### STATE OF MICHIGAN STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

## ADMINISTRATIVE HEARINGS FOR THE DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

Claimant

2009-33516 Reg. No.: 2010-25625 Issue No.: 2009 Case No.:

Load No.:

Hearing Date: December 7, 2009 Wayne County DHS (82) Wayne County DHS (19)

ADMINISTRATIVE LAW JUDGE: Linda Steadley Schwarb

### 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

December 7, 2009. Claimant appeared and testified. Claimant was represented by

Following the hearing, the record was kept open for the receipt of additional

medical evidence. Additional documents were received and reviewed.

# ISSUE

Did the Department of Human Services (DHS or department) properly determine that

claimant is not "disabled" for purposes of the Medical Assistance (MA-P) program?

### FINDINGS OF FACT

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

- On March 31, 2009, an application was filed on claimant's behalf by authorized representative, seeking MA-P benefits for claimant retroactive to December of 2008.
- On April 30, 2009, the department denied claimant's application for benefits
  based upon the belief that claimant did not meet the requisite disability criteria.
- 3) On July 20, 2009, claimant's authorized representative, **and the set of th**
- 4) On September 9, 2009, authorized representative, **100**, filed an application on claimant's behalf seeking MA-P benefits retroactive to August of 2009.
- 5) On February 2, 2010, the department denied claimant's September 9, 2009, application based upon the belief that claimant did not meet the requisite disability criteria.
- 6) On February 16, 2010, claimant's authorized representative, **100**, filed a hearing request on claimant's behalf to protest the department's determination.
- 7) Claimant, age 27, has a tenth-grade education.
- 8) Claimant last worked in 2006 as a cashier at **Claimant's relevant** work history consists exclusively of unskilled work activities.
- 9) Claimant has a history of perforated gastric ulcer and chronic bowel obstruction with chronic bowel dilation. Claimant has undergone ileostomies which have been removed and then later replaced.
- 10) Claimant has had numerous hospitalizations with multiple abdominal surgeries for chronic small bowel obstructions and chronic bowel dilation.

- Claimant currently suffers from Hirschprung's Disease (megacolon) with current ileostomy bag; chronic abdominal pain with frequent nausea, vomiting, fatigue, weakness, and weight loss.
- 12) Claimant's complaints and allegations concerning her impairments and limitations, when considered in light of all objective medical evidence, as well as the record as a whole, reflect an individual who is so impaired as to be incapable of engaging in any substantial gainful activity on regular and continuing basis.
- 13) Following the hearing, claimant's authorized representative, agreed to withdraw its hearing request and rely on the outcome of the December 7, 2009, hearing.

#### 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 the impairment(s), residual functional capacity, and vocational factors (i.e., age, education, and work experience) are assessed in that order. When a determination that an individual is or is not disabled can be made at any step in the sequential evaluation, 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. 20 CFR 416.920(b). In this case, claimant is not working. Therefore, claimant may not be disqualified for MA at this step in the sequential evaluation process.

Secondly, 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 means 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).

The purpose of the second step in the sequential evaluation process is to screen out claims lacking in medical merit. *Higgs v. Bowen* 880 F2d 860, 862 (6<sup>th</sup> Cir, 1988). As a result, the department may only screen out claims at this level which are "totally groundless" solely from a medical standpoint. The *Higgs* court used the severity requirement as a "*de minimus* hurdle" in the disability determination. The *de minimus* standard is a provision of a law that allows the court to disregard trifling matters.

In this case, claimant has presented the required medical data and evidence necessary to support a finding that claimant has significant physical and mental limitations upon her ability to perform basic work activities such as walking, standing, lifting, pushing, pulling, reaching, carrying, or handling. Medical evidence has clearly established that claimant has an impairment (or combination of impairments) that has more than a minimal effect on claimant's work activities. See Social Security Rulings 85-28, 88-13, and 82-63.

In the third step of the sequential consideration of a disability claim, the trier of fact must determine if the claimant's impairment (or combination of impairments) is listed in Appendix 1 of Subpart P of 20 CFR, Part 404. This Administrative Law Judge finds that the claimant's medical record will not support a finding that claimant's impairment(s) is a "listed impairment" or equal to a listed impairment. See Appendix 1 of Subpart P of 20 CFR, Part 404, Part A. Accordingly, claimant cannot be found to be disabled based upon medical evidence alone. 20 CFR 416.920(d).

In the fourth step of the sequential consideration of a disability claim, the trier of fact must determine if the claimant's impairment(s) prevents claimant from doing past relevant work. 20 CFR 416.920(e). It is the finding of this Administrative Law Judge, based upon the medical

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evidence and objective, physical and psychological findings, that claimant is not capable of the walking, standing, or lifting required by her past relevant employment. Claimant has presented the required medical data and evidence necessary to support a finding that she is not, at this point, capable of performing such work.

In the fifth step of the sequential consideration of a disability claim, the trier of fact must determine if the claimant's impairment(s) prevents claimant from doing other work. 20 CFR 416.920(f). This determination is based upon the claimant's:

- (1) residual functional capacity defined simply as "what can you still do despite you limitations?" 20 CFR 416.945;
- (2) age, education, and work experience, 20 CFR 416.963-.965; and
- (3) the kinds of work which exist in significant numbers in the national economy which the claimant could perform despite his/her limitations. 20 CFR 416.966.

See *Felton v DSS*, 161 Mich. App 690, 696 (1987). Once claimant reaches Step 5 in the sequential review process, claimant has already established a *prima facie* case of disability. *Richardson v Secretary of Health and Human Services*, 735 F2d 962 (6<sup>th</sup> Cir, 1984). At that point, the burden of proof is on the state to prove by substantial evidence that the claimant has the residual functional capacity for substantial gainful activity.

In this case, claimant has a history of perforated gastric ulcer and chronic small bowel obstruction with chronic bowel dilation. Claimant has undergone numerous abdominal surgeries as a result of ileus and bowel obstructions/dilation. She has had ileostomies performed, reversed, and replaced. At the time of the hearing, claimant had an ileostomy bag and did not have sufficient insurance to allow removal. Claimant has been diagnosed with Hirschprung's Disease

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(megacolon) with ileostomy bag. She suffers chronic abdominal pain, nausea, vomiting, fatigue, weakness, and weight loss. Claimant is also said to suffer from depression.

After careful review of claimant's extensive medical record and the Administrative Law Judge's personal interaction with claimant at the hearing, this Administrative Law Judge finds that claimant's exertional and non-exertional impairments render claimant unable to engage in a full range of even sedentary work activities on a regular and continuing basis. 20 CFR 404, Subpart P, Appendix 11, Section 201.00(h). See Social Security Ruling 83-10; *Wilson v Heckler*, 743 F2d 216 (1986). The department has failed to provide vocational evidence which establishes that claimant has the residual functional capacity for substantial gainful activity and that, given claimant's age, education, and work experience, there are significant numbers of jobs in the national economy which the claimant could perform despite claimant's limitations. Accordingly, this Administrative Law Judge concludes that claimant is disabled for purposes of the MA program.

#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that claimant meets the definition of medically disabled under the Medical Assistance program as of December of 2008.

Accordingly, the department is ordered to initiate a review of the March 31, 2009, and September 9, 2009, applications, if it has not already done so, to determine if all other non medical eligibility criteria are met. The department shall inform claimant and her respective

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authorized representatives of its determination(s) in writing. Assuming that claimant is otherwise eligible for program benefits, the department shall review claimant's continued eligibility for program benefits in June of 2011.

Linda Steadley Schwarb

Administrative Law Judge for Ismael Ahmed, Director Department of Human Services

Date Signed: June 10, 2010

Date Mailed: June 10, 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 mailing 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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