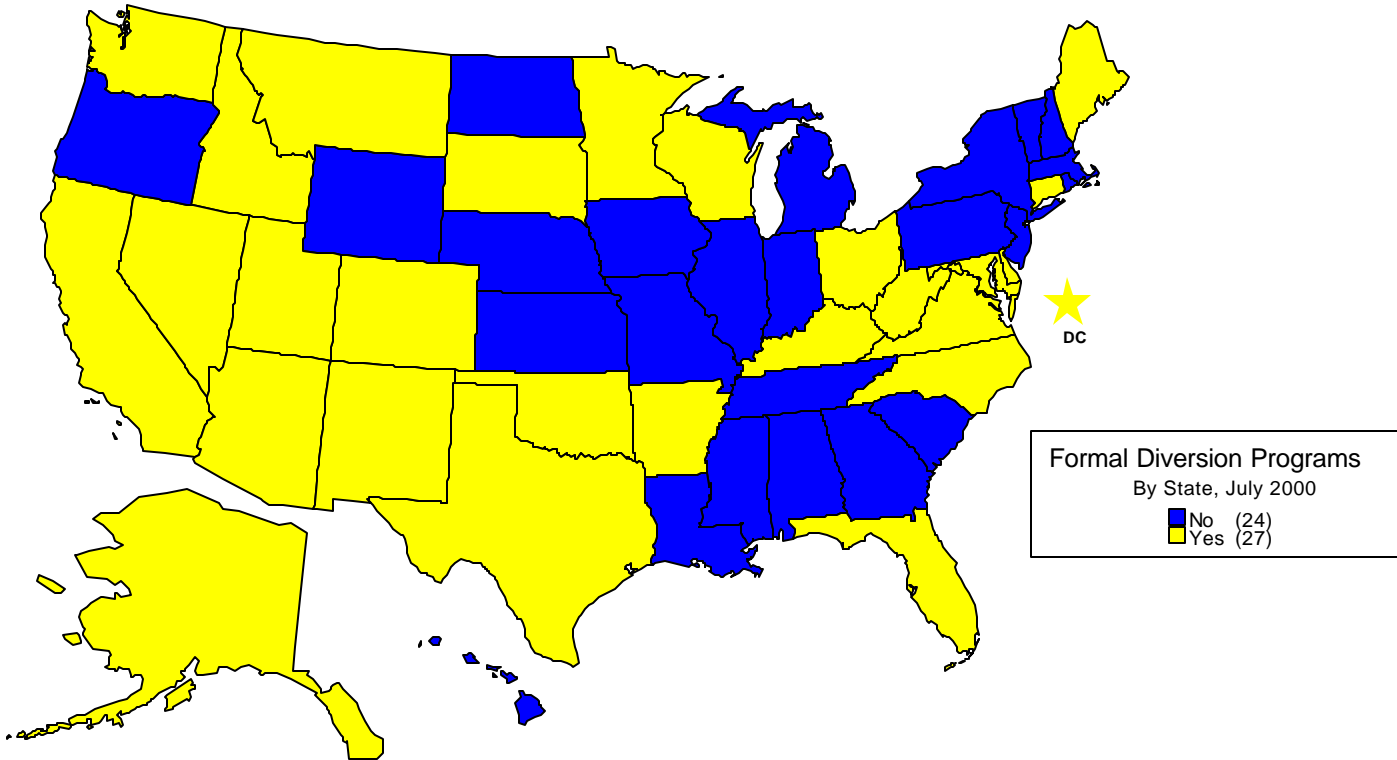




Fast Facts on Welfare Policy

Formal Diversion Programs



More than half of the states have policies that allow families to receive a lump-sum payment rather than formally enroll in the cash assistance program. These diversion payments can help families alleviate short-term problems and weather short-term crises. The amount of the lump-sum diversion payment varies greatly across the states. Nine states with formal diversion programs provide a flat lump-sum amount, ranging from \$1,000 to \$2,000. Thirteen states provide a cash payment equal to a maximum of three months of the state's monthly benefit, and in the remaining five states the lump-sum payment equals a maximum of either two or four months of benefits. The number of times a family can receive diversion payments also varies. Some states have no limit on the number of times a recipient may apply for diversion, while others allow only one diversion payment in a lifetime. The majority of states with diversion programs allow a recipient to apply once every 12 months. In many states, diversion payments do not count against a family's lifetime TANF time limit.

Source: [The Welfare Rules Database](#) The Urban Institute's *Assessing the New Federalism* project. 2000.