

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: 2008-24452  
Issue No: 2009; 4031  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
January 21, 2009  
Saginaw County DHS

ADMINISTRATIVE LAW JUDGE: William A. Sundquist

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 January 21, 2009.

The D&O was delayed at the claimant's request for a second SHRT review of additional medical reports presented after the hearing on January 23 (Claimant Exhibit A). After SHRT's second nondisability determination, the ALJ made the following decision below.

ISSUE

Was disability medically established?

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 December 4, 2007, the claimant applied for Medicaid/SDA and was denied on May 2, 2008 per PEM 264/261.

(2) Claimant's vocational factors are: age 48, high school education, and past skilled work as a phlebotomist, EKG technician, laboratory assistant; skilled housekeeper; and semi-skilled bartender or waitress.

(3) Claimant's disabling symptoms or complaints are: Does not know whether she can understand, remember, and carry out simple job instructions; lack of concentration, bipolar disorder, suicidal, depression, anxiety, and difficulty remembering; pain in back or legs after sitting 15 minutes; able to lift or carry up to five pounds; difficult writing; migraine headaches once or twice a month.

(4) Claimant has not performed substantial gainful work since two years ago.

**[MENTAL IMPAIRMENT]**

(5) Medical exam on [REDACTED] states the claimant's examination revealed that she was not in distress; that she is totally conscious and oriented; and that her anxiety neurosis depression appears to be stable with her medications (Medical Packet, pages 174, 175 and 177).

**[PHYSICAL IMPAIRMENT]**

(6) Medical exam on [REDACTED] states the claimant's motor system is normal; that she is ambulatory without any walking aid; that she has no tendency for lurching, swaying or falling; that she is unable to squat completely and unable to touch her toes; that straight leg raising test is negative bilaterally; that knee and hip joints has decreased range of motion; that shoulder joints have a normal range of motion; that hands deformed with synovial swelling; that index or middle finger is deformed; that the fifth finger on the right hand is deformed; that hand grip is 20 pounds on the right side and 30 pounds on the left; that she can open a jar, write legibly, and pick up a coin with difficulty; and that she has a normal range of motion of the

lumbar spine, shoulders, elbows; and that her migraine attacks appear to be stable with her medications (Medical Packet, pages 175 and 177).

CONCLUSIONS OF LAW

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Services (DHS or department) administers the SDA program pursuant to MCL 400.10, *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).

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).

The facts above are undisputed.

"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.

**DISABILITY**

A person is disabled for SDA purposes if he:

- . receives other specified disability-related benefits or services, or
- . resides in a qualified Special Living Arrangement facility, or

- . is certified as unable to work due to mental or physical disability for at least 90 days from the onset of the disability.
- . is diagnosed as having Acquired Immunodeficiency Syndrome (AIDS).

If the client's circumstances change so that the basis of his/her disability is no longer valid, determine if he/she meets any of the other disability criteria. Do NOT simply initiate case closure. PEM, Item 261, p. 1.

**Non-severe impairment(s).** An impairment or combination of impairments is not severe if it does not significantly limit your physical or mental ability to do basic work activities. 20 CFR 416.921(a).

**Basic work activities.** When we talk about basic work activities, we mean 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).

**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).

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).

**The claimant has the burden of proof** to establish by a preponderance of the medical evidence in the record that her mental or physical impairment(s) meets the department's definition of disability for Medicaid or SDA purposes. PEM 264/261.

### **STEP #1**

Because the claimant was not performing substantial gainful work on date of her Medicaid or SDA application, she meets the Step 1 eligibility test per 20 CFR 416.920(b). Therefore, the analysis continues to the next step.

**STEP #2**

This step determines whether the claimant, on date of application, that a severe mental or physical impairment as defined above, which had lasted or was expected to last for a continuous period of at least 12 months (90 days for SDA). 20 CFR 416.916(a) and (b). A *de minimus* standard is applied in determining severity—any ambiguities are determined in the claimant’s favor.

The medical evidence stated above does not support a severe mental or physical impairment as defined above, nor the claimant’s disabling symptoms or complaints stated above. To the contrary, the medical evidence shows the nonsevere impairment, as defined above.

Let’s assume, on date of application, a severe impairment had been medically established. Then, the remaining question would be whether it had lasted or was expected to last for a continuous period of at least 12 months (90 days for SDA). The objective medical evidence on the record does not establish this duration requirement. Before you can be determined disabled, the severity or duration requirement must be established by the objective medical evidence. 20 CFR 416.920(a). Therefore, Step 2 has not been established. However, the analysis will continue to the next step.

**STEP #3**

This step determines whether the claimant, on date of application, meets or/equals a Social Security Listing, and the duration requirement. The medical evidence stated above does not establish a Social Security Listing, and the durational requirement. Therefore, Step 3 has not been established. However, the analysis will continue to the next step.

**STEP #4**

This step determines whether the claimant, on date of application, was without a residual functional capacity for any of her past work during the last 15 years despite a severe impairment per 20 CFR 416.920(e).

The medical evidence stated above does not establish the claimant's inability to perform any of her past work, as stated above. Therefore, Step 4 has not been established. However, the analysis will continue to the next step.

**STEP #5**

This step determines whether the claimant, on date of application, was without a residual functional capacity for any other work despite a severe impairment per 20 CFR 416.920(f).

The medical evidence stated above does not establish the claimant's inability to perform sedentary type work, as defined above. To the contrary, the medical evidence stated above shows the claimant's residual functional capacity for sedentary work.

Persons with a residual functional capacity limited to sedentary work as a result of a severe medically determinable physical impairment(s) and the claimant's vocational factors stated above are not disabled under this step. Medical-Vocational Rule 201.21.

Therefore, this ALJ is not persuaded that disability has been established by a preponderance of the medical evidence.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that disability was not medically established.

Accordingly, Medicaid/SDA denial is UPHeld.

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

Date Signed: March 5, 2009

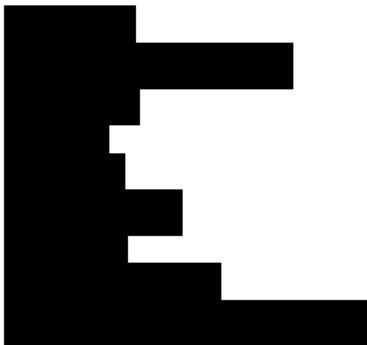
Date Mailed: March 5, 2009

**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.

WAS/tg

cc:

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