General Information Memorandum

ISD-GI 16-52

TO: ISD Employees & SL Start Employees

FROM: Sean Pearson, Deputy Secretary, Income Support Division

RE: Diversion Payments and ASPEN

DATE: October 21, 2016

This GI is to serve as a reminder of when to issue a Diversion payment versus a monthly NMW Cash benefit.

In order to be considered for a Diversion payment, an applicant must be otherwise eligible for NMW cash assistance, however monthly cash assistance is not needed to meet their basic needs, because they have on-going financial support. The applicant must have never received cash assistance or their cash benefit case has been closed for one or more calendar months. If the cash assistance is closed due to a third level sanction and is still within the 6 month case closure, the Diversion payment will be denied. A Diversion payment should be denied when there is no evidence that the person does not have financial means to meet their ongoing expenses. Once a determination has been made to approve a Diversion payment, the person will be locked out of NMW Cash Assistance for a period of 12 months.

The purpose of a Diversion payment is to alleviate a specific unexpected short term need:

1. To accept a bona fide job offer
2. To retain employment
3. To remedy an emergency situation

Short-term need is defined as a non-recurrent, emergency or crisis-based need. Non-recurrent, short-term benefits are designed to address a participant’s or household group’s specific emergency situation or episode of need. Below are a few scenarios in which a Diversion payment may be issued to a household group:

- The participant needs equipment, tools, apparel, or uniforms in order to begin working.
- The household receives a job offer, but needs repairs to their vehicle to be able to accept the job offer.
• The household is in danger of getting evicted from the residence and needs an emergency payment until the participant gets a paycheck. This type of payment includes the threat of possible or persistent homelessness, paying overdue rent or utility arrearages and utility payments to prevent termination of services; payment of security deposits; payment of first month’s rent; budget and or other counseling.
• The participant has accepted a job and needs assistance with housing expenses to be closer to their job.
• In the case of disaster victims: Replacement of personal items such as furniture or clothing or assistance with securing new or temporary housing (payment of security deposit, first month rent).
• The participant needs their vehicle repaired and that vehicle is their means of transportation to and from work.

The applicant is eligible for child care and transportation support services. During the review of the FAP 051, the support services must be addressed. If the participant does want the support services a referral to the NMW contractor will be generated. The NMW contractor will meet with the participant and help them with the available support services. The caseworker will ensure a case comment is entered stating whether the participant accepted or declined the support services.

NEW MEXICO WORKS
AGREEMENT TO ACCEPT A DIVERSION PAYMENT

Case Name Case Number Date

A diversion payment is a lump sum cash payment ($1,500 for 1-3 household members and $2,500 for 4 or more household members) issued by the New Mexico Human Services Department. The payment is made to applicants who apply and are eligible for New Mexico Works (NM Works) cash assistance, but choose to accept the diversion payment instead. The diversion payment is to help individuals with a specific need. A specific need can be an item or type of assistance which will allow the applicant to keep a job or accept a bona fide offer of employment, remedy an emergency situation or elevate a short term need. Such assistance may include, cash, support services, housing, transportation, car repairs, and uniforms.

This form explains the diversion payment procedure. There are some questions you will have to answer and some information that you have to provide the department. If you have any questions, please ask your caseworker to explain.

As a recipient of a Diversion Payment, I agree that:

1) I have never received cash assistance in New Mexico.
2) I have received cash assistance in New Mexico. The last cash assistance was last received: Month: __ Year: __ Place: __
3) I have never received a diversion payment from another state.
4) I received a diversion payment in NM or another state. The amount received, date and state from which a diversion payment was received: Month: __ Year: __ State: __ Amount: $ __

The terms and conditions for receipt of a diversion payment have been discussed with me, and I understand and agree:

1) That if I have to apply for NM Works cash assistance after receiving a diversion payment to meet ongoing needs I must show good cause.
2) That accepting the diversion payment will not affect my eligibility for Medicaid and Supplemental Nutrition Assistance Program (SNAP, formerly the Food Stamp Program).
3) That by accepting a diversion payment, I am not subject to sanctions (reduction in benefits) for failure to meet the NM Works Program requirements or the Child Support Enforcement cooperation requirements.
4) That I receive a diversion payment does not count towards the 60-month time limit of the TANF cash assistance program.
5) That accepting a diversion payment will not affect my eligibility for the NM Works cash assistance program based on good cause (beginning the first day of the fifth month after receipt; the first month will begin with the month that the diversion payment is authorized).

Good cause must be approved and may include:
• Loss of employment, but not a voluntary quit
• Catastrophic illness or accident of a family member which requires an employed participant to leave employment
• A victim of domestic violence
• An emergency that renders an employed family member unable to care for the basic needs of the family

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Please describe the reason why a Diversion Payment would be better for you than regular TANF/NNM assistance to meet the monthly needs of your family. Describe how you will use the diversion payment to alleviate your non-recurring, short term need.

The diversion payment is limited to two Diversion Payments in an applicant's 60-month TANF lifetime limit. The amount of the diversion payment is:

☐ $1,500 for one to three benefit group members. OR ☐ $2,500 for four or more benefit group members.

If I receive the Diversion Payment, I am not required to meet TANF/NNM Work Program requirements, but I may be eligible to receive support services. These are services offered by TANF/NNM to help a person while in training or working. You will be referred to a NNM service provider for support services such as child care and transportation.

Please check any of the services that you may need. Your caseworker will provide you with more information on support services. ☐ Child Care ☐ Transportation ☐ Service Provider Referral

I have read this agreement, the caseworker has explained the agreement, and has answered my questions. The information that I have provided is true and correct. I agree to the terms of the agreement.

Applicant Signature Date
Worker Signature Date

The caseworker will ensure that the following documents are scanned into ECF prior to any approval of the Diversion payment:

1. FAP 051 - Agreement to Accept A Diversion Payment

2. Proof of ongoing income or statement of job offer
3. Verification of the Expense

Once the case is ready to be certified, the caseworker will send a 2nd party review to the County Director. The County Director will review the Diversion Payment Request and make the determination whether to approve or deny the request. The County Director will ensure a case comment is entered explaining the approval or denial of the Diversion Payment. Then the case can be certified and the Diversion payment will be issued to the participant via their EBT card.

This GI will rescind MR 10-10 Forms Manual Revisions: Agreement to Accept a Diversion Payment.

If you have any questions regarding this GI, please contact Suzanne Duran-Vigil at 505-827-7289 or SuzanneP.Duran-Vigil@state.nm.us