

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: 2009-26178  
Issue No: 2009; 4031  
Case No: [REDACTED]  
Load No: [REDACTED]  
Hearing Date:  
August 18, 2009  
Mackinac County DHS

ADMINISTRATIVE LAW JUDGE: Jay W. Sexton

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 August 18, 2009, in St. Ignace. Claimant personally appeared and testified.

The department was represented by Stephanie Neureither (ES/Lead Worker) and Amber Tuzinowski (ESP).

The Administrative Law Judge appeared by telephone from Lansing.

Claimant requested additional time to submit new medical evidence. The new medical evidence was received and submitted to the State Hearing Review Team (SHRT) on March 22, 2010. Claimant waived the timeliness requirement so her new medical evidence could be reviewed by SHRT. After SHRT's second disability denial, the Administrative Law Judge made the final decision below.

ISSUES

(1) Did claimant establish a severe mental impairment expected to preclude her from substantial gainful work, **continuously**, for one year (MA-P) or 90 days (SDA)?

(2) Did claimant establish a severe physical impairment expected to preclude her from substantial gainful work, **continuously**, for one year (MA-P) or 90 days (SDA)?

FINDINGS OF FACT

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

(1) Claimant is an MA-P/retro/SDA applicant (March 2, 2009) who was denied by SHRT (June 25, 2009) based on claimant's ability to perform unskilled light work. SHRT relied on Med-Voc Rule 202.20. Claimant requests retro MA for December 2008 and February 2009.

(2) Claimant's vocational factors are: age--43; education--high school diploma; post high school education--none; work experience--shift manager at [REDACTED], home help aide at [REDACTED], general manager at [REDACTED].

(3) Claimant has not performed Substantial Gainful Activity (SGA) since February 2009 when she was a shift manager for [REDACTED].

(4) Claimant has the following unable-to-work complaints:

- (a) Left knee dysfunction, needs surgery;
- (b) Right knee dysfunction/degenerative disc disease;
- (c) Status post right knee surgery;
- (d) Two herniated discs;
- (e) Unable to sit for long periods;
- (f) Chronic pain.

- (5) SHRT evaluated claimant's medical evidence as follows:

**OBJECTIVE MEDICAL EVIDENCE (June 25, 2009)**

SHRT thinks that claimant is able to perform unskilled light work. SHRT reviewed claimant's impairments using all the Listings at 20 CFR 404, Subpart P, and Appendix 2. SHRT denied disability based on Med-Voc Rule 202.20 as a guide.

\* \* \*

(6) Claimant lives with her roommate and performs the following Activities of Daily Living (ADLs): dressing, bathing, cooking (needs help), dishwashing (sometimes), light cleaning (sometimes), laundry and grocery shopping (sometimes). Claimant was not hospitalized in 2008. In 2009, she was hospitalized for four days to obtain treatment for an infection in the left knee. Claimant uses a cane on a daily basis. She does not use a walker, wheelchair or shower stool. She does not wear braces on her neck, back, arms, or legs.

(7) Claimant has a valid driver's license and does not drive an automobile. Claimant is computer literate.

- (8) The following medical records are persuasive:

- (a) A March 16, 2009 physician's office note was reviewed.

The physician provided the following background:

Claimant comes into the office today for a check-up of her left knee. She had x-rays taken of her bilateral knees at [REDACTED]. She underwent a left arthroscopy on 2/11/2009. She then developed symptoms and symptoms of an infection and was taken to surgery for a repeat left knee arthroscopy on 3/03/09.

**EXAM:** The knee looks significantly better today. She no longer has severe swelling in her calf and knee. She is having pain in the back of her leg. She states her range of motion is better.

**IMPRESSION:**

Claimant is doing significantly better.

- (b) On [REDACTED]  
[REDACTED] report was reviewed.

The radiologist provided the following impression:

- (1) Nonocclusive thrombus involving left popliteal vein;
- (2) Partially ruptured popliteal cyst.

- (c) A [REDACTED]  
[REDACTED] report was produced.

The radiologist provided the following summary:

There are mild degenerative changes in the left knee and most advanced in the patellofemoral and medial compartments. There is mild narrowing of the patellofemoral joint space particularly laterally, and there is mild narrowing of the medial joint space. There is no fracture-dislocation seen and/or any obvious acute bony pathology.

\* \* \*

(9) The probative medical evidence does not establish an acute (non-exertional) mental condition expected to preclude claimant from performing all customary work functions for the required period of time. Claimant does not allege a mental impairment as the basis for her disability. Claimant did not provide a DHS-49D or DHS-49E to establish her mental residual functional capacity.

(10) The probative medical evidence does not establish an acute (exertional) physical impairment expected to prevent claimant from performing all customary work functions for the required period of time. Claimant reports degenerative disc disease of her bilateral knees, two herniated discs, and the inability to sit for long periods. However, the medical records do not establish any severe functional limitations arising out of her physical impairments. Claimant's

knee dysfunction does preclude her from standing for long periods. However, the knee impairments do not prevent claimant from performing sedentary work.

(11) Claimant has not applied for federal disability benefits (SSI) with the Social Security Administration.

CONCLUSIONS OF LAW

**CLAIMANT'S POSITION**

Claimant thinks she is entitled to MA-P/SDA benefits based on the impairments listed in Paragraph #4 above.

**DEPARTMENT'S POSITION**

The department thinks that claimant has a Residual Functional Capacity (RFC) to perform unskilled light work.

The department denied MA-P/SDA benefits based on Med-Voc Rule 202.20 as a guide.

**LEGAL BASE**

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 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).

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 does 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).

The Administrative Law Judge is responsible for making the determination or decision about whether the statutory definition of disability is met. The Administrative Law Judge reviews all medical findings and other evidence that support a medical source's statement of disability.... 20 CFR 416.927(e).

A statement by a medical source finding that an individual is "disabled" or "unable to work" does not mean that disability exists for the purposes of the program. 20 CFR 416.927(e).

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).

A statement by a medical source (MSO) that an individual is “disabled” or “unable to work” does not mean that disability exists for purposes of the program. 20 CFR 416.927(e).

**Claimant has the burden of proof** to show by a preponderance of the medical evidence in the record that her mental/physical impairments meet the department’s definition of disability for MA-P/SDA purposes. PEM 260/261. “Disability,” as defined by MA-P/SDA standards is a legal term which is individually determined by consideration of all factors in each particular case.

### **STEP #1**

The issue at Step 1 is whether claimant is performing Substantial Gainful Activity (SGA). If claimant is working and earning substantial income, she is not eligible for MA-P/SDA.

SGA is defined as the performance of significant duties over a reasonable period of time for pay. Claimants who are working, or otherwise performing Substantial Gainful Activity (SGA), are not disabled regardless of medical condition, age, education or work experience. 20 CFR 416.920(b).

The medical/vocational evidence of record shows that claimant is not currently performing SGA.

Therefore, claimant meets the Step 1 disability test.

**STEP #2**

The issue at Step 2 is whether claimant has impairments which meet the SSI definition of severity/duration. Unless an impairment is expected to result in death, it must have existed, or be expected to exist for a continuous period of at least 12 months. 20 CFR 416.909.

Also, to qualify for MA-P/SDA, the claimant must satisfy both the gainful work and the duration criteria. 20 CFR 416.920(a). If claimant does not have an impairment or combination of impairments that profoundly limit her physical/mental ability to do basic work activities, she does not meet the Step 2 criteria.

Under the *de minimus* rule, claimant meets the severity and duration requirements.

**STEP #3**

The issue at Step 3 is whether the claimant meets the Listing of Impairments in the SSI regulations. Claimant does not allege disability based on the Listings.

SHRT evaluated claimant's eligibility using all the Listings at 20 CFR 404, Subpart F, and Appendix.

Claimant does not meet disability based on the Listings.

**STEP #4**

The issue at Step 4 is whether claimant is able to do her previous work. Claimant previously worked as a shift manager at [REDACTED]. Claimant's work as a shift manager was light, semiskilled work. Claimant's work as a shift manager required her to stand on her feet continuously for an eight-hour shift.

Because of claimant's bilateral knee dysfunction, she was unable to work any position that requires constant standing.

Therefore, claimant meets the Step 4 disability test.

**STEP #5**

The issue at Step 5 is whether claimant has the Residual Functional Capacity (RFC) to do other work.

**Claimant has the burden of proof** to show by the medical/psychological evidence in the record that her mental/physical impairments meet the department's definition of disability for MA-P/SDA purposes.

First, claimant does not allege disability based on a mental impairment.

Second, claimant alleges disability based on: Left knee dysfunction, needs surgery; Right knee dysfunction/degenerative disc disease; status post right knee surgery; two herniated discs; unable to sit for long periods; and chronic pain. There is no probative medical evidence in the record to show that claimant's physical impairments severely limit her ability to function to the degree that she is precluded from working.

Third, claimant alleges disability based on chronic pain. Claimant testified that a major impediment to her return to work was her chronic pain. Unfortunately, evidence of pain, alone, is insufficient to establish disability for MA-P/SDA purposes.

The Administrative Law Judge concludes that claimant's testimony about her pain is profound and credible, but out of proportion to the objective medical evidence as it relates to claimant's ability to work.

In summary, the Administrative Law Judge is not persuaded that claimant is totally unable to work based on her combination of impairments. Currently, claimant performs many activities of daily living, has an active social life with her roommate and is computer literate.

Considering the entire medical record, in combination with claimant's testimony, the Administrative Law Judge concludes that claimant is able to perform simple, unskilled sedentary

work (SGA). In this capacity, she was able to work as a ticket taker for a theater, as a parking lot attendant, and as a greeter for [REDACTED]. Claimant is able to perform sedentary work from a wheelchair.

Based on this analysis, the department correctly denied claimant's MA-P/SDA application, based on Step 5 of the sequential analysis as presented above.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that claimant does not meet the MA-P/SDA disability requirements under PEM 260/261.

Accordingly, the department's denial of claimant's MA-P/SDA is, hereby, AFFIRMED.

SO ORDERED

/s/ \_\_\_\_\_  
Jay W. Sexton  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: March 26, 2010

Date Mailed: March 29, 2010

**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.

JWS/tg

cc:

