

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: 2009-1639

Issue No: 2009/4031

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

December 11, 2008

Jackson County DHS

ADMINISTRATIVE LAW JUDGE: Jana A. Bachman

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, an in-person hearing was held on December 11, 2008. Claimant was represented by [REDACTED]

ISSUE

Whether claimant is disabled for purposes of Medical Assistance (MA) and State Disability Assistance (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) November 27, 2007, claimant applied for MA, retroactive MA, and SDA.
- (2) On unknown date, the Medical Review Team (MRT) approved claimant's SDA.

June 27, 2008, the Medical Review Team (MRT) denied claimant's MA application and claimant's SDA medical review. Department Exhibit A.

(3) July 1, 2008, the department sent claimant written notice that her MA application was denied and her SDA medical review was denied.

(4) September 25, 2008 and September 29, 2008, the department received claimant's timely requests for hearing.

(5) August 5, 2008 and October 28, 2008, the State Hearing Review Team (SHRT) denied claimant's MA application and SDA medical review. Department Exhibit B.

(6) December 11, 2008, claimant's in-person hearing was held.

(7) Claimant asserts disability based on impairments caused by diabetes, hypertension, congestive heart failure, blood clot disorder, asthma, obesity, bipolar disorder, depression, social anxiety, and agoraphobia.

(8) Claimant testified at hearing. Claimant is 29 years old, 5'3" tall, and weighs 350 pounds. Claimant completed high school and is able to read, write, and perform basic math. Claimant's driver's license is expired. Claimant cares for her needs at home.

(9) Claimant's past relevant employment has been as a bill collector, nurse aide, fast food crew member, and in telemarketing.

(10) June 3, 2008, claimant underwent an independent psychiatric assessment and a narrative report was prepared. AXIS I diagnoses were history of alcohol dependence; history of polysubstance; bipolar disorder mixed type; and social phobia. GAF was assessed as 60. Claimant was cooperative, motivated, verbally responsive, and attempted all tasks and worked diligently at exam. Eye contact was good. Thoughts were logical, organized and goal directed. Communication was age appropriate. Mood was euthymic. She demonstrated good confidence in her own abilities and used problem solving strategies for task completion. Responses were within normal limits. Contact with reality was good. Motor activity was within normal limits. Thought

content was appropriate with no apparent thought disorder. Claimant denied visual or auditory hallucinations, delusions, persecutions, obsessions, thoughts of being controlled by others, unusual powers, worthlessness, weight change, suicidal or homicidal ideation. Memory, information, concentration, abstract thinking, and judgment appear to be within normal limits. Department Exhibit A, pgs 3-5A.

(11) August 29, 2007, claimant was admitted to hospital for treatment of left lower extremity deep venous thrombosis. Treatment notes indicate claimant also has diabetes type 2, morbid obesity, recurrent deep venous thrombosis history, episode of gross hematuria in 2004; depression; suspected sleep apnea/obesity hypoventilation syndrome; and restless leg syndrome. Claimant was treated with medication and discharged on August 30, 2007. Department Exhibit A, pgs 99-109.

(12) February 14, 2008, claimant underwent an independent physical exam and a narrative report was prepared. The report indicates working diagnoses of non insulin dependent diabetes type 2; hypertension; history of hyperlipidemia; history of chronic smoker with nicotine dependence; morbid obesity; gastroesophageal reflux disease; history of recurrent venous thrombosis, three episodes with pulmonary embolism; mood disorder, recurrent, depression, possible bipolar; intermittent lower back pain which is probably musculoskeletal; right knee pain which needs further evaluation; history of polysubstance abuse and alcohol in the past. Patient reports still drinking occasionally but denies illicit drug use since 1997 except for [REDACTED]. Physical exam revealed heart has regular rate and rhythm with no murmurs or gallops. Lung expansion was normal. Percussion was normally resonant. Bronchovesicular breath sounds heard up to the bases with no rhonchi or crackles. Abdomen has no tenderness or masses. Liver size is 14 cm in the midclavicular line. There is no evidence of splenomegaly or collateral circulation.

No ascites. Bowel sounds are active. There is no edema in the extremities. Peripheral pulses are well felt and there are no clubbing of the fingers. Neck has normal range of motion. Dorsal lumbar spine has no localized tenderness or deformity. Patient could bend fairly well and touch her toes. Flexion was 70; extension 15. Right and left lateral bending were 15 degrees. Bilateral shoulders, elbows, and wrists were normal. The left knee was normal. The right knee had swelling with 2+ tenderness and a small amount of fluid. Flexion was 75 degrees. Extension was normal. Patient ambulated fairly stably. She could get on the toes and did heel toe walking but could not sustain. She was alert and oriented x 3 with normal speech. Cranial nerves 2-12 are non focal. No evidence of diabetic retinopathy, exudates or hemorrhages. Bulk, tone, and strength were normal. Reflexes were symmetrically absent in the lower extremities. Sensation was intact to touch, pin prick, and vibration in lower extremities bilaterally. No evidence of incoordination. Doctor viewed lumbosacral spinal x-rays that were performed in November 2006 and were negative. Right knee x-ray from March 2005 shows that there was a surgical screw through the proximal right tibia which was pretty large and no new effusion was noted. CT scan of March 2004 was negative. Chest x-ray done December 2003 was negative. Echo done in March 2005 showed that the left ventricle was normal in size with normal systolic function but ejection fraction was 45% indicating non ischemic cardiomyopathy. Independent medical exam from February 14, 2008, Department Exhibit A, pgs 72-75.

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).

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 do 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).

For mental disorders, severity is assessed in terms of the functional limitations imposed by the impairment. Functional limitations are assessed using the criteria in paragraph (B) of the listings for mental disorders (descriptions of restrictions of activities of daily living, social functioning; concentration, persistence, or pace; and ability to tolerate increased mental demands associated with competitive work).... 20 CFR, Part 404, Subpart P, App. 1, 12.00(C).

If an individual fails to cooperate by appearing for a physical or mental examination by a certain date without good cause, there will not be a finding of disability. 20 CFR 416.994(b)(4)(ii).

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).

At Step 1, claimant is not engaged in substantial gainful activity and so is not disqualified from receiving disability at Step 1.

At Step 2, the objective medical evidence of record indicates that claimant has bipolar disorder mixed type and social phobia. Claimant also has history of polysubstance abuse with occasion current use of [REDACTED] and [REDACTED]. In June 2008, claimant's cognitive functions were within normal limits. GAF was assessed at 60, indicative of mild to moderate symptoms or difficulties. The objective medical evidence of record indicates that claimant has some swelling and pain in her right knee and mechanical low back pain. Claimant was able to complete most orthopedic maneuvers. The record does not indicate claimant has severe impairments due to any physical condition. Finding of Fact 10-12; DSM IV, 1994 R.

At Step 2, the objective medical evidence of record is not sufficient to establish that claimant has severe impairments that have lasted or are expected to last 12 months or more and prevent employment at any job for 12 months or more. Therefore, claimant is disqualified from receiving disability at Step 2.

At Step 3, claimant's impairments do not rise to the level necessary to be specifically disabling by law.

At Step 4, claimant's past relevant employment has been as a bill collector, nurse aide, fast food crew member, and telemarketing. See discussion at Step 2 above. The objective

medical evidence of record appears to establish that claimant would have difficulty performing the duties required by her past relevant employment as a nurse aide and fast food crew member. The objective medical evidence is not sufficient to establish that claimant is incapable of performing past relevant employment as a telemarketer or bill collector. See discussion at Step 2 above. Finding of Fact 9-12.

At Step 4, the objective medical evidence of record is not sufficient to establish that claimant has functional impairments that prevent claimant for a period of 12 months or more, from engaging in a full range of duties required by claimant's past relevant employment as a telemarketer and bill collector. Therefore, claimant is disqualified from receiving disability at Step 4.

The residual functional capacity is what an individual can do despite limitations. All impairments will be considered in addition to ability to meet certain demands of jobs in the national economy. Physical demands, mental demands, sensory requirements and other functions will be evaluated.... 20 CFR 416.945(a).

To determine the physical demands (exertional requirements) of work in the national economy, we classify jobs as sedentary, light, medium and heavy. These terms have the same meaning as they have in the Dictionary of Occupational Titles, published by the Department of Labor.... 20 CFR 416.967.

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).

Light work. Light work involves lifting no more than 20 pounds at a time with frequent lifting or carrying of objects weighing up to 10 pounds. Even though the weight lifted may be very little, a job is in this category when it requires a good deal of walking or standing, or when it involves sitting most of the time with some pushing and pulling of arm or leg controls....

20 CFR 416.967(b).

Medium work. Medium work involves lifting no more than 50 pounds at a time with frequent lifting or carrying of objects weighing up to 25 pounds. If someone can do medium work, we determine that he or she can also do sedentary and light work. 20 CFR 416.967(c).

Heavy work. Heavy work involves lifting no more than 100 pounds at a time with frequent lifting or carrying of objects weighing up to 50 pounds. If someone can do heavy work, we determine that he or she can also do medium, light, and sedentary work. 20 CFR 416.967(d).

At Step 5, see discussions at Steps 2-4 above. Finding of Fact 10-12.

At Step 5, the objective medical evidence of record is sufficient to establish that claimant retains the residual functional capacity to perform unskilled, light work activities. Considering claimant's Vocational Profile (younger individual, high school education, and history of unskilled work) and relying on Vocational Rule 202.20, claimant is not disabled. Accordingly, claimant is disqualified from receiving disability at Step 5.

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).

2004 PA 344, Sec. 604, establishes the State Disability Assistance program. It reads in part:

Sec. 604 (1) The department shall operate a state disability assistance program. Except as provided in subsection (3), persons eligible for this program shall include needy citizens of the United States or aliens exempt from the Supplemental Security Income citizenship requirement who are at least 18 years of age or emancipated minors meeting one or more of the following requirements:

- (a) Recipient of Supplemental Security Income, Social Security or Medical Assistance due to disability or 65 years of age or older.
 - (b) A person with a physical or mental impairment which meets federal SSI disability standards, except that the minimum duration of the disability shall be 90 days. Substance abuse alone is not defined as a basis for eligibility.
 - (c) A resident of an adult foster care facility, a home for the aged, a county infirmary, or a substance abuse treatment center.
 - (d) A person receiving 30-day post-residential substance abuse treatment.
 - (e) A person diagnosed as having Acquired Immunodeficiency syndrome (AIDs).
 - (f) A person receiving special education services through the local intermediate school district.
 - (g) A caretaker of a disabled person as defined in subdivision (a), (b), (e), or (f) above.
- (2) Applicants for and recipients of the State Disability Assistance program shall be considered needy if they:
- (a) Meet the same asset test as is applied to applicants for the Family Independence Program.
 - (b) Have a monthly budgetable income that is less than the payment standard.

- (3) Except for a person described in subsection (1)(c) or (d), a person is not disabled for purposes of this section if his or her drug addiction or alcoholism is a contributing factor material to the determination of disability. 'Material to the determination of disability' means that, if the person stopped using drugs or alcohol, his or her remaining physical or mental limitations would not be disabling. If his or her remaining physical or mental limitations would be disabling, then the drug addiction or alcoholism is not material to the determination of disability and the person may receive State Disability Assistance. Such a person must actively participate in a substance abuse treatment program, and the assistance must be paid to a third party or through vendor payments. For purposes of this section, substance abuse treatment includes receipt of inpatient or outpatient services or participation in Alcoholics Anonymous or a similar program. 1995 PA 156, Sec. 605.
- (4) A refugee or asylee who loses his or her eligibility for the federal Supplemental Security Income program by virtue of exceeding the maximum time limit for eligibility as delineated in Section 402 of Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 U.S.C. 1612, and who otherwise meets the eligibility criteria under this section shall be eligible to receive benefits under the State Disability Assistance program.

After careful examination of the record and for reasons discussed at Steps 2-5 above, the Administrative Law Judge decides that claimant no longer has severe impairments that prevent work for 90 days or more. It appears that at last positive decision, claimant was recovering from deep vein thrombosis and had been hospitalized due to depression and suicidal ideation. At medical review, claimant was determined to have mild to moderate cognitive difficulties or symptoms. She had mechanical back pain and some swelling and pain in her right knee. Claimant had few, mild impairments due to these conditions. See discussions at Steps 2-5 above. Finding of Fact 9-12.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides claimant has not established disability from Medical Assistance and is no longer disabled for State Disability Assistance.

Accordingly, the department's action is, hereby, UPHELD.

/s/

Jana A. Bachman
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: January 8, 2010

Date Mailed: January 15, 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.

JAB/db

cc:

