

**County of Orange Social Services Agency
Family Self-Sufficiency**

Program/Area: CalWORKs/Welfare-To-Work

Title: Diversion

Number: 100-E1

Status: *Signature on file*

Effective Date: 11/06

Revision Date: 01/14

Approved:

PURPOSE

The purpose of this policy is to provide instructions to administer the Diversion Program, which is designed to divert applicants from extended assistance by making a one-time lump-sum Diversion Payment to meet an item(s) of need necessary to obtain or maintain employment and/or to keep an “at risk” family safe.

All applicants who are apparently eligible to CalWORKs, meaning all eligibility requirements have been met, are to be informed of the availability of, and evaluated for, the Diversion Program prior to approval of their CalWORKs application.

**ELIGIBILITY FOR
THE DIVERSION
PROGRAM**

An applicant is the person or family applying for aid, therefore the adult can be excluded from an otherwise eligible assistance unit (AU) and the family may still be eligible for a Diversion Payment.

The CalWORKs Diversion Checklist [F063-30-376](#) (Attachment 1) must be completed at the time of application. A brief explanation as to why the applicant would or would not benefit from the Diversion Program must be included under comments at the bottom of the checklist. The checklist is to be imaged in OnBase and filed under the Eligibility Acco with the current Statement of Facts (SAWS2 Plus).

A Diversion Payment may be granted when the only adult in the home is timed-out or undocumented, if the family meets apparent eligibility requirements for CalWORKs and for the Diversion Program, and the requested item(s) of need directly affects the well-being of the apparently eligible child(ren).

Only AU family members may be eligible to the Diversion Program. Non-AU family members and those excluded from the AU are not eligible to the Diversion Payment because

they are not CalWORKs eligible.

Applicants Apparently Eligible to the Diversion Program:

If it appears that a CalWORKs applicant may benefit from the Diversion Program, the option shall be discussed with him/her. The applicant may then choose to participate in the Diversion Program or pursue his/her application for regular CalWORKs assistance, and the regular application process shall be followed including completion of the CalWIN interactive interview. The CalWORKs or Diversion determination is to be completed within 45 calendar days. If a fraud alert appears on the case or if fraud is suspected and further investigation is needed, refer to [Policy 100-H4 CalWORKs Fraud Referral](#).

Applicants Not Eligible To The Diversion Program:

Current CalWORKs applicants who are approved for Immediate Need or regular CalWORKs assistance are **not** eligible to the Diversion Program.

Child Support Services Referral

- The applicant will not be referred to Child Support Services while a determination to the Diversion Program is pending.
- If a Diversion Payment is issued, the applicant is not to be referred to Child Support Services.
- If the applicant is approved for regular CalWORKs benefits, follow the current Child Support Services referral process prior to issuing CalWORKs benefits. Refer to CalWORKs [Policy 100 A-1 Child Support Services](#).

**ASSESSMENT
CRITERIA FOR THE
DIVERSION
PROGRAM**

The following criteria shall be considered, when determining if an applicant would be a successful candidate for the Diversion Program (the list is not inclusive):

1. The applicant's need for cash assistance to pay housing, to keep the "at risk" child(ren) safe, or to pay substantial and unforeseen expenses or work-related expenses.

- What is the level of need and will it be covered by the Diversion Payment maximum?
 - Will the safety and well-being of the applicant's child(ren) be provided for?
 - Will a Diversion Payment enhance the family's achievements towards self-sufficiency and/or family reunification?
2. No Welfare Fraud Conviction or Intentional Program Violation (IPV) sanction.
 - The applicant must not have a Welfare Fraud Conviction or an IPV sanction to be considered for the Diversion Program.
 3. If the applicant received a prior Diversion Payment, evaluate usage of the prior payment and successful outcome.
 - Was prior Diversion Payment used appropriately?
 - Why is the applicant returning?
 4. The applicant's welfare dependency history.
 - Review applicant's cash aid history.
 - Has the applicant been on cash aid before?
 - If yes, when was the applicant on cash aid; duration of time on aid / off aid.
 5. The applicant's general prospect for obtaining immediate employment for which he/she is qualified or maintaining current full-time employment.
 - Review applicant's current and former employment history.
 - Is the applicant currently employed full-time in a job he/she is qualified for?
 - Does the applicant have a job offer; and/or
 - Does the applicant have employable skills?
 - Are local jobs available or expected to increase in the applicant's area of skill/experience?
 6. Housing stability that is necessary to keep a job
 - Does the applicant have stable housing?
 - Does the applicant have a pattern or history of

- stable housing?
 - Is the loss of housing due to no fault of the applicant (e.g. landlord moved back into the residence, house sold, lost lease)?
 - Is the housing affordable given the applicant's income without regular CalWORKs assistance?
 - Is the home safe and habitable for the "at risk" child(ren)?
7. The adequacies of the applicant's child care arrangements, if applicable.
- Does the applicant have adequate child care?
 - Does the applicant have temporary/special childcare expenses he/she cannot meet?
8. If the applicant's requested item(s) of need is not met will the applicant be in jeopardy of losing his/her stable source of income?

The [CalWORKs Diversion Checklist](#) lists the assessment criteria for the Diversion Program. This is a preliminary screening tool that is to be used when interviewing the applicant for a potential Diversion Payment. **This tool is not intended to determine the applicant's eligibility to the Diversion Program.**

Refer to [Attachment 2](#) for examples of possible case situations and determination of eligibility for a diversion payment.

**POTENTIAL
CRITERIA FOR AN
UNSUCCESSFUL
DIVERSION
PAYMENT**

Each case must be carefully evaluated for the Diversion Program using the assessment criteria listed above. In addition, the following characteristics are indicators that the applicant would not be a successful candidate (the list is not inclusive):

- The applicant has no work history and/or no marketable job skills.
- The applicant has a history of multiple job changes in short periods of time.
- The applicant applies and reapplies for public assistance in a short period of time, thus creating financial hardship.
- The applicant is experiencing a basic need crisis,

i.e., temporary or no housing, lack of, or inadequate transportation and/or childcare, no support system, or a combination thereof, which cannot be resolved immediately by issuing a one-time Diversion Payment.

**ITEM OF NEED
NECESSARY TO
OBTAIN OR
MAINTAIN
EMPLOYMENT**

A one-time Diversion Payment may be used for, but is not limited to:

- Work-related tools, license / certificate fees, car repairs or other transportation costs, insurance, clothes / uniforms.
- Temporary child care
- Housing or other expenses, which prevent the applicant from obtaining immediate, or maintaining, full-time employment
- The Diversion Payment may also cover a household need such as house cleaning services to make a home habitable and safe for the “at risk” child(ren) for Mutual Clients.

**VERIFICATION
REQUIREMENTS**

The applicant is required to provide verification of his/her current employment, job offer, or employable skill(s) with proof of jobs available in the applicant’s area of experience. If applicable, the caseworker should contact the CFS Senior Social Worker to verify an “at risk” situation. Verifications include, but are not limited to:

- Pay stubs or statement from current employer
- Statement from new employer verifying start date of job, expected work hours and hourly wage
- Copy of license, certificate or degree, and newspaper advertisement or other business publication listing available jobs in the applicant’s area of experience or skill
- Documentation or clear narration of collaboration with the CFS Senior Social Worker for instances involving an “at risk” child(ren) and/or family

The applicant is also required to provide verification of his/her item(s) of need prior to issuing the Diversion Payment. The verification must be current (dated no more than 30 days prior to the date received by the

County), list the specific item(s) of need, and the cost of the item(s). Verifications may include, but are not limited to:

- Newspaper/store advertisements or catalogs for tools or clothes/uniforms
- Written statement from issuing institution/agency or other proof of applicant's license/certificate fee(s)
- Written work order from a bona fide mechanic or service department for car/truck repairs for the vehicle used for work (i.e. used to go to and from work or school/training)
- Proof from insurance company for the car/truck used for employment, valid driver's license, smog certificate (to be paid by the seller)
- Rent statement from landlord
- Childcare bill
- House cleaning service estimate

Verification is to be provided within 10 calendar days from the date of request for Diversion. The deadline may be extended at the County's discretion.

PAYMENT AMOUNT The maximum amount that may be issued for a Diversion Payment is the Maximum Aid Payment (MAP) for the size of the AU multiplied by three (3). The AU will need to be evaluated for Exempt/Non-Exempt MAP status in order to use the correct MAP in this formula.

Example: Non-exempt MAP for an AU of 3 is \$ 638. The maximum Diversion Payment for an AU of 3 is \$1,914 (3 x \$ 638).

The actual amount of the Diversion Payment will be determined using the verification(s) provided for the item(s) of need. The Diversion Payment may be less than, but cannot exceed, the maximum amount. If the needed amount is greater than the maximum, the Diversion Payment cannot be issued unless the applicant has resources to make up the difference.

DIVERSION PERIOD The Diversion Period is the time-period represented by the amount of the Diversion Payment divided by the Maximum Aid Payment (MAP) for the Assistance Unit (AU). The MAP amount is based on the size of the AU at the time the

Diversion Payment was issued. Partial months are not counted when determining the Diversion Period.

Example: An AU of 3 applied for CalWORKs on 1/11/13 and received a Diversion Payment of \$1,450 on 1/12/13. This payment was equal to 2 months of cash aid (\$1,276), excluding the partial month remainder (\$174).

Diversion Payment = \$1,450

MAP for 3 AU \$ 638

Diversion Period = 2 months

(Do not count remainder)

The two-month Diversion Period is for January and February because the partial month of March is not counted as part of the Diversion Period.

The Diversion Period will be automatically calculated by CalWIN (See [Diversion Resource Guide](#))

CW88 DIVERSION SERVICES AGREEMENT AND COVERSHEET

CalWIN automatically generates the [CW88 Diversion Services Agreement](#) (Attachment 3).

The applicant is to be given a copy of the [CW88 Diversion Services Coversheet](#) (Attachment 4) to read and understand the rules and responsibilities for choosing a one-time Diversion Payment over CalWORKs extended benefits.

The applicant is required to sign a [CW88 Diversion Services Agreement](#) prior to the Diversion Payment being issued.

Complete the appropriate sections of the CW88 including signature and date. Supervisory signature of concurrence is to be made in the County Use Section.

A copy of the completed CW88 is to be provided to the applicant. Image the original CW88 and file under the the Eligibility Acco in OnBase.

CalFresh IMPACT

Lump-Sum Diversion Payments are excluded as income but considered a resource for CalFresh. Categorical Eligibility exists for a household when a CalWORKs Diversion Payment is paid and intended to cover several months. The household therefore, is considered CalFresh eligible for the months the payment is intended to cover.

The recoupment of a Diversion Payment from a CalWORKs

recipient is not considered an instance of failure to comply when computing CalFresh benefits.

CHILD CARE PROGRAM

Clients receiving Diversion Payments or Services are eligible for Stage 3 child care services. If Stage 3 child care or other subsidized child care is not available, Diversion Clients may be served in Stage 2 child care. Diversion Clients are not eligible for Stage 1 child care. Diversion Clients should be referred to Children's Home Society with a copy of the Stage 2/3 Child Care Referral Request form ([F063-41-106](#)). (See [CW Policy 301](#)).

MEDI-CAL

The Diversion Program is not categorically linked to Medi-Cal. Follow the existing procedures to determine eligibility to Medi-Cal.

TIME LIMITS

CalWIN automatically calculates time limits for a Diversion Payment.

CALWORKS (CW) 48-MONTH TIME LIMIT:

The month in which the Diversion Payment is issued **counts** as one month towards the CW 48-month time limit, unless the Diversion Recipient meets an exemption from the 48-month time limit. If the Diversion Recipient does not apply for and receive regular CalWORKs assistance within the Diversion Period, **only this month will count.**

If the Diversion Recipient returns to apply for, and receive regular CalWORKs assistance **within** the Diversion Period, then the Diversion Recipient has the option to have the Diversion Payment recouped from the CW cash aid or have the Diversion Payment counted toward the CW 48-month time limit.

If the Diversion Recipient opts to have the Diversion Payment counted, **all of the months** in the Diversion Period are counted against the CW 48-month time limit.

If the Diversion Recipient chooses to have the amount recouped from his/her grant, the month(s) previously counted for Diversion must be un-ticked. Refer to [CalWORKs Policy100 E-3 Time On Aid](#) and [TOA Resource Guide](#) for more information.

TANF 60-month time limit:

A Diversion Payment **does not count** towards the federal TANF time limit unless the payment meets the definition of TANF “Assistance” in the federal regulations; then it will count as one month toward TANF time limits. “Assistance” includes cash, payments, vouchers and other forms of benefits designed to meet a family’s **ongoing** basic needs. Most, if not all Diversion Payments will be excluded from the federal TANF definition of assistance.

APPROVAL OF CALWORKS AFTER ISSUANCE OF A DIVERSION PAYMENT

WITHIN THE DIVERSION PERIOD

If a Diversion Recipient returns and applies for CalWORKs *within* the Diversion Period and is determined to be eligible for regular CalWORKs benefits, the Diversion Payment must be recouped through one of two methods. The recipient has the option to either:

- Allow the County to have the total amount of the Diversion Payment recouped from the grant at 10% of AU MAP per month.
- Count the total Diversion Period against the 48-month time limit.

Example: A single mother with two children received a Diversion Payment of \$1,850 for car repairs. After two months, she returns to reapply for regular CalWORKs benefits. With a MAP at the time of application of \$638, her Diversion Period is considered 2 months ($\$1,850 \div \$638 = 2.9$ months). Since she returned within the Diversion Period, she has the option to repay the \$1,850 by grant reduction and have no months count against her CalWORKs 48-month time limit, or count the two months against her CalWORKs 48-month time limit with no repayment of the Diversion Payment. If this individual had returned after the Diversion Period, then only one month would be counted against the CalWORKs 48-month time limit and no repayment would be required.

AFTER THE DIVERSION PERIOD

If the Diversion Recipient returns after the Diversion Period has ended, only one month of the Diversion Payment will be counted against the CalWORKs 48-month time limit.

Overpayment Recoupment

A Diversion recoupment may only be collected through grant adjustment (no civil collections). A Diversion recoupment is not to be given priority for collection over other overpayments existing on the case.

Child support income: Any child support payments collected by the applicant or recovered by the county cannot be used to offset the Diversion Payment.

Notice of Action (NOA): All NOAs will be reviewed by the worker prior to mailing. The following notices are available in CalWIN.

- M81-215A CW Denial-Diversion Payment Approved Use to deny the CalWORKs application when a Diversion Payment is issued.
- M44-350A Overpayment Adjustment Use to begin recoupment of the Diversion Payment by grant adjustment if the Diversion recipient returns and applies for CalWORKs within the Diversion Period and chooses to repay. NOA to be issued prior to beginning grant adjustment. An Overpayment Computation NOA is not required because the recipient is informed of the recoupment amount on the Approve Case After Diversion NOA.
- M81-215D CW Change-Diversion Repayment Stopped Sent when the Diversion re-payment has been completed.
- M81-215E Diversion Payment/Services Deducted From 48- Month Time Limit Use if the recipient chooses to count the Diversion Period against their 48-month time limit. NOA sent at the time of approval for the new CalWORKs application.
- M81-215F CW After Diversion/One Month Deducted From 48- Month Time Limit Use to approve the new CalWORKs application when the Diversion recipient returns and applies for CalWORKs after the Diversion Period. NOA sent at the time of approval for the new CalWORKs application. This NOA will be reviewed by the worker for completion prior to being mailed to the recipient.

DIVERSION AID

- 3J-0 Diversion for All (Other) Families and Federal

TYPES

- Zero Parent Cases
 - 3X-0 Diversion for All (Other) Families where all AU members are State Only Qualified Aliens
 - 3K-0 Diversion for Separate State Two Parent Families
 - 3Y-0 Diversion for Separate State Two Parent Families where all AU members are State Only Qualified Aliens
-

BEGINNING DATE OF AID If the Diversion Recipient returns to apply for CalWORKs extended benefits, he/she is considered a new applicant and regular rules apply regarding application and the beginning date of aid. The beginning date of aid is either the date of application or the date the applicant meets all CalWORKs program eligibility requirements, whichever is later.

PAYMENT METHOD A Diversion Payment is to be paid by check to the applicant.

Example: The applicant verifies that he/she needs work clothes totaling \$300.00, temporary child care totaling \$250.00, and car repairs totaling \$400.00. The total Diversion payment is \$ 950.00; a check for \$950.00 is made out to the applicant.

Two party checks are not required for Diversion Payments. The W9 form is not required when payments are made directly to the applicant. Use [Check request Form D CalWIN Processing F063-02-226](#) (Attachment 5) to request payment processing to district accounting.

CALWIN ENTRIES Within the **Intake & Case Maintenance** sub-system of **CalWIN**, perform **Data Collection** by completing the required windows introduced through the queue. Complete the **Collect CalWORKs Diversion Detail** window during **Data Collection** then **Run EDBC** to complete the eligibility determination and benefit amount. Review data to authorize a Diversion Payment for the applicant. Refer to [Diversion Resource Guide](#).

Complete Case Comments in CalWIN to support Diversion action taken.

ATTACHMENTS

Attachment 1 – [CalWORKs Diversion Checklist \(F063-30-](#)

[376\)](#)

Attachment 2 – [Diversion Examples](#)

Attachment 3 – [CW88 Diversion Services Agreement](#)

Attachment 4 – [CW88 Diversion Services Coversheet](#)

Attachment 5 – [Check request Form D CalWIN Processing F063-02-226](#)

REFERENCES

[CaWORKs Fraud Referral Policy 100-H4](#)

[CaWORKs Policy 100 A-1 Child Support Services](#)

[CaWORKs Policy 301 Child Care Program](#)

[CaWORKs Policy100 E-3 Time On Aid](#)

[TOA Resource Guide](#)

[Diversion Resource Guide](#)

ACL 97-68 Implementation of the Diversion Program -
CaWORKs Program

ACL 00-48 Tracking Diversion Payments and State-Only
Funded Programs for the CaWORKs and TANF programs

OCCSSA