

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.: 2008-27840

Issue No.: 2009, 4031

Case No.: [REDACTED]

Load No.: [REDACTED]

Hearing Date:

November 17, 2008

Genesee County DHS [REDACTED]

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 November 17, 2008. The Claimant, her boyfriend [REDACTED] and Case Manager [REDACTED] appeared at the Department of Human Service (Department) in Genesee 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 25, 2008 the Claimant applied for MA-P and SDA.
- (2) On July 3, 2008 the Department denied the application; on March 13, 2009 the SHRT guided by Vocational Rule 204.00 denied the application finding the medical records indicated a capacity to perform other unskilled work.
- (3) On July 25, 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 forty-two years of age.
- (5) Claimant completed grade 10 and a GED; and can read and write English and perform basic math.
- (6) Claimant was last employed in April 2007 in a plastic factory; and previously grocery store stocking and in a dry cleaners.
- (7) Claimant has alleged a medical history of asthma for twenty years and use of inhalers, rheumatoid arthritis with swollen right hip/foot/left knee and neck; and treatment for bipolar disorder; and history of alcohol and cocaine use.

(8) [REDACTED]

PSYCHIATRIC EVALUATION/PLAN:

Mental Status: Well groomed, facial expression appropriate, hyper verbal, flight of ideas, euphoric mood, no auditory or visual hallucinations. Denies suicidal and homicidal ideation. Alert and orientated times 3, memory intact. Insight poor and judgment adequate.

Drinks alcohol every night. Axis I: Bipolar, manic. Axis V: 43.
Target behaviors: ETOH abuse, mood swings, depression, anxiety.

Current medications: Paxil, Xanax, Wellbutrin. [REDACTED]
[REDACTED]. Department Exhibit (DE) 1, pp. 17-26.

(9) [REDACTED], in part:

[REDACTED]: CURRENT DIAGNOSIS: Bipolar/depression, Panic attack, MVP, asthma.

HT: 65", WT: 170, BP 124/82, Visual acuity best corrected:
20/200 right, 20/72 left

NORMAL EXAMINATION AREAS: General; HEENT;
Respiratory; Cardiovascular, Abdominal, Musculoskeletal, Neuro.

FINDINGS: positive for asthma, tobacco abuse. MVA,
endometriosis, bipolar disorder.

CLINICAL IMPRESSION: Deteriorating.

PHYSICAL LIMITATIONS: Lifting/carrying up to 50 pounds 2/3
of 8-hour day; stand and/or walk about 6-hours in 8 hour day; sit
less than 6 hours in 8 hour day; use of both hand/arms for simple
grasping, reaching, pushing/pulling; use of both feet/legs for
operating controls. MENTAL LIMITATIONS: in comprehension,
memory, sustained concentration, social interaction. Medications:
Risperdol, lamictal, Xanax, Motrin. [REDACTED]
[REDACTED]. DE 1, pp. 15-16

[REDACTED]: PSYCHOLOGICAL TEST RESULTS: Gross motor function
intact with no overt physical discomfort. Perceptually orientated,
hygiene and grooming good. Speech readily understandable but
over productive. Able to self disclose. Affect variable, able to
smile and laugh, variable with hysterical overtones. States several
suicide attempts. Cooperative, no limit testing.

Living with boyfriend and his two sons and does cooking, laundry
and grocery shopping with boyfriend. Helps with outdoor chores.
Limits contact to boyfriend. Mood swings with current suicidal
feelings in treatment with [REDACTED]. States panic attacks
weekly. Takes Lamictal, Risperdol and Xanax. Currently smokes
and drinks alcohol every other day consuming quarter pint per use.
Last use of street drugs was cocaine 6 weeks ago. Some minimal
memory limits and calculations.

DIAGNOSES: Axis I: Bipolar disorder (by history) with anxiety
attacks. History of drug abuse and alcohol dependence. Axis V: 42.

Needs help with benefit management. [REDACTED]
[REDACTED]. DE 1, pp. 3-5.

(10) [REDACTED], in part:

[REDACTED]: Hospitalized due to suicidal ideation, tried to electrocute self outside and was stopped by two boys. States stopped taking her prescribed antipsychotic medications and began to drink. Physical Examination: [Within normal limits.] Participating in treatment program, taking medications and feeling much better; and making progress. Denies suicidal ideation. Feeling ready to go home. [REDACTED]
[REDACTED]. DE n, pp. 1-8.

[REDACTED]: Doing better after hospitalization. Prescriptions changed to medications covered by her insurance. Still having mood swings, depression and anxiety and panic attacks. Denies suicidal ideation. Medications: Lactimal, Anilify, Xanax, Ativan. To see case manager every 1-3 weeks; and [REDACTED] every 1-3 months.
[REDACTED]. DE N, pp. 9-18.

[REDACTED]: [REDACTED] counselor notified Department that Claimant failed to appear for scheduled appointment and cannot be located.

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 CRF 416.905

In determining whether an individual is disabled, 20 CRF 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 2007; 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 (6th 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 (6th Cir. 1988); *Farris v Sec’y of Health & Human Servs*, 773 F2d 85, 90 (6thCir 1985)

In this case, the Claimant has presented medical evidence of a mental disorder and a substance abuse problem; and the mental disorder would impact performance in basic work activities. The medical evidence has established that Claimant has impairments that have more than a minimal effect on basic work activities; and according to the medical records, Claimant’s mental impairment has lasted continuously for over 12 months. There was no substantial medical evidence that the claimant has physical impairments that prevent basic work activity. See finding of fact 8-10.

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.

The Claimant testified to asthma; and the use of inhalers. The Claimant continues to smoke cigarettes; and any breathing problems would be exacerbated by the Claimant’s continued

smoking; and not necessarily due to physical disabling lung impairment. There was no appropriate medical tests that established lung disease. The Claimant complained of some physical problems. But there are no medical records establishing any physical limitations or loss of function. See finding of facts 8-10

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*; and especially Listing 1.00. 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 substance abuse problem which is not an impairment under Appendix 1 of Subpart P of 20 CFR, Part 404. The Claimant's substance abuse behaviors and any inappropriate mental behaviors cannot be differentiated from behaviors that are the effects of substance abuse.

In this case; and based on a lack of medical records establishing mental limitations with loss of function and physical limitations with 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 breathing problems, mental impairments, described above; and minor physical complaints of pain, which don't cause loss of function. See finding of facts 8-10.

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 2007 at a plastics factory, grocery store and dry cleaners. 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 forty-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: 04/08/09

Date Mailed: 04/09/09

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

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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.

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