



# Ohio Department of Human Services

30 East Broad Street, Columbus, Ohio 43266-0423

February 5, 2000

## OWF/PRC Guidance Letter No. 13

**TO:** Directors, County Departments of Human Services  
Directors, County Public Children Services Agencies  
Directors, Child Support Enforcement Agencies  
Regional Account Managers

**FROM:** Jacqueline Romer-Sensky, Director

**SUBJECT: PREVENTION, RETENTION, AND CONTINGENCY (PRC) PROGRAM GUIDANCE AND STATE MODEL REVISION #1**

This guidance letter contains two distinct sections. The first section contains an overview of information relating to PRC program requirements that is based in federal and state law. The second section contains a revised state PRC model. The Prevention, Retention, and Contingency Program is established under Chapter 5108 of the Ohio Revised Code (ORC). It is designed to provide benefits and services to needy families and low-income employed families who are in need of help with essential supports to move out of poverty and become self-sufficient. New opportunities can be provided within the program to develop and implement creative and innovative strategies and approaches to remove families from a cycle of dependency on public assistance and into work. The Ohio Department of Human Services (ODHS) administers the program in accordance with Title IV-A federal regulations, state law, the Title IV-A state plan, and amendments to the plan.

ODHS has the responsibility to develop and provide county departments of human service (CDHS) with a PRC model. Each CDHS has the option of developing its own policies, modifying the state designed model or creating a combination of both. Each county has the ability to amend or revise its PRC plan as long as requirements of the program remain consistent with Title IV-A federal regulations, state law, the Title IV-A state plan, and amendments to the plan. The CDHS shall inform the state department of its adoption of the state PRC program model or provide a written copy of its designed policies and any amendments it adopts to that policy.

The state PRC program model that was provided in Ohio Works First (OWF) Letter No. 1, dated August 28, 1997 is being obsoleted and replaced with the issuance of this letter. This new guidance reflects revisions within the State PRC program model made as a result of the issuance of the final federal Temporary Assistance for Needy Families (TANF) regulations and subsequent federal clarification. This letter also obsoletes portions of OWF/PRC Guidance Letter No. 1 relating to prohibitions,<sup>1</sup> (all endnotes are located on pages 7 & 8 of this document) to the discussion of assistance group composition,<sup>2</sup> and to the definition of economic need.<sup>3</sup> Within this document are definitions, guidelines, and program requirements which counties may use in redesigning PRC plans to best fit their local community needs.

**Note: The state PRC model contains policy options. The use of these options is at county discretion.**

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Each county must submit their PRC models or subsequent amendments to the Ohio Department of Human Services, PRC Coordinator. Reference OWF/PRC Guidance Letter No. 3.

Attachments:

JRS:jf

c:	County Commissioners Assoc.	Deputy Directors
	OHSDA	Cheri Walter
	PCSAO	Technical Assistance Managers
	Wayne Sholes	Bureau Chiefs/County Ops.

# PRC Overview

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The Prevention, Retention, and Contingency (PRC) program is designed to assist families in overcoming immediate barriers which prevent the achievement of self-sufficiency by promoting work and personal responsibility. The program is funded from the Title IV-A federal block grant, Temporary Assistance for Needy Families (TANF).

## **Use of Funds**

The PRC program provides flexibility for funding a wide variety of employment and training activities, supportive services, and benefits that will enable individuals to get a job, keep a job, and improve their economic circumstances. In Ohio, there are two ways in which to spend TANF funds (not counting the State's ability to transfer funds to other block grants). As a general rule, counties must use the available funds for eligible, needy families<sup>4</sup> with a child<sup>5</sup> and the use of PRC funds must be to meet one of the four purposes of TANF (Reference 45 C.F.R. 260.20) which are:

To provide assistance to needy families so that children may be cared for in their own home or in the homes of relatives;

End the dependence of needy parents on government benefits by promoting job preparation, work, and marriage;

Prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and,

Encourage the formation and maintenance of two-parent families.

PRC may also be used for purposes previously authorized under Ohio's AFDC state plan that was in effect on August 21, 1996. OWF/PRC Guidance Letter No. 12 contains the requirements applicable to the use of funds for this purpose.

## **PRC Benefits and Services**

PRC is a critical tool which may be used to provide services and benefits that directly lead to, or can be expected to lead to, accomplishing one of the four purposes of TANF by addressing supports needed by working families and by addressing the needs of clients with barriers to self-sufficiency. As discussed above, PRC funds may also be used for purposes previously authorized under Ohio's August 1996 AFDC state plan. The flexibility that is available presents new opportunities for creative thinking about potential activities which may be adopted to further the purposes of TANF. While TANF does allow considerable flexibility to provide benefits and services to families through PRC, there are certain federal regulations that are applicable. PRC by design has been developed to provide benefits and services that are not considered "assistance" in accordance with 45 C.F.R. 260.31. The following are included in the definition of "non-assistance":

Nonrecurrent, short-term benefits that:

are designed to deal with a specific crisis situation or episode of need;

are not intended to meet recurrent or ongoing needs; and

will not extend beyond four months.

Work subsidies (i.e., payments to employers or third parties to help cover the costs of employee wages, benefits, supervision, and training);

Supportive services such as child care and transportation provided to families who are employed;

Refundable earned income tax credits;

Contributions to, and distributions from, Individual Development Accounts (IDAs);

Services such as counseling, case management, peer support, child care information and referral, transitional services, job retention, job advancement, and other employment-related services that do not provide basic income support; and

Transportation benefits provided under a Job Access or Reverse Commute project to an individual who is not otherwise receiving assistance.

### **PRC Program Guidance Provided in Ohio Revised Code**

Chapter 5108 of the ORC provides minimal policy for the creation and maintenance of the program to allow county departments of human services with the flexibility of design and implementation which may best meet the needs of their local communities and local conditions.

Chapter 5108 of the Ohio Revised Code contains the following minimal guidance to the county regarding the development and amendment process of the PRC program:

It provides a statement as to the purpose of the program.

It provides minimal definitions of an “assistance group” and a “minor child” for the purposes of the program.

It places some requirements on a county and ODHS in designing and implementing the program, including establishing or specifying eligibility requirements, assistance or services to be provided, administrative requirements and other matters the county determines necessary.

It provides the basis for the decision in a state hearing or administrative appeal.

It requires an application containing information the county department requires to determine program eligibility (Reference Section 5108.10 of the ORC)

Note: PRC benefits and services are available to a family assistance group (AG) which includes, at a minimum, a minor child or a pregnant individual as defined in Sections 5108.01 and 5108.06 of the revised

code. Beyond the minimum requirements, PRC benefits and services may also be provided to other members of the household who could significantly enhance the family's ability to achieve economic self-sufficiency. In addition, PRC benefits and services may be provided to noncustodial parents of a minor child. 45 CFR 260.30 defines a noncustodial parent as:

A parent of a minor child who:

Lives in the State; and

Does not live in the same household as the minor child.

### **PRC Program Restrictions Based in Federal and State Law**

Counties are required to follow the federal and state laws that are applicable to the PRC program. Listed below are federal prohibitions based upon 42 U.S.C. 608, section 431 of PRWORA (as amended by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 and the Balanced Budget Act of 1997), and the Ohio Revised Code:

No benefits or services for families without a minor child (see exception in endnote #5).

No benefits or services to a single individual, unless such individual is pregnant (see exception in endnote #5).

No medical services except for prepregnancy family planning services.<sup>6</sup>

No benefits or services to an individual who is not a citizen of the United States or a qualified alien.

No assistance for families that fraudulently receive assistance under the OWF and PRC programs until repayment occurs (Reference Section 5101.83 of the ORC).

PRC funds may not be used for the provision of child care services. Ohio has a statewide child care program with income and eligibility requirements established in state law and Ohio Administrative Code rules. ODHS reserves the right to hold the TANF funds dedicated to child care services at the state level to maximize every opportunity to expand services.

Although counties have considerable flexibility to expend PRC funds consistent with the purposes of TANF, 42 U.S.C. 602 requires that the state certify that it will continue to operate the child support enforcement, foster care, and adoption assistance programs under titles IV-D and IV-E of the Social Security Act. Therefore, use of TANF (or MOE) funds to supplant spending in these program is not allowable. Additionally, TANF funds should not replace, supplant or refinance existing ongoing efforts but rather complement and expand services to families. Federal regulations prohibit using TANF dollars where other primary funding streams are available. This principle is outlined in OMB Circular A-87.

### **County Responsibilities/Requirements**

Counties must set forth objective criteria for the delivery of benefits, determination of eligibility, and for fair and objective treatment of families. Counties have the flexibility to specify the income limits and resource limits (if any) they will use to determine eligibility. Counties may specify the assistance group composition for the provision of services and benefits (Reference OWF/PRC Guidance Letter No. 4) and they may set

different financial eligibility criteria to establish need for different services or benefits.

Receipt of assistance from programs such as Ohio Works First (OWF), Disability Assistance (DA) and entitlement programs such as Medicaid and Food Stamps does not preclude eligibility for receipt of benefits and services within the PRC program. Counties must ensure that individuals diverted from assistance receive appropriate information about, referrals to, and access to Medicaid, Food Stamps, Child Care Assistance and other programs that provide benefits that could help them successfully transition to work.

There are certain requirements which the county must adhere to ensure fair and equitable treatment within the PRC program.

Adopt the State Model, develop own policy, or create a combination of both.

Include in the PRC plan:

A written statement of policies, including the criteria used to determine a family's eligibility for the PRC program, the assistance group composition, the economic need standards, and the benefits or services to be provided.

Note: A definition of economic need could include a means test, such as an income level, percentage of poverty, or relationship to the state's median income. Enrollment in other means-tested programs, such as Food Stamps or Medicaid can constitute economic need. Different definitions of economic need may be used for different types of benefits/services.

A process to investigate and record circumstances of a family applying for PRC assistance.

A process in which the county determines that an applicant is eligible to participate in the program, the benefits or services which should be received, and the appropriate date when participation is to begin. The process must be in compliance with the notice requirements of Chapter 5101:6 of the Ohio Administrative Code. At the time of application individuals are to be afforded an explanation of their right to request a state hearing. This can be done, by providing a copy of the ODHS 4059, Explanation of State Hearing Procedures. OAC rules 5101:6-2-02 and 5101:6-2-03 set forth the requirements for issuing notice when an application for public assistance benefits, included in which is aid under the PRC program, is approved or denied.

Note: In presenting the county's case with regard to hearings related to the Prevention Retention and Contingency (PRC) program, the agency representatives should take great care to ensure that they present the hearing officer with a copy of the notice of denial indicating the relevant policy contained in the county's PRC plan that resulted in the denial. It is also a good idea to present the county's plan, or relevant portions of that plan in effect at the time the eligibility determination was made, so that the appellant and the hearing officer can refer to the policy supporting the actions of the agency.

A process in which an applicant found ineligible or adversely affected by a county determination is provided with notice in accordance with Chapter 5101:6 of the Ohio Administrative Code and the opportunity to be heard in a state hearing or administrative appeal. PRC hearing decisions are based upon the PRC program plan in effect at the time of adverse decision.

Be consistent with Chapter 5108 of the ORC.

In accordance with section 329.051 of the ORC, the voter registration application as prescribed by the Secretary of State under section 3503.10 of the ORC shall be made available to persons applying for or participating in the PRC program.

Be consistent with federal statutes and TANF regulations which require a document that sets forth objective criteria for the delivery of benefits and the determination of eligibility and fair and equitable treatment.

Submit county or state model and any amendments with a prospective effective date to ODHS.

Ensure that individuals diverted from the OWF program have information about and access to Medicaid, Food Stamps, Child Care Assistance and other programs critical to the success of TANF in achieving lasting employment. See the Appendix which contains a chart to address these program supports.

Reference Section 5153.165 of the ORC, when family emergencies involve the removal of a child from the family home or return of a child to the family home as determined by the Public Children Services Agency (PCSA) pursuant to a plan of cooperation, Section 307.983 of the ORC.

Note: A family may be eligible for PRC services when a child is temporarily absent from the home of a custodial parent, specified relative, legal guardian or legal custodian. The timeframes established for temporary absence in rule 5101:1-3-04 of the Ohio Administrative Code (relating to OWF) are applicable for the PRC program.

Specify and coordinate child support services under PRC through the partnership agreement and a plan of cooperation to ensure that services provided do not supplant IV-D expenditures.

Follow the PRC data reporting requirements as outlined in OWF/PRC Guidance Letter No. 9 and any subsequent instructions.

*endnotes:*

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1. Specifically, the language on page 5 of this guidance letter under the section entitled “PRC Program Restrictions Based in Federal and State Law” obsoletes language in OWF/PRC Guidance Letter No. 1, Section IIC, concerning “Teen Parents Education”, Teen Parent Residency”, “Misrepresentation”, and “Fugitive Felons”.

2. The discussion under endnote #5 in this guidance expands the language in OWF/PRC Guidance Letter No. 1 in regards to assistance group composition. Under purpose 3 & 4 of the TANF program, certain services may be provided to childless couples and individuals.
3. Specifically, the language on page 6 of this guidance letter under the section entitled “County Responsibilities/Requirements”, third bullet under “Note”, obsoletes language in OWF/PRC Guidance Letter No. 1, relating to the use of a geographic area or circumstance related to economic need, such as homelessness.
4. Purposes 3 & 4 are not limited to “needy” families. For federal reporting purposes, costs relating to purposes 3 & 4 must be tracked and identified separately. Refer to the “CORE General Table and Mapping Reports” which was sent to all County Human Service Directors on 10/22/99.
5. PRC funds for purposes 1 & 2 may only be used to provide benefits and services for eligible families that include a child living with (except for a “temporary absence”) a parent, specified relative, legal guardian or legal custodian (or to a pregnant woman). Purposes 3 & 4 do not contain the same constraints and there may be some instances where the use of PRC funds to meet these purposes may be made on behalf of childless individuals. For example, TANF federal funds could be used for a pregnancy prevention initiative that serves young adults.

A child may be “temporarily absent” from the home for up to six months in accordance with the time periods in ORC 5107.10 (which are applicable to PRC) and still qualify for PRC. During the temporary period, the child is considered to be residing with the parent, specified relative, legal guardian, or legal custodian. The county may continue to help the eligible family through expenditures that are reasonably calculated to accomplish one of the four purposes of the TANF program including some expenditures for the temporarily absent child. The child must return to the home by the end of the six-month period. Otherwise, the child no longer resides with the parent, specified relative, legal guardian, or legal custodian. HHS does not believe it is reasonable to determine that a child is temporarily absent from the home if the child has been adjudicated or otherwise determined to require placement out of the home for longer than the state’s established temporary period (i.e., six months).
6. As stated in OWF/PRC Guidance Letter No. 1, ODHS has generally interpreted this provision to allow for certain work readiness services such as pre-employment physicals and substance abuse assessments that are not reimbursable under Medicaid. This guidance letter does not supercede the information provided in OWF/PRC Guidance Letter No. 1. Additionally, any inpatient treatment can not be supported using PRC funds. Basically, outpatient counseling services in mental health and substance abuse treatment are Medicaid reimbursable. To the extent that a person is eligible for Medicaid they should be provided through Medicaid. For persons not eligible for Medicaid and for whom these services are needed to secure and maintain employment or prevent out-of-home placements they could be paid for through PRC so long as Medicaid eligibility was explored. General family counseling services (that are not Medicaid reimbursable) provided to maintain employment or to prevent out-of-home placements could be paid for through PRC.