

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

██████████

Claimant

Reg. No.: 2008-21524

Issue No.: 2009, 4031

Case No.: ██████████

Load No.: ██████████

Hearing Date:

August 11, 2008

Arenac County DHS

ADMINISTRATIVE LAW JUDGE: Judith Ralston Ellison

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 hearing was held on August 11, 2008. The Claimant and his mother, ██████████ appeared at the Department of Human Service (Department) in Arenac County.

New medical records were requested by Interim Order; and reviewed by the State Hearing Review Team (SHRT). The application was denied; and this matter is before the undersigned for final decision.

ISSUE

Whether the Department properly determined the Claimant was "not disabled" for purposes of Medical Assistance based on disability (MA-P) and State Disability Assistance (SDA) programs?

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 March 7, 2008 the Claimant applied for MA-P and SDA.
- (2) On May 13, 2008 the Department denied the application; on March 13, 2009 the SHRT guided by Vocational Rule 202.17 denied the application finding the medical records indicated a capability to perform past relevant work
- (3) On May 28, 2008 the Claimant filed a timely hearing request to protest the Department's determination.
- (4) Claimant's date of birth is [REDACTED]; and Claimant is twenty-two years of age.
- (5) Claimant completed grade 12; and can read and write English and perform basic math; but alleges the 12 years was special education.
- (6) Claimant was last employed in 2005 as ticket cashier but now has unpaid training with Michigan Rehabilitations Services; and was a cook for several short time periods.
- (7) Claimant has alleged a medical history of sleep apnea since 2004 with a sleep machine in 2008, anxiety attacks and manic-depression on Prozac for 1-2 years; and able to sleep.
- (8) January, February and April 2008, in part:

January: Sleep Study:

DIAGNOSES: Obstructive sleep apnea syndrome. Periodic limb movement of sleep. Nasal CPAP is treatment of choice. Periodic limb movements are expected to resolve with elimination of respiratory events. [REDACTED] Department Exhibit (DE) 1, pp. 15-17

January: Into a lot of manipulation in treatment now. I set him up with Michigan Rehab Services and he has done the training but

tells me he does not want to work and would like to get SSI instead. He suggested he makes money by selling marijuana and also using it. [REDACTED] is blowing off doctor's appointments telling me his mother's car has broken down. No progress to treatment goal 1. [REDACTED]. DE 1, p. 53

February: [REDACTED] mom called to cancel his appointment because he is too hung-over to come in. No progress with treatment goal 1. [REDACTED]. DE 1, p. 52.

April: CURRENT DIAGNOSIS: nasal septal deviation; sinus inflammation; obstructive sleep apnea.

HT: 69", WT: 130, BP 120/70.

Medications: Wellbutrin, Prozac, sleepaid, minocin, Benzac wash. [REDACTED] DE 1, pp. 13-14

April: Says he wants to get a job and leave his mother's home; and he has a case open with Michigan Rehab Services. Mental Status and/or Observations: Orientated x 3 nicely dressed and good hygiene, friendly and cooperative, denies suicidal and homicidal ideation, says mood is good and feeling well. Thoughts by speech are logical and coherent. No unusual motor activity. Has a form to try to get Medicaid back. [REDACTED]. De 1, pp, 45-

(9) August 2008, in part:

Pulmonary Function Test: FEV1—3.4 [Before bronchodilator.] FVC—4.6 [Before bronchodilator.] FEV1—2.1 [After bronchodilator]; and FVC--4.7 [After bronchodilator.] [REDACTED] [REDACTED] DE 1, pp. 4-7.

#### 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).

Federal regulations require that the department use the same operative definition for “disabled” as used for Supplemental Security Income (SSI) under Title XVI of the Social Security Act. 42 CFR 435.540(a).

“Disability” is:

. . . 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

In determining whether an individual is disabled, 20 CFR 416.920 requires the trier of fact to follow a sequential evaluation process by which current work activity; the severity of impairment(s); residual functional capacity, and vocational factors (i.e., age, education, and work experience) are assessed in that order. A determination that an individual is disabled can be made at any step in the sequential evaluation. Then evaluation under a subsequent step is not necessary.

First, the trier of fact must determine if the individual is working and if the work is substantial gainful activity (SGA). 20 CFR 416.920(b) It is the finding of the undersigned, based upon the testimony, that the Claimant had not performed SGA since 2005; and not eliminated at step one from a finding of disability; further review of the claim is necessary.

Second, in order to be considered disabled for purposes of MA, a person must have a “severe impairment” 20 CFR 416.920(c). A severe impairment is an impairment which significantly limits an individual’s physical or mental ability to perform basic work activities. Basic work activities mean the abilities and aptitudes necessary to do most jobs. Examples 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)

The purpose of the second step in the sequential evaluation process is to screen out claims lacking in medical merit. The court in *Salmi v Sec’y of Health and Human Servs*, 774 F2d 685 (6<sup>th</sup> Cir 1985) held that an impairment qualifies as “non-severe” only if it “would not affect the claimant’s ability to work,” “regardless of the claimant’s age, education, or prior work experience.” *Id.* At 691-92 Only slight abnormalities that minimally affect a claimant’s ability to work can be considered non-severe. *Higgs v Bowen*, 880 F2d 860, 862 (6<sup>th</sup> Cir. 1988); *Farris v Sec’y of Health & Human Servs*, 773 F2d 85, 90 (6<sup>th</sup> Cir 1985)

In this case, the Claimant has presented medical evidence of a mental impairment that would impact performance in basic work activities. The medical evidence has established that Claimant has an impairment that has more than a minimal effect on basic work activities; and according to the medical records, Claimant’s impairment has lasted continuously for over 12 months. There was no medical evidence establishing a physical impairment that would effect basic work activities, including the sleep apnea. See finding of fact 8 and 9 for normal pulmonary function test results.

In the third step of the sequential analysis of a disability claim, the trier of fact must determine if the Claimant’s impairment is listed in Appendix 1 of Subpart P of 20 CFR, Part 404. Based on the hearing record, the undersigned finds that the Claimant’s medical record will not support findings that the Claimant’s impairment is a “listed impairment(s)” or equal to a listed

impairment. 20 CFR 416.920(a) (4) (iii) According to the medical evidence, alone, the Claimant cannot be found to be disabled.

Appendix I, Listing of Impairments (Listing) discusses the analysis and criteria necessary to a finding of a listed impairment. The undersigned's decision was based on functional limitations according to Listing 12.00 *Mental Disorder*. Listing 12.00C *Mental Disorder; Assessment of severity* was reviewed.

We measure severity according to the functional limitations imposed by your medically determinable mental impairment(s). We assess functional limitations using the activities of daily living; social functioning; concentration, persistence, or pace; and episodes of de-compensation. Where we use "marked" as a standard for measuring the degree of limitation, it means more than moderate but less than extreme. A marked limitation may arise when several activities or functions are impaired, or even when only one is impaired, as long as the degree of limitation is such as to interfere seriously with your ability to function independently, appropriately, effectively, and on a sustained basis. The medical records reflect a possible substance abuse problem which is not impairment under Appendix 1 of Subpart P of 20 CFR, Part 404.

In this case; and based on a lack of medical records establishing mental limitations or loss of function, this Administrative Law Judge finds the Claimant is not presently disabled at the third step for purposes of the Medical Assistance (MA) program. Sequential evaluation under step four or five is necessary. 20 CFR 416.905

In the fourth step of the sequential evaluation of a disability claim, the trier of fact must determine if the claimant's impairment(s) prevent him from doing past relevant work. 20 CFR 416.920(e) Residual functional capacity (RFC) will be assessed based on impairment(s), and any related symptoms, such as pain, which may cause physical and mental limitations that affect

what you can do in a work setting. RFC is the most you can still do despite your limitations. All the relevant medical and other evidence in your case record applies in the assessment.

Here, the medical findings were normal for all body systems except the mental impairments. The records indicated the Claimant was completely ambulatory. There were no medical records which limited the physical or mental functioning on the Claimant's ability to do work.

The Claimant's past work was in 2005 as a ticket taker/ cashier. The undersigned finds the Claimant has the mental and physical ability to return to past relevant work. But arguendo, the Claimant is "not disabled" under step five either.

In the fifth step of the sequential evaluation of a disability claim, the trier of fact must determine: if the claimant's impairment(s) prevent him/her from doing other work. 20 CFR 416.920(f) This determination is based on the claimant's:

- (1) "Residual function capacity," defined simply as "what you can still do despite your limitations," 20 CFR 416.945.
- (2) Age, education and work experience, and
- (3) The kinds of work which exist in significant numbers in the national economy which the claimant could perform despite his/her impairments.

20 CFR 416.960. *Felton v DSS*, 161 Mich App 690, 696-697, 411 NW2d 829 (1987).

It is the finding of the undersigned, based upon the medical evidence, objective mental and physical findings, and hearing record that Claimant's RFC for work activities on a regular and continuing basis is functionally limited to sedentary work. Appendix 2 to Subpart P of Part 404—Medical-Vocational Guidelines 20 CFR 416.967(a):

*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.

Claimant at twenty-two is considered a *younger individual*; a category of individuals age 18 to 49. Under Appendix 2 to Subpart P: Table No. 1—Residual Functional Capacity: Maximum Sustained Work Capability Limited to Sedentary Work as a Result of Severe Medically Determinable Impairment(s), Rule 201.24, for younger individual, age 18 to 49; education: limited or less—at least literate and able to communicate in English; previous work experience, unskilled or none; the Claimant is “not disabled” per Rule 201.24.

It is the finding of the undersigned, based upon the medical data and hearing record that Claimant is “not disabled” at the fifth step.

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 1939 PA 280, as amended. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.1 et seq., and MAC R 400.3151-400.3180. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

A person is considered disabled for purposes of SDA if the person has a physical or mental impairment which meets federal SSI disability standards for at least ninety days. Receipt of SSI or RSDI benefits based on disability or blindness or the receipt of MA benefits based on disability or blindness (MA-P) automatically qualifies an individual as disabled for purposes of the SDA program. Other specific financial and non-financial eligibility criteria are found in PEM 261.



In this case, there is insufficient medical evidence to support a finding that Claimant's impairments meet the disability requirements under SSI disability standards, and prevents other work activities for ninety days. This Administrative Law Judge finds the Claimant is "not disabled" for purposes of the SDA program.

DECISION AND ORDER

The Administrative Law Judge, based on the findings of fact and conclusions of law, decides that the Claimant is "not disabled" for purposes of the Medical Assistance program and State Disability Assistance programs.

It is ORDERED; the Department's determination in this matter is AFFIRMED.

/s/  
\_\_\_\_\_  
Judith Ralston Ellison  
Administrative Law Judge  
for Ishmael Ahmed, Director  
Department of Human Services

Date Signed: 03/27/09

Date Mailed: 03/31/09

**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.

JRE/jlg

cc:

