185% income screen. The standard of assistance for a family of 5 in a Group III locality is **\$564**. After the earned income disregards are applied to Mrs. Carter’s income, the grant amount is reduced to **\$549**. The maximum diversionary assistance payment is determined by multiplying the grant amount by 4, the number of assistance payments the family could receive in a 4 month period. The actual diversionary payment is the maximum amount, or the eligible needs of the applicant, whichever is less.

Earned Income	\$ 215.00	(ongoing income)
Standard Deduction for 5	- 197.00	
Sub Total	\$ 18.00	
20% Reduction	- 3.60	
Total Grant Reduction	\$ 14.40	
Grant Amount	\$ 549.00	(Group III, SOA for 5 = \$564 ; \$564 – \$14.40 = \$549.60)
Maximum DA period	x 4	months
Total Diversionary Allowable	\$ 2196.00	
Applicant Need	\$ 1225.00	(\$875.00 rent + \$350 utilities)
Diversionary Issued	\$ 1225.00	

EXAMPLE #4:

Mr. Lawrence, a former VIEW participant with 22 months on the 24-month VIEW clock, applied for diversionary assistance on March 28th for himself and one child. He had not been working steadily for some time but found what he believes to be secure employment one week before he applied for assistance. He makes \$12 an hour and will receive his first paycheck in two weeks. He has been living with friends, but has been asked to leave now that he has income. He has located an apartment but needs help in paying the rent and security deposit of \$575 each. His situation meets the Diversionary Assistance requirement of a crisis or emergency situation which can be solved by short-term aid.

Because Mr. Lawrence's income has not yet started, the income will not be considered in determining his eligibility for diversionary assistance. The delay in the receipt of income will meet the Diversionary Assistance guidance requirement. His anticipated income will not be entered on the income grid.

The Standard of Assistance for a family of two in a Group III **locality** is **\$339**. The maximum diversionary assistance payment is **\$1356**. (Note: The number of months used to calculate the maximum diversionary assistance amount is always 4 without regard to the number of months on the VIEW clock or 60-month clock at application).

Grant Amount	\$ 339.00	(Group III, SOA for 2)
Maximum DA period	x <u>4</u>	months
Total Diversionary Allowable	\$ 1356.00	
Applicant Need	\$ 1150.00	(\$575.00 rent + \$575.00 security deposit)
Diversionary Issued	\$ 1150.00	

EXAMPLE #5:

Ms. Clark applied for Diversionary Assistance on August 15th after her boyfriend, Mr. Lawrence, moved out earlier in the month. They had lived together for four years and he is the father of her two children. He had been the sole support of the family. Ms. Clark has an AS degree in Business but has not worked since her youngest child was born two years ago.

Mr. Lawrence did not pay the \$827 mortgage on their home which was due August 1st, or the telephone and electric bills which total \$125, or make the \$235 car payment on Ms. Clark's car. Ms. Clark began looking for employment as soon as she realized that Mr. Lawrence had left permanently and has found full time employment at \$11.20 an hour beginning August 20th. Her first paycheck for one week's pay will be received on September 3rd.

Because Ms. Clark has found employment and will be able to support her family in the future, the loss of income (from Mr. Lawrence) can be considered a temporary loss as required by Diversionary Assistance guidance. She meets the other criteria for Diversionary Assistance.

Grant Amount	\$ 409.00	(Group III, SOA for 3)
Maximum DA period	x <u>4</u>	months
Total Diversionary Allowable	\$ 1636.00	
Applicant Need	\$ 1187.00	(\$125.00 utilities + \$235.00 car payment + \$827.00 mortgage)
Diversionary Issued	\$ 1187.00	

EXAMPLE #6:

Mrs. Noel applied for diversionary assistance on December 3rd for herself and four children. She has been employed by the same company for three years, working 30 hours per week, but has just received

notification that all employees would be cut back to 18 hours per week at least until February. The employer hopes to return all employees to their regular hours and pay at that time. Mrs. Noel makes \$8an hour and received her last full pay check on November 28th in the amount of \$240.

Ms. Noel is concerned that she will be unable to make her mortgage payments for December and January, and possibly February, and still keep up with her other bills. Ms. Noel has been purchasing her Habitat for Humanity Home for three years. Her mortgage payment of \$483 per month is due on the 15th.

Mrs. Noel’s income for December will be \$619.20 (\$8 per hour x 18 hours per week x 4.3 = \$619.20) which is less than the **\$812** maximum family income for a family of 5 in a Group I agency. The case passes the 185% income screen.

Her situation meets the Diversionary Assistance requirement of a crisis or emergency situation which can be solved by short-term aid, and she meets TANF income and other eligibility criteria.

The standard of assistance for a family of 5 in a Group I locality is **\$439** but the case is eligible for only **\$101** per month based on Mrs. Noel’s income. The total diversionary assistance amount available to the family is **\$404**. Mrs. Noel decided to rely on her family for help with her mortgage for December and January. The **\$404** will not really help her with her mortgage payments, and she does not want to jeopardize her TANF eligibility in case her employer has to lay off employees in the future.

Earned Income	\$ 619.20	(ongoing income)
Standard Deduction for 5	<u>- 197.00</u>	
Sub Total	\$ 422.20	
20% Reduction	<u>- 84.44</u>	
Total Grant Reduction	\$ 337.76	
Grant Amount	\$101.00	(Group I, SOA for 5 = \$439 ; \$439 - \$337.76 = \$101.24)
Maximum DA period	<u>x 4</u>	months
Total Diversionary Allowable	\$404.00	
Applicant Need	\$1449.00	(mortgage - \$483 per month x 3 months)
Diversionary Issued	None, based on client’s decision.	