

Introduction

The Tennessee Department of Human Services shall provide a Diversion payment option to Families First eligible assistance units who are experiencing an immediate and compelling financial need.

Scope

The purpose of this policy is to outline the process for allowing eligible assistance units the opportunity to request a lump sum Diversion payment in exchange for Families First benefits, thus reducing their reliance on monthly Families First payments.

Policy

Diversion Payments Requirements

1. Must address an immediate and compelling financial need that will help an applicant secure or maintain employment.
2. Are only available to eligible Families First assistance units (AUs).
3. Can be more than once in a lifetime.
4. Are based on the monthly Families First benefit according to AU size.
5. Will range from one (1) to twelve (12) months of temporary cash assistance depending on the determination of the AU's immediate and compelling financial need.
6. Will count towards the AU's sixty (60) month lifetime limit as outlined in policy [23.21 Families First Time Limits](#).
7. Will not cover the same type of immediate need met by a previous Diversion payment, unless it is determined, beyond doubt that the applicant has a new and verified emergency.
8. During the months of assistance covered by the Diversion payment, the AU is ineligible for another Diversion payment or Families First cash

benefits. There is no early re-entry after Diversion issuance.

Diversion Payment Eligibility

To qualify for a Diversion payment, the AU must meet all the following criteria:

1. Be eligible for Families First;
2. Be a resident of Tennessee for no less than six (6) months;
3. Have no major barrier(s) to employment, like a drug/alcohol problem and domestic violence etc.;
4. Have a High School diploma or General Education Development (GED) certificate;
5. Have a recent work history of six (6) of the last twelve (12) months with three (3) months being consecutive;
6. Have an immediate and compelling financial need to be determined on a case-by-case basis; and
7. Sign HS-2943 Diversion Agreement.
8. A customer who has an uncured sanction for non-compliance with the work and/or educational activity as outlined in policy [23.13 Families First Work and/or Educational Activity](#) may be eligible for a diversion payment if all other qualifying points of eligibility for diversion are met.
 - If the customer with an uncured sanction applies for a subsequent diversion payment, the individual will not be eligible until the mandatory sanction period has been served.
9. A two (2) parent AU may only receive one (1) Diversion payment, even if they are eligible to group into separate AUs.
10. A customer who is receiving a Families First grant in a "Child Only" case may qualify for a Diversion payment for their own children, if all other points of eligibility are met.

Diversion Payment Calculation

The Diversion payment will be calculated based on the aggregate amount of the monthly Families First cash assistance an AU is eligible to receive not to exceed twelve (12) months.

Other Benefits to Diversion Recipient

A customer receiving a Diversion payment who is employed within thirty (30) days of enrollment into the Diversion program may be eligible to receive twelve (12) months of subsidized child care payment assistance.

1. If employed at the time of authorization, 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) calendar 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 the same eligibility guidelines outlined in policy [11.18 Transitional Child Care \(TCC\)](#).
5. An AU that requests closure of their Families First benefits to receive a Diversion payment may be eligible for eighteen (18) months of TCC.

Proof of Identifiable Need for Diversion Payment

1. Applicants for Diversion must submit appropriate documentation to verify their claim of an immediate and compelling financial need.
2. The following are some examples of appropriate reasons to grant a Diversion payment to an eligible Families First AU:
 - a. A customer is off of work without pay due to injury (verification statement from doctor and employer).
 - b. A customer's vehicle needs a major repair, and they have no other transportation available to go to work (Car repair estimate from workshop).

- c. A customer needs a certain license in order to start work (Statement from employer).
 - d. A customer needs special shoes or uniforms to work (Statement from employer).
 - e. A customer 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 a customer's child(ren), and the customer 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. A customer needs school clothes or supplies for their children.
 - b. A customer has outstanding medical bills.
 - c. A customer has property taxes due.

Supporting Documents

[HS-2943 Diversion Agreement \(English\)](#)

[HS-2943s Diversion Agreement \(Spanish\)](#)

[11.18 Transitional Child Care Payment Assistance](#)

[Diversion Calculation Worksheet](#)

[23.24 Families First Work and/or Educational Activity](#)

[23.21 Families First Time Limits](#)

Definitions/Acronyms

Term	Definition
Child Only	Cases in which the caretaker is a non-parental relative who is not included in the AU or the caretaker(s) is a Supplemental Security Income (SSI) beneficiary.
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.
GED	General Equivalency Development
TDHS	Tennessee Department of Human Services
Two-Parent Assistance Unit	An assistance unit that includes both of the technically eligible child's parents.

Supersedes

Policy 23.23 Families First Diversion Payments eff. date 10/31/2016

Approval History

Approved By	Approver Title	Approved Date	Effective Date
Clarence H. Carter	Commissioner	10/18/2023	11/01/2023
Charles Bryson	Interim Assistant Commissioner	10/21/2016	10/31/2016
Charles Bryson	Interim Assistant Commissioner	09/14/2016	09/30/2016
Charles Bryson	Interim Assistant Commissioner	06/06/2016	07/01/2016
Patricia Stubblefield	Assistant Commissioner	07/17/2015	07/15/2015

Revision History

Date	Version	Location of Change	Description/Reason for Change
10/18/2023	11/01/2023	Introduction, Scope, Diversion Payment Requirements, Diversion Payment Eligibility, Diversion Payment Calculation, Other Benefits to Diversion Recipient, and Proof of Identifiable Need for Diversion Payment.	Moved procedural sections to the procedure manual; minor language changes for clarification purposes; removed definitions from deleted sections.
10/21/2016	10/31/2016	Policy Number	Renumbered the document
09/14/2016	09/30/2016	Throughout	Clarifications
06/06/2016	07/01/2016	Throughout	Clarifications and renumbering of the document
07/17/2015	07/15/2015	New Document	New Document

Approved By	<i>Clarence H. Carter</i>	Approval Date	10/18/2023
Authority	Tenn. Code Ann. § 71-3-109; Tenn. Comp. R. & Regs. 1240-01-49.09	Effective Date	11/01/2023
Application	All TDHS Family Assistance Staff & Contractors		