

## 32. Diversion [EAS 81-215]

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### 32.1 Definition

Diversion is a payment or services issued for a CalWORKs applicant to help the family meet its needs to survive a short-term crisis. It is meant to help clients maintain self-sufficiency and enter or retain employment while providing immediate services. The Eligibility Worker (EW) will assess the family's unique situation and request for Diversion services. The Employment Counselor (EC) will evaluate the employment needs. The EW (with vocational information from the EC, if appropriate) will decide whether the family can be deterred from receiving cash assistance by receiving a one-time payment or services from Diversion.

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### 32.2 Informing [EAS 81-215.2]

All CalWORKs applicants must be informed of the availability of the Diversion program prior to approval of their CalWORKs application. The first informing occurs in Orientation. If interest is expressed, the "Diversion Informing Notice" (SCD 1440) is given to the applicant.

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### 32.3 Diversion Period [EAS 81-215.1; 81-215.43]

The Diversion period is the time period represented by the value of the Diversion payment/service divided by the appropriate Maximum Aid Payment (MAP) for the apparently eligible AU at the time of receipt.

In the case of non-cash services, the EW determines the Fair Market Value (FMV) of the services to calculate the Diversion period. Non-cash services offered by the Social Services Agency will have a zero cost as the FMV.

### 32.3.1 Calculation [EAS 81-215.4]



#### Example:

A single mother with two children received a Diversion payment of \$2,340 for car repairs on 5/13/01. With a MAP at the time of application of \$645, her Diversion period is determined by dividing the total amount issued (\$2,340) by MAP (\$645) for the AU. (\$2,340 divided by \$645= 3 months with a remainder of \$405.) Any fraction of a whole number resulting from this computation is not counted. Her Diversion period is 3 months.

#### Calculation:

Diversion payment/services: \$2,340

Divided by MAP for 3 persons: \$645

Diversion period equals: 3 months (round down)

Diversion period is from May 2001 through July 2001.

### 32.3.2 Successful Diversion

Diversion is considered successful when a Diversion recipient remains off cash aid during the total of the Diversion and Incentive periods.

- | If both parents in the home sign the “Family Diversion Contract” (SCD 1307), and complete a successful Diversion period, both parents could be eligible to receive a Diversion payment in the future, either together or if they separated.

### 32.3.3 Diversion from Another County/State

Diversion payments issued by other counties/states are evaluated using this county’s definition of successful Diversion. If the applicant meets our criteria, that individual may be eligible for another Diversion payment.

### 32.3.4 Reapplication for Diversion

Applicants can receive a Diversion payment again if they have a prior “Successful” Diversion period.

## 32.4 Incentive Period

The Incentive period is the six-month period immediately following the Diversion period. The client must remain off cash assistance for both the Diversion period and the Incentive period in order for the county to get credit for diverting a client from CalWORKs. Eligibility for state incentive payments is determined by statistical tracking outcomes. These outcomes are tracked manually.

### 32.4.1 Calculation



**Example:**

Using the previous example, the single mother had a 3 month Diversion period, from May, 2006 through July, 2006. The Incentive time period is always the following six months which in this example is from August 2006 through January 2007.

## 32.5 Time Limits [EAS 81-215.5]

The Diversion period month(s) may count against the 48-month time limits. Use the following chart to determine the number of months to apply to the 48-month time limit:

If the Diversion recipient...	And...	Then...
Remains off cash aid the entire Diversion period,		Only one month counts toward the 48-month time limit; no repayment is required.
Reapplies for cash aid during the Diversion period,	Chooses to count the Diversion period months against time on aid,	Count all the months of the Diversion period toward the 48-month time limit.
	Chooses to repay the Diversion payment,	Do not count any of the Diversion months toward the 48-month time limit. [Refer to “Recoupment,” page 32-19].]

[Refer to “Apparently Eligible [EAS 81-215.31],” page 32-3] for more information.]

## 32.6 Apparently Eligible [EAS 81-215.31]

Applicants must be “apparently eligible” for CalWORKs in order to be considered for the Diversion program.

“Apparently eligible” means that the information provided on the “Statement of Facts for Cash Aid, Food Stamps, and Medi-Cal/CMS” (SAWS 2) and information otherwise available indicates that the applicant would be eligible for CalWORKs if the information was verified.

In order to be “apparently eligible”:

- The applicant must provide I.D. and proof of residency.
- An immigrant applicant must provide verification of eligible residence status.
- A pregnant woman with no other eligible child(ren) must provide acceptable medical verification of the pregnancy.



**Note:**

To be “apparently eligible”, an applicant for Diversion does not require a Family Support referral for child support. When a child support referral is made, any benefits received go directly to the client. Any child support collected is not used to offset the Diversion payment. [EAS 81-215.6]

### 32.6.1 Applicant

An applicant is a person who requests aid or a person on whose behalf a request for aid is made. A one-day break in aid qualifies a person as an applicant.

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## 32.7 Exploring Eligibility

Diversion services must be explored for every CalWORKs applicant. If the applicant is “Apparently Eligible” [Refer to “Apparently Eligible [EAS 81-215.31],” page 32-3] the EW determines whether the family would benefit from a Diversion payment. If the individual appears to be a candidate or expresses interest in the Diversion program, Diversion is considered. [Refer to “Diversion Candidate Determination,” page 32-10] to make this determination.]

Applicants are eligible for a Diversion payment a second time only if the previous Diversion payment was considered a “Successful Diversion” period.[Refer to “Successful Diversion,” page 32-2].]

When more than one family resides in the same home, each family is considered for Diversion as a separate unit.

### 32.7.1 Initial Determination of Diversion

When it is decided the applicant is a good candidate for Diversion, the EW contacts the EC for an employment evaluation, if appropriate to the situation, and indicates “Applied” under the “Diversion” box

on the “Application for Cash Aid, Food Stamps, and/or Medi-Cal/State CMSP” (SAWS 1) in the “County Use Only” section. [Refer to “Referral Process to Employment Counselor (EC),” page 32-9].]

If it is determined at the initial interview that the applicant is not interested in or does not meet the necessary criteria to be a likely candidate for Diversion, the EW:

- Indicates “Refused” or “IE” (Ineligible) under the “Diversion” box on the SAWS 1 in the “County Use Only” section, and
- Proceeds with the CalWORKs application.

There is no denial of Diversion at this point.



**Note:**

While the Diversion program is being explored, there is no eligibility for a presumptive payment or a CalWORKs immediate need. [Refer to “Immediate Need [EAS 40-129],” page 6-1] for further information.]

### 32.7.2 Persons Ineligible for Diversion

The following individuals are NOT eligible to receive a Diversion payment:

- Non-Needy Caretaker Relatives
- Persons with a cash aid “Intentional Program Violation” (IPV)
- Persons with a previous unsuccessful Diversion/Incentive period; if both parents signed the “Family Diversion Contract” (SCD 1307), neither parent is eligible thereafter [Refer to “Successful Diversion,” page 32-2].]
- Persons who are not “apparently eligible”, i.e., non-residents, felons, undocumented persons, and sanctioned persons, etc.
- Persons who were previously issued a Diversion payment for which they were not eligible.

The EW must indicate “IE” under the “Diversion” box on the SAWS 1, in the above situations.

## 32.8 Referral to Resources [EAS 81-215.7]

Diversion applicants are eligible for the services listed below. Eligibility must be determined or referrals made for the following services, as appropriate:

Food Stamps, Expedited Services	Employment Services
Medi-Cal	Child Care
Child Support	Education & Training
EAN Services	Family Loan Program (FLP)
Drug & Alcohol	Domestic Violence
Mental Health	

### 32.8.1 Emergency Assistance Network (EAN) Referral

- The “SSA/EAN and Resource Referral” (SCD 1353) was created for use by the EAN and the Social Services Agency (SSA). This form provides a release of information and allows communication between the EAN and SSA to refer persons for services. The EAN agencies are listed on the back of the SCD 1353.

When clients need emergency assistance and our agency is unable to help, a referral may be made to the EAN, who may be able to help. The appropriate EAN is chosen based on the client’s zip code address. It may be necessary to call the EAN closest to the client to assure the referral is made to the correct location.

## 32.9 Intake EW Action

When the case is received by the Intake Worker, review the SAWS 1 and the “Statement of Facts for Cash Aid, Food Stamps, and/or Medi-Cal/State Run County Medical Services Program (CMSP)” (SAWS 2) for “Apparent Eligibility”. Determine if the applicant might be a likely candidate for the Diversion Program. [Refer to “Diversion Candidate Determination,” page 32-10].]

When the applicant appears to be a likely candidate or expresses interest in the Diversion program, the EW must take the following steps.

Step	Action
1.	<p>Explore Diversion Program Criteria:</p> <ul style="list-style-type: none"> <li>• Determine reason for applicant's request</li> <li>• Review the applicant's "Needs" [Refer to "If during Orientation, or at any other time during the Intake process (prior to payment), the applicant expresses interest in the Diversion program and appears to be a likely candidate (or insists on employment services), a referral will be made to the EC for an employment evaluation, if needed. Use the following referral process.," page 32-9]]</li> <li>• Look at "Criteria indicating a good Diversion Candidate" [Refer to "Criteria Indicating a Good Candidate [EAS 81-215.32]," page 32-11]]</li> <li>• Evaluate the "Red Flag Indicators"[Refer to "Red Flag Indicators," page 32-12]]</li> <li>• Review the "Family Financial Situation" [Refer to "Family Financial Evaluation," page 32-13]]</li> <li>• Complete the "Customer Survey" [Refer to "Customer Survey," page 32-13]]</li> </ul> <p>If the applicant seems a likely candidate, go to Step 2. When the applicant does not appear to meet the criteria for the Diversion Program, take the appropriate denial actions. [Refer to "Documentation of Eligibility," page 32-8].] Do not go to Step 2.</p>
2.	<p>Refer the applicant to the Employment Counselor (EC) for an employment evaluation, when appropriate. When the evaluation is completed and the goal is approved, proceed to the next step. [Refer to "Referral Process to Employment Counselor (EC)," page 32-9]]</p>
3.	<p>Complete the Display CalWORKs Diversion window in the Wrap Up Queue. Refer to the OLUM instruction, "Process a CalWORKs Diversion Payment."</p>
4.	<p>Complete the "Family Diversion Contract" (SCD 1307). [Refer to "Family Diversion Contract," page 32-15]]</p>
5.	<p>Verify "Need" items. [Refer to "Verification," page 32-10]]</p>
6.	<p>Make any appropriate referrals to assist the applicant. [Refer to "Referral to Resources [EAS 81-215.7]," page 32-6]]</p>
7.	<p>Make Diversion payment. Send denial of CalWORKs/Approval of Diversion NOA (M44-00a)</p>
8.	<p>Transfer case to continuing if Food Stamps/Medi-Cal remain open; otherwise, send to closed files.</p>



**Note:**

If the applicant's situation seems suspicious and a FRED referral is made, this individual may not be a likely candidate for Diversion.

### 32.9.1 Documentation of Eligibility

The determination of Diversion eligibility is documented as follows:

If the applicant...	And...	Then Intake EW will...
Clearly does not meet the criteria to be a likely candidate or is not eligible for Diversion, <a href="#">[Refer to “Persons Ineligible for Diversion,” page 32-5].</a>		<ul style="list-style-type: none"> <li>• Inform the applicant they do not meet the criteria or are not eligible for Diversion,</li> <li>• Document on the SAWS 1 next to the “Diversion” box in the County Use Only Section “I/E” (Ineligible), and</li> <li>• Process the CalWORKs application.</li> </ul>
Appears to meet the criteria to be a likely candidate for the Diversion program,	The applicant expresses no interest in exploring the Diversion program,	<ul style="list-style-type: none"> <li>• Document on the SAWS 1 next to the “Diversion” box in the County Use Only Section “Refused”,</li> <li>• Have the applicant complete the “Informal Application Refusal” (SCD 166), checking the “Diversion” box, and</li> <li>• Process the CalWORKs application.</li> </ul>
Appears to meet the criteria to be a likely candidate for the Diversion program,	The applicant expresses interest in exploring the possibility of a Diversion payment,	<ul style="list-style-type: none"> <li>• Discuss in further detail Diversion eligibility with the applicant,</li> <li>• Document on the SAWS 1 next to the “Diversion” box in the County Use Only Section “Applied”,</li> <li>• Follow procedures in “Intake EW Action” <a href="#">[Refer to “Intake EW Action,” page 32-6]</a>, and</li> <li>• Process Food Stamps and Medi-Cal applications, if appropriate.</li> </ul>
Appears to meet the criteria to be a likely candidate for the Diversion program,	The applicant has expressed interest and then asks (either the EW or EC) to withdraw the Diversion request,	<ul style="list-style-type: none"> <li>• Have the applicant complete and sign the “Withdrawal of Application” section of the SCD 166, checking the “Diversion” box, and</li> <li>• Process the CalWORKs application.</li> </ul>
Is decided to be an excellent candidate for Diversion by the EW and the EC, and is offered the Diversion payment,	The applicant refuses the Diversion program payment,	<ul style="list-style-type: none"> <li>• Have the applicant complete and sign the “Informal Application Refusal” section of the SCD 166, checking the “Diversion” box, and</li> <li>• Process the CalWORKs application.</li> </ul>
Is decided to be an excellent candidate for Diversion by the EW and the EC, and offered the Diversion payment,	The applicant accepts the Diversion program payment,	<ul style="list-style-type: none"> <li>• Follow procedures in “Intake EW Action” <a href="#">[Refer to “Intake EW Action,” page 32-6]</a>, Steps 4-10], and</li> <li>• IDM the Diversion paperwork.</li> </ul> <p>If the client receives Food Stamps and/or Medi-Cal, transfer the case to Continuing, or                      If the client does not receive Food Stamps and/or Medi-Cal, change case status to closed.</p>

If the applicant...	And...	Then Intake EW will...
Is determined not to meet the criteria for a likely Diversion candidate,	Any of the following documents have been started/completed: <ul style="list-style-type: none"> <li>• “Financial Evaluation” (SCD 1438), or</li> <li>• “Customer Survey” (SCD 1306), or</li> <li>• “Family Diversion Contract” (SCD 1307),</li> </ul>	<ul style="list-style-type: none"> <li>• Deny the Diversion application using the “Diversion Denial” NOA, and</li> <li>• Process the CalWORKs application.</li> </ul>
Specifically requests an application for Diversion,	The EW determines they are not eligible,	<ul style="list-style-type: none"> <li>• Deny the request for Diversion, and</li> <li>• Process the CalWORKs application.</li> </ul> If the client persists in their request for Diversion, advise of the Third Party Assessment and Appeals process.

## 32.10 Referral Process to Employment Counselor (EC)

If during Orientation, or at any other time during the Intake process (prior to payment), the applicant expresses interest in the Diversion program and appears to be a likely candidate (or insists on employment services), a referral will be made to the EC for an employment evaluation, if needed. Use the following referral process.

Stage	Who	Action
1.	EW	Refers the applicant to the EC: <ul style="list-style-type: none"> <li>• Call clerical support staff at the Employment Connection at the CalWORKs Office (408) 758-3797. The call will be referred to the Job Developer Officer of the Day (O.D.) who will:                             <ol style="list-style-type: none"> <li>a. Discuss the Diversion employment issues and the suitability for a Diversion payment, and/or</li> <li>b. Determine if the client would benefit from a vocational assessment.</li> </ol> </li> <li>• Give the applicant the appointment information, if appointment required.</li> </ul>
2.	EC	Evaluates the applicant’s employment status and goals in relation to the Diversion program. Verbally communicates to the EW the results of the evaluation and suitability for a Diversion payment. In rare instances, a written communication may be necessary and the “CWES/EW Communication” (SCD 1441) should be used.

## 32.11 Needs

Diversion services cover only those need items that “directly” remove obstacles or barriers to self-sufficiency. This includes, but is not limited to:

Transportation	Tools
Child/Dependent Care	Medical/Dental Needs (not covered by M/C)
Supplies	Repairs
Housing	Uniforms
Clothing	Deposits (Security, Equipment)
Storage	Legal Services
Moving Expenses	Drivers License, California I.D. card
Car Registration	Reimbursements
Personal Services (i.e. Haircut, etc.)	Car Insurance
Union Dues, Professional Fees	Eye Glasses (not covered by M/C)

Diversion payments are not made to pay for private school tuition costs.

### 32.11.1 Verification

EVERY need must be verified by the EW. The following verification methods used include, but are not limited to:

- Receipts
- Bills
- Estimates
- Collateral contacts.

## 32.12 Diversion Candidate Determination

After “Apparent Eligibility” has been determined, the EW must obtain background information to determine if the family is eligible for, or likely to succeed, with a Diversion payment.

- The “Financial Evaluation” (SCD 1438) may be completed by both the EW and the applicant to evaluate the financial situation of the family. It will become apparent whether a certain amount of outside

financial help (i.e., wages, Child Support, UIB, etc. [not CalWORKs]) and/or services will enable this family to become self-sufficient. [Refer to “Family Financial Evaluation,” page 32-13].]

If an employment evaluation or employment services are needed, a referral must be made to an EC. [Refer to “Referral Process to Employment Counselor (EC),” page 32-9].]

■ The “Customer Survey” (SCD 1306) may also be used by the EW and the applicant to obtain enough information about the family’s needs to determine if a Diversion payment would be appropriate. The applicant may be asked the following types of questions:

- Briefly tell me why you are here?
- What difficulties are you experiencing?
- Do you have a plan or specific goal in mind?
- What barriers or obstacles do you see to accomplishing your plan/goal?
- What is your work history and education information?
- What are your family health, housing, child care, transportation and financial needs? [Refer to “Customer Survey,” page 32-13].]

A simplified version of what the EW is looking for can be summed up in the chart below. The first column describes traits that may indicate the applicant should apply for CalWORKs. The second column indicates the applicant might be a good candidate for Diversion.

A CalWORKs Applicant has...	A Diversion Candidate has...
No: <ul style="list-style-type: none"> <li>• Income</li> <li>• Work History</li> <li>• Transferable skills</li> </ul>	Any or all of the following: <ul style="list-style-type: none"> <li>• Income, or</li> <li>• Earnings, or</li> <li>• Good Job Skills, or</li> <li>• Work History</li> </ul>
Drug/Health Problems	No serious Drug/Health Problems
No Motivation	Motivation
Few skills, no skills or skills that must be updated.	A work plan/goal.

[Refer to “Criteria Indicating a Good Candidate [EAS 81-215.32],” page 32-11].] and [Refer to “Red Flag Indicators,” page 32-12] for further information.]

### 32.12.1 Criteria Indicating a Good Candidate [EAS 81-215.32]

The EW must review the following criteria/parameters to determine if an applicant should be considered for the Diversion Program.

- The applicant has a consistent employment history, as evidenced by such factors as length of overall employment appropriate to applicant's age, length of time on each job reflecting stability, regular pattern of work history with few gaps, and gaps covered primarily without frequently applying for cash aid.
- There is a likelihood the applicant will find immediate, full-time employment supported by the applicant's strengths and skills in an area of high-demand with existing job opportunities.
- The overall likelihood that the applicant will become self-sufficient in the immediate future appears sound. Available income, or soon to be available income, will meet family needs on an on-going basis and there are few barriers to becoming self-sufficient.
- The applicant's need for cash assistance to pay for housing or substantial and unexpected expenses or work-related expenses.
- The applicant has a history of stable housing.
- The applicant's child care arrangements are adequate, available during employment hours, and applicant has a back-up plan for sick child care.

### 32.12.2 Red Flag Indicators

The following is a list of indicators that the Diversion program may not be appropriate. The applicant:

- Has little or no work history and/or marketable skills.
- Must pay outstanding fines or past due child support in order to renew a driver's license.
- Expects an extended period of education/training before self-sufficiency can be achieved.
- Has a history of multiple job changes in short periods of time.
- Applies and reapplies for public assistance within a short period of time, demonstrating repeated financial crisis.
- Has a history of basic need crisis', (i.e., temporary or no housing, transportation, child care, no support system) that cannot be resolved immediately.
- Is experiencing mental health or medical difficulties, is a substance abuser, or has other chronic problems that cannot be immediately resolved.
- Has a history of continual injury or illness. Sometimes this can be someone with a disabling severe medical problem or there may be some underlying issue.
- Has a family history which indicates a previous failure to utilize the Diversion program according to a prior agreement and plan.

- Has a financial situation showing the family cannot attain self-sufficiency (income is inadequate).

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## 32.13 Assessment Process

### 32.13.1 Family Financial Evaluation

| The “Financial Evaluation” (SCD 1438) may be completed to review and evaluate the financial situation of the family. The object is to evaluate last month’s, this month’s and next month’s finances. Does the income cover the client’s expenses? If not, how do they intend to support themselves?

- Can we help? (i.e., application for unemployment benefits, help them obtain child support, etc.)
- Is the situation temporary?
- What will it take to make them self-sufficient?

If there is no solution, or possibility of immediate employment, this is not a likely candidate for Diversion. If their income covers their expenses, this may be a strong candidate for Diversion.

| The SCD 1438 is a suggested form; it is not required.

### 32.13.2 Customer Survey

The following areas may be explored to evaluate the stability of the family and potential obstacles or barriers to self-sufficiency. This information can be obtained by the EW, using the “Customer Survey” (SCD 1306) as a guideline. The SCD 1306 covers the following information:

|

- Work History/Job Skills
- Housing
- Child Care
- Transportation
- Health of the Family
- Pending Legal Issues
- Motivation, and
- Finances.

#### **Applicant’s Work History/Job Skills**

- Is their work history consistent
- Is their work history appropriate to their age
- Does the length of time on the job reflect stability
  - Was it temporary work
  - How long did they work
- Are there few gaps in their work history
  - Did they apply for assistance during the gaps

- Are the gaps in work history explainable (i.e., pregnancy, temporary disability)
- What are the reasons for leaving employment
- What did they do on the last job, listed by skills
- Are their skills in high demand
- What is their education level
  - Basic
  - Related to work
- Have they completed any training programs
- Do their skills need updating
- Do they have a criminal background (i.e., are they bondable?)
- Is there a loss of license
- Do they have job search skills
  - Resume
  - Internet Skills
  - A basic understanding of the labor market?

### **Housing**

- How long have they lived at each address during the last 5 years
- Reasons for leaving?

### **Child Care**

- How long have they had their current child care provider
- Do they have a balance owing to the child care provider
- What hours will the child care provider cover
- Is there a back-up child care provider
- Will the provider give child care for shift work
- Is the provider authorized for child care payments (i.e., willing to provide an SSN)?

Diversion recipients are eligible for Stage III child care. If there are no Stage III slots available, they may be served in Stage II slots (if there are available slots). When there are no Stage II or III slots, the only child care available is through the CalWORKs cash aid program.

### **Transportation**

- How does the family get from place to place (i.e. shopping, appointments)
- Is public transportation available
- Can they car pool
- Do they have a valid California Drivers License
- What is their Department of Motor Vehicles driving record
- Do they have a car
  - How reliable is it
  - Do they have car insurance
  - Do they need car repairs
  - What is the repair record of the car?

## Health

- Does anyone in the family have emotional/mental problems
- Is anyone using drugs
- Does anyone have any physical handicaps
- Does anyone have any special needs
- Has there been an incidence of domestic violence
- Does anyone have medical needs, if yes, are they chronic or one-time only?

Diversion recipients are not categorically linked to Medi-Cal. Follow the normal application procedures to process the Medi-Cal application.

## Pending Legal Issues

### Motivation

- Do they show up for appointments
- Are they on time for appointments
- Are they forthcoming with information or evasive
- Have they been looking for work
- What kind of follow-up have they done
- Do they have a plan
- Why hasn't it worked?

### Finances

- Do they have credit problems
- Is their child support income steady
- Are their earnings steady
- What are they able to contribute to their needs?

| The SCD 1306 is a suggested forms, it is not required.

## 32.13.3 Family Diversion Contract

Once the EW has determined that the applicant is eligible for the Diversion program, the "Family Diversion Contract" (SCD 1307) must be completed. The SCD 1307 is a mandatory form.

The SCD 1307 is completed by the EW with the applicant so the full process is understood. It designates who is responsible to complete which tasks in order to achieve and resolve any issues affecting the goal for self-sufficiency. The expectations are clear for both the agency and the client. The required timelines are provided. The EW keeps the original copy of the SCD 1307, with the client's and EW's signature, in the case record. A photocopy of the signed document is made for the client. An additional photocopy is made of page 3 of the SCD 1307 and sent to the AAC Program Coordinator. Payment is then made.

If **both** parents are in the home, a separate SCD 1307 must be completed by each parent. Each SCD 1307 must be signed by the EW, the parent (or caretaker) and the second parent (if in the home). This is a family agreement for success.

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## 32.14 Final Evaluation/Assessment [EAS 81-215.32]

Once the background information and financial situation have been reviewed, the EW makes the determination as to whether the applicant is likely to benefit from the Diversion program.

Each situation must be evaluated on the family's unique circumstances at the time of application. The situation must be one that is non-recurring. The applicant must have, or have the potential for, ongoing income to meet the family's needs. The EC may be consulted at any time, for additional advice, to ask questions, etc.

The EW evaluates the request in terms of the reasonableness of the dollar amount and the required verification of all needs.

In order to make this decision, the EW must use the previous interviews with the applicant and all supporting documentation which may include, but is not limited to:

- SAWS 1
- SAWS 2
- SCD 1438 (Optional)
- SCD 1306 (Optional)
- "Criteria Indicating a Good Candidate" in Section 32.11.1
- "Red Flag Indicators" in Section 32.11.2
- The applicant's motivation
- EW's own assessment as to whether the candidate can be successful.

### 32.14.1 Denial of Applicant

When the SCD 1438 and/or SCD 1306 have been reviewed and it is determined the applicant is not a good candidate for Diversion, the EW must review the situation with their supervisor. If the decision is to deny the application for Diversion, the EW must:

- Inform the applicant verbally they are not eligible for Diversion,
- Send a Diversion denial notice to the applicant, and
- Process the case for other eligible benefits including CalWORKs, as appropriate.

Should the EW determine the applicant is a good candidate, yet the EC employment evaluation differs, the EW and the EC must discuss the situation. If no resolution is reached, a Third Party Assessment may be requested. The Third Party Assessment is completed by an impartial person with career

planning experience. [Refer to “Third-Party Assessment Procedures,” page 8-16] of the CWES Handbook.]

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## 32.15 Case Maintenance

The Intake EW maintains the case file while assessing the Diversion plan. All papers collected regarding the Diversion plan, including verification of the need items are to be filed in IDM on F1-Application. When the SCD 1307 is completed, appropriate referrals made and payment completed, the Diversion portion of the case file is closed.

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## 32.16 Applicant’s Choice [EAS 81-215.33]

AFTER determining an applicant would benefit from Diversion AND the SCD 1307 has been completed, the applicant is informed that they must choose CalWORKs or Diversion.

### 32.16.1 Refusal

If the applicant does not choose the Diversion program, the “Informal Application Refusal” (SCD 166) must be signed. Resume the CalWORKs application and all other benefits/services (including an Emergency Assistance Network [EAN] referral) the applicant may be entitled to receive.

### 32.16.2 Withdrawal

If at any time, the applicant decides to withdraw their request for, or interest in, the Diversion program, the “Withdrawal of Application” (SCD 166) must be signed. Resume the CalWORKs application and all other benefits/services (including an EAN referral) the applicant may be entitled to receive.

### 32.16.3 Acceptance

If the applicant chooses the Diversion payment, the EW:

- Denies the CalWORKs application
- Approves the Diversion payment
- Processes the case for all other eligible benefits (i.e., Food Stamps, Medi-Cal), and
- Makes appropriate referrals for services (including the EAN).

The EW will refer the applicant to the EC, if an employment evaluation or employment services are needed.

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## 32.17 Payment [EAS 81-215.33]

The EW and the client must agree on the amount of the Diversion payment or services (to meet the needs of the goal for self-sufficiency) based on a reasonable amount for the need item (the need item must be verified). The EW will make the payment.

- Payments up to \$1,000 require no EW Supervisory or SSPM approval. (Hand issued warrants require Supervisory approval documented on the “Maintain Case Comments” window.
- Payments of \$1,000 or over require EW Supervisory approval.

Payments are sent directly to the client.

### 32.17.1 Method of Payment

Diversion payments are computer-generated by the EW and sent directly to the client. This is not a hand-issued warrant, unless it is determined that a hand-issued warrant will be necessary.



#### Example:

The client may have a verified deadline for a payment. Perhaps the determination is made that the client is perfect for “XYZ Training”. The program begins tomorrow and the fees are due then. If it is determined that this is the Diversion plan for the client, a hand-issued payment may be made for the fees.

In the future, other methods of payments will be explored, such as vendor payments, vouchers and possibly bartering.

### 32.17.2 Choice of Diversion Recoupment

When the client must reapply for CalWORKs during the Diversion period, they must choose to either:

■ COUNT THE DIVERSION PERIOD MONTHS TOWARD THE CalWORKs 48-MONTH TIME LIMIT FOR EACH ADULT IN THE CASE,

OR

■ REPAY THE ENTIRE AMOUNT OF THE DIVERSION PAYMENT PREVIOUSLY RECEIVED AND COUNT NO MONTHS TOWARD THE CalWORKs 48-MONTH LIMIT.

Once the client chooses a method of recoupment (either in months or paying cash back) they cannot change their decision. The decision must be documented on the “Diversion Recoupment Choice” (SCD 1342) and the NOA NA 1239 sent to the recipient, if recoupment of the payment is chosen.

**Reminder:**

Diversion payments are not counted towards the Federal cumulative 48-month time on aid limit; however, one month is counted towards the CalWORKs cumulative 48-month time on aid limit.

### 32.17.3 Recoupment

The following applies when adjusting the recoupment:

- The Diversion payment is adjusted from future grants at a rate of 10% of the AU’s “Maximum Aid Payment” (MAP).
- When an overpayment is already being collected, continue to collect that overpayment until it is fully adjusted. When fully adjusted, begin collecting the Diversion recoupment.
- Only Diversion payments issued under CalWORKs may be recouped. Diversion payments issued by other states under TANF may not be collected.
- If the recipient is discontinued before the Diversion payment is recouped, any remainder is referred to Collections. [Refer to “Collections,” page 32-20].]
- When the repayment is completed, the EW must:
  - Send the “Diversion Recoupment” (NOA NA 1239) to the client indicating the repayment has been paid in full, and
  - Count no months from the Diversion period against “time on aid” (TOA). [Refer to “Time on Aid (TOA),” page 32-20].]

**Example:**

On 9/2/06, Anna S. applied for CalWORKs and chose to receive a Diversion payment of \$1,800 for herself and two children. The Diversion period was determined to be 3 months (\$1,800 divided by \$584 MAP equals 3.08 months). In October, unexpected circumstances arose which necessitated Anna to reapply for CalWORKs on 10/20/06. She chooses to repay the Diversion payment. The entire \$1,800 must be collected. The \$1,800 amount is to be collected beginning 11/1/06 at 10% (\$58 per month).

### 32.17.4 Collections

When the case closes prior to full collection of the Diversion recoupment:

- Refer the Diversion claim to Collections via the Benefit Recovery subsystem.
- The “Diversion Recoupment” (NOA NA 1239) must be sent indicating to the client the balance still owed.

### 32.17.5 Time on Aid (TOA)

In order to properly record the TOA for a Diversion Payment, the EW must complete the form “TOA Review Referral” (SCD 146) and request the designated staff to record the Diversion Payment.

### 32.17.6 Fraudulent Diversion Overpayments

When it is discovered that a Diversion payment was made and is potentially fraudulent, not an agency error, recoupment must be made. Use the regular overpayment referral/collection methods.

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## 32.18 Reapplication for CalWORKs [EAS 81-215.5]

When a client reapplies for CalWORKS at any time after receiving a Diversion payment, they are considered a new applicant and the beginning date of aid rules apply. Use either the:

- Date of the new application, or the
- Date the applicant meets all CalWORKs program requirements, whichever is later.

The following criteria apply to the Diversion recipient depending on when they reapply for CalWORKs.

### 32.18.1 Reapplies During the Diversion Period [EAS 81-215.51]

When a former Diversion recipient applies for CalWORKs and

- They have previously received a Diversion payment, and
- The application is during the Diversion period,

The Intake EW must review the current change in circumstances to evaluate whether the client can be helped with services (including the EAN) other than CalWORKs. All efforts must be made to help the applicant remain self-sufficient.

If it is determined the client must apply for CalWORKs, a new application is taken. The date of the application follows the regular beginning date of aid rules for CalWORKs. The applicant must choose to:

- Pay back the total amount of the Diversion payment and count no months towards the CalWORKs 48-month limit, [[Refer to “Choice of Diversion Recoupment,” page 32-18](#)], OR
- Count the number of Diversion months toward their CalWORKs 48-month total time on aid. [[Refer to “Time on Aid \(TOA\),” page 32-20](#).]

**Reminder:**

Diversion payments are not counted towards the Federal cumulative 60-month time on aid limit; however, one month is counted towards the CalWORKs cumulative 48-month time on aid limit.

In addition, the applicant must sign the “Diversion Recoupment Choice” (SCD 1342) indicating what choice the client made and the “Diversion Recoupment” (NOA NA 1239) must be sent showing the choice. When the client chooses to repay the Diversion payment, the intake EW records the recoupment balance and begins adjustment.

This applicant will not be eligible to receive another Diversion payment because they did not remain off cash assistance through their Diversion/Incentive period.

### 32.18.2 Reapplies During the Incentive Period [EAS 81-215.52]

When a former Diversion recipient applies for CalWORKs and

- They have previously received a Diversion payment, and
- The application occurs during the Incentive period,

All efforts must be made to help the applicant complete a successful Incentive period. If it is determined the applicant must apply for CalWORKs, the applicant will not owe the county any money, and one month of aid counts toward their CalWORKs 48-month time limit only. This applicant will not be eligible to receive another Diversion payment because they did not remain off cash assistance through their Incentive period.

### 32.18.3 Reapplies After the Incentive Period Ends

When a former Diversion recipient applies for CalWORKs and

- They have previously received a Diversion payment, and
- The Incentive period has been successful,

The applicant will not owe the county any money. One month of aid counts toward their CalWORKs 48-month time limit only. This applicant could receive a second Diversion payment (if Diversion

eligibility requirements are met) because they were successful and remained off cash assistance through their Incentive period.