

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: [REDACTED]

Claimant

Reg. No: 2007-30620

Issue No: 2009

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

January 23, 2008

Dickinson County DHS

ADMINISTRATIVE LAW JUDGE: Jana A. Bachman

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; and MCL 400.37 upon claimant's request for a hearing. After due notice, a telephone hearing was held on January 23, 2008. Claimant was represented by [REDACTED].

ISSUE

Whether the Department of Human Services (department) properly determined that claimant has not established disability for purposes of Medical Assistance (MA).

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

- (1) On June 22, 2007, claimant applied for MA and retroactive MA. Claimant submitted medical records for department consideration.
- (2) August 2, 2007, the Medical Review Team (MRT) denied claimant's application. Department Exhibit A.

(3) August 8, 2007, the department sent claimant written notice that the application was denied. Department Exhibit C.

(4) September 7, 2007, the department received claimant's timely request for hearing.

(5) December 14, 2007, the State Hearing Review Team (SHRT) denied claimant's application. Department Exhibit B.

(6) January 23, 2008, the telephone hearing was held. Prior to the close of the record, claimant submitted additional medical evidence. Claimant waived the right to a timely hearing decision. March 11, 2008 after review of all medical evidence, the SHRT again denied claimant's application. SHRT Decision, 3-11-08.

(7) Claimant asserts disability based on impairments caused by Crohn's disease.

(8) Claimant testified at hearing. Claimant is 24 years old, 5'4" tall, and 140 weighs pounds. Claimant completed a GED and is able to read, write, and perform basic math. Claimant cares for her needs at home.

(9) Claimant's past relevant employment has been as a fast food crew member, cashier, and janitor.

(10) On or about April 5, 2007, claimant was admitted to hospital with a Crohn's flare. Claimant was treated and discharged on April 12, 2007. Discharge diagnoses were Crohn's disease; malnutrition; abdominal pain; hypokalemia; thrombocytosis; small vessel deep venous thrombosis; and oral candidiasis. Claimant Exhibit A, pgs 1-13. June 11, 2007, claimant was admitted to hospital with a Crohn's flare. Discharge diagnoses were as follows: Crohn's disease exacerbation with terminal ileal strictures; terminal ileal stricture; malnutrition; abdominal pain; hypokalemia; toxic hypersensitivity to drug rash; thrombocytosis; and nicotine addiction. Claimant was treated and then transferred to another hospital on June 23, 2007. Claimant

Exhibit A, pgs 11-15. June 23, 2007, claimant was admitted to hospital with Crohn's flare with fistulas, abscess and pulmonary nodule. Objective medical testing was performed that indicates claimant had a severe Crohn's flare complicated by fistulas, small abscess and partial small bowel obstruction. Claimant also was found to have a pulmonary nodule. Claimant was discharged on June 29, 2007. Claimant Exhibit A, pgs 11-15; Department Exhibit A, pgs 44-48. July 29, 2007, claimant was admitted to hospital with Crohn's flare. Claimant was treated and discharged on August 3, 2007. Claimant Exhibit A, pgs 16-22. October 16, 2007, claimant was admitted to hospital with possible abdominal wall abscess and persistent Crohn's disease. She was treated and discharged on October 24, 2007. Department Exhibit A, Report, 10-31-07. November 12, 2007, claimant presented to emergency room complaining of abdominal pain and loose stools. CT scan of the abdomen revealed no acute distress pelvis with segmental regions of wall thickening in the distal ileum and colon consistent with Crohn's disease. Previous study compared on 10/16/07 shows less inflammatory changes in the pericolonic regions according to the radiologist. The report indicates that claimant had a colon resection approximately two months prior. Physical examination revealed diffuse tenderness in the left lower quadrant with distraction abdominal exam easy without any obvious palpable masses, no guarding or rebound tenderness. Right lower quadrant incision appears to be intact and healing. Department Exhibit A, Report, 11-12-07.

(11) January 14, 2008, claimant was examined by her family physician. Treatment notes indicate claimant has severe abdominal pain due to Crohn's disease. Department Exhibit A, Report, 1-14-08. February 7, 2008, claimant visited her physician. Treatment notes indicate claimant has anxiety, but medication has significantly helped her depressive symptoms. Department Exhibit A, Report, 2-7-08.

## CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Pursuant to Federal Rule 42 CFR 435.540, the Department of Human Services uses the federal Supplemental Security Income (SSI) policy in determining eligibility for disability under the Medical Assistance program. Under SSI, disability is defined as:

...the inability to do any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.... 20 CFR 416.905

A set order is used to determine disability. Current work activity, severity of impairments, residual functional capacity, past work, age, or education and work experience is reviewed. If there is a finding that an individual is disabled or not disabled at any point in the review, there will be no further evaluation. 20 CFR 416.920.

If an individual is working and the work is substantial gainful activity, the individual is not disabled regardless of the medical condition, education and work experience. 20 CFR 416.920(c).

If the impairment or combination of impairments do not significantly limit physical or mental ability to do basic work activities, it is not a severe impairment(s) and disability does not exist. Age, education and work experience will not be considered. 20 CFR 416.920.

Statements about pain or other symptoms do not alone establish disability. There must be medical signs and laboratory findings which demonstrate a medical impairment... 20 CFR 416.929(a).

...Medical reports should include –

- (1) Medical history.
- (2) Clinical findings (such as the results of physical or mental status examinations);
- (3) Laboratory findings (such as blood pressure, X-rays);
- (4) Diagnosis (statement of disease or injury based on its signs and symptoms)... 20 CFR 416.913(b).

In determining disability under the law, the ability to work is measured. An individual's functional capacity for doing basic work activities is evaluated. If an individual has the ability to perform basic work activities without significant limitations, he or she is not considered disabled. 20 CFR 416.994(b)(1)(iv).

Basic work activities are the abilities and aptitudes necessary to do most jobs. Examples of these include --

- (1) Physical functions such as walking, standing, sitting, lifting, pushing, pulling, reaching, carrying, or handling;
- (2) Capacities for seeing, hearing, and speaking;
- (3) Understanding, carrying out, and remembering simple instructions;
- (4) Use of judgment;
- (5) Responding appropriately to supervision, co-workers and usual work situations; and
- (6) Dealing with changes in a routine work setting. 20 CFR 416.921(b).

Medical findings must allow a determination of (1) the nature and limiting effects of your impairment(s) for any period in question; (2) the probable duration of the impairment; and (3)

the residual functional capacity to do work-related physical and mental activities. 20 CFR 416.913(d).

Medical evidence may contain medical opinions. Medical opinions are statements from physicians and psychologists or other acceptable medical sources that reflect judgments about the nature and severity of the impairment(s), including your symptoms, diagnosis and prognosis, what an individual can do despite impairment(s), and the physical or mental restrictions. 20 CFR 416.927(a)(2).

All of the evidence relevant to the claim, including medical opinions, is reviewed and findings are made. 20 CFR 416.927(c).

For mental disorders, severity is assessed in terms of the functional limitations imposed by the impairment. Functional limitations are assessed using the criteria in paragraph (B) of the listings for mental disorders (descriptions of restrictions of activities of daily living, social functioning; concentration, persistence, or pace; and ability to tolerate increased mental demands associated with competitive work).... 20 CFR, Part 404, Subpart P, App. 1, 12.00(C).

If an individual fails to cooperate by appearing for a physical or mental examination by a certain date without good cause, there will not be a finding of disability. 20 CFR 416.994(b)(4)(ii).

When determining disability, the federal regulations require that several considerations be analyzed in sequential order. If disability can be ruled out at any step, analysis of the next step is not required. These steps are:

1. Does the client perform Substantial Gainful Activity (SGA)? If yes, the client is ineligible for MA. If no, the analysis continues to Step 2. 20 CFR 416.920(b).
2. Does the client have a severe impairment that has lasted or is expected to last 12 months or more or result in death? If no, the

client is ineligible for MA. If yes, the analysis continues to Step 3. 20 CFR 416.920(c).

3. Does the impairment appear on a special listing of impairments or are the client's symptoms, signs, and laboratory findings at least equivalent in severity to the set of medical findings specified for the listed impairment? If no, the analysis continues to Step 4. If yes, MA is approved. 20 CFR 416.290(d).
4. Can the client do the former work that he/she performed within the last 15 years? If yes, the client is ineligible for MA. If no, the analysis continues to Step 5. 20 CFR 416.920(e).
5. Does the client have the Residual Functional Capacity (RFC) to perform other work according to the guidelines set forth at 20 CFR 404, Subpart P, Appendix 2, Sections 200.00-204.00? If yes, the analysis ends and the client is ineligible for MA. If no, MA is approved. 20 CFR 416.920(f).

At Step 1, claimant is not engaged in substantial gainful activity and so is not disqualified from receiving disability at Step 1.

At Step 2, the objective medical evidence of record indicates that claimant has a long history of Crohn's disease. She had a number of hospitalizations during 2007 due to Crohn's disease, abscess, and partial bowel blockage. Claimant underwent a colon resection. Her condition appeared to improve significantly with a meaningful weight gain. Claimant's condition is improving and appears that it is expected to continue to improve. Finding of Fact #10-11.

At Step 2, the objective medical evidence of record is not sufficient to establish that claimant has severe impairments that have lasted or are expected to last 12 months or more and prevent employment at any job for 12 months or more. Therefore, claimant is disqualified from receiving disability at Step 2.

At Step 3, claimant's impairments do not rise to the level necessary to be specifically disabling by law.

At Step 4, claimant's past relevant employment has been as fast food crew member, cashier, and janitor. See discussion at Step 2 above. Finding of Fact #9-11.

At Step 4, the objective medical evidence of record is not sufficient to establish that claimant has functional impairments that prevent claimant, for a period of 12 months or more, from engaging in a full range of duties required by claimant's past relevant employment. Therefore, claimant is disqualified from receiving disability at Step 4.

The residual functional capacity is what an individual can do despite limitations. All impairments will be considered in addition to ability to meet certain demands of jobs in the national economy. Physical demands, mental demands, sensory requirements and other functions will be evaluated.... 20 CFR 416.945(a).

To determine the physical demands (exertional requirements) of work in the national economy, we classify jobs as sedentary, light, medium and heavy. These terms have the same meaning as they have in the Dictionary of Occupational Titles, published by the Department of Labor.... 20 CFR 416.967.

**Sedentary work.** Sedentary work involves lifting no more than 10 pounds at a time and occasionally lifting or carrying articles like docket files, ledgers, and small tools. Although a sedentary job is defined as one which involves sitting, a certain amount of walking and standing is often necessary in carrying out job duties. Jobs are sedentary if walking and standing are required occasionally and other sedentary criteria are met. 20 CFR 416.967(a).

**Light work.** Light work involves lifting no more than 20 pounds at a time with frequent lifting or carrying of objects weighing up to 10 pounds. Even though the weight lifted may be very little, a job is in this category when it requires a good deal of walking or standing, or when

it involves sitting most of the time with some pushing and pulling of arm or leg controls....

20 CFR 416.967(b).

Medium work. Medium work involves lifting no more than 50 pounds at a time with frequent lifting or carrying of objects weighing up to 25 pounds. If someone can do medium work, we determine that he or she can also do sedentary and light work. 20 CFR 416.967(c).

Heavy work. Heavy work involves lifting no more than 100 pounds at a time with frequent lifting or carrying of objects weighing up to 50 pounds. If someone can do heavy work, we determine that he or she can also do medium, light, and sedentary work. 20 CFR 416.967(d).

At Step 5, see discussion at Step 2 above. Finding of Fact #10-11.

At Step 5, the objective medical evidence of record is sufficient to establish that claimant is capable of performing work activities. Accordingly, claimant is not disabled.

Claimant does not meet the federal statutory requirements to qualify for disability. Accordingly, claimant does not meet the disability requirements for Medical Assistance and the department properly denied her application.

#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that claimant has not established disability for Medical Assistance.

Accordingly, the department's action is, hereby, UPHELD.

/s/ \_\_\_\_\_  
Jana A. Bachman  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: December 1, 2009

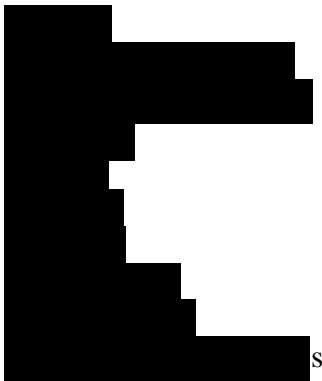
Date Mailed: December 8, 2009

**NOTICE:** Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

JAB/db

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