

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.: 2010-17378  
Issue No.: 2009, 4031  
Case No.: [REDACTED]  
Load No.: [REDACTED]  
Hearing Date:  
April 19, 2010  
Oakland County DHS (04)

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 April 19, 2010. Claimant appeared and testified. 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 no longer "disabled" for purposes of the Medical Assistance (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) Claimant has been an ongoing recipient of MA-P and SDA benefits based upon a September 25, 2007, application.
- 2) Following a review of ongoing eligibility, on November 25, 2009, the department notified claimant that it intended to terminate his case effective January 1, 2010, based upon the belief that claimant no longer met the requisite disability criteria.
- 3) On December 21, 2009, claimant filed a hearing request to protest the department's determination.
- 4) On January 1, 2010, the department terminated claimant's MA-P and SDA case.
- 5) At the hearing, the department agreed to re-open MA-P pending the outcome of the instant hearing.
- 6) Claimant, age 43, has a high-school education. Claimant reports having received special education services from grades four through twelve.
- 7) Claimant last worked in 2002 as a lawn maintenance worker. Claimant has also performed relevant work as an assembly line worker. Claimant's relevant work history consists exclusively of unskilled work activities.
- 8) Claimant currently suffers from severe degenerative disc disease of the lumbar spine with a history of laminectomy at L4-L5; severe chronic obstructive pulmonary disease/asthma (most recent pulmonary function test documented severe obstructive disease); chronic anxiety; and history of Hodgkins lymphoma, Stage I, in complete remission post combined chemotherapy and radiation therapy.
- 9) When comparing current medication documentation with documentation from the most recent Medical Review Team (MRT) approval on August 12, 2008, it is

found that medical improvement of claimant's condition has not occurred as there has been no decrease in the severity of claimant's impairments as shown by changes in symptoms, signs, and/or laboratory findings.

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

Once an individual has been determined to be "disabled" for purposes of disability benefits, continued entitlement to benefits must be periodically reviewed. In evaluating whether an individual's disability continues, 20 CFR 416.994 requires the trier of fact to follow a sequential evaluation process by which current work activities, severity of impairment(s), and the possibility of medical improvement and its relationship to the individual's ability to work are assessed. Review may cease and benefits may be continued at any point if there is

substantial evidence to find that the individual is unable to engage in substantial gainful activity. 20 CFR 416.994(b)(5).

First, the trier of fact must determine if the individual is working and if work is substantial gainful activity. 20 CFR 416.994(b)(5)(i). In this case, claimant is not currently working. Accordingly, claimant may not be disqualified for MA at this step in the sequential evaluation process.

Secondly, if the individual has an impairment or combination of impairments which meet or equal the severity of an impairment listed in Appendix 1 to Subpart P of Part 404 of Chapter 20, disability is found to continue. 20 CFR 416.994(b)(5)(ii). This Administrative Law Judge finds that claimant's impairments are not "listed impairments" or equal to listed impairments. Accordingly, the sequential evaluation process must continue.

In the third step of the sequential evaluation, the trier of fact must determine whether there has been medical improvement as defined in 20 CFR 416.994(b)(1)(i). 20 CFR 416.994(b)(5)(iii). Medical improvement is defined as any decrease in the medical severity of the impairment(s) which was present at the time of the most recent favorable medical decision that the claimant was disabled or continues to be disabled. A determination that there has been a decrease in medical severity must be based on changes (improvement) in the symptoms, signs, and/or laboratory findings associated with claimant's impairment(s). If there has been medical improvement as shown by a decrease in medical severity, the trier of fact must proceed to Step 4 (which examines whether the medical improvement is related to the claimant's ability to do work). If there has been no decrease in medical severity and thus no medical improvement, the trier of fact moves to Step 5 in the sequential evaluation process.

In this case, claimant's most recent approval for MA-P by the MRT was on August 12, 2008. It appears that approval was largely based upon the opinion of claimant's treating oncologist which was dated [REDACTED]. At that point, the oncologist who had treated claimant for Hodgkins lymphoma opined that claimant was limited to lifting less than ten pounds and limited to standing and walking less than two hours in an eight-hour work day and sitting less than six hours in an eight-hour work day. More recently, on [REDACTED], claimant's treating primary care provider diagnosed claimant with lumbar disc disease, arthritis, and Hodgkins lymphoma. The physician opined that claimant was limited to occasionally lifting less than ten pounds as well as standing and walking less than two hours in an eight-hour work day and sitting less than six hours in an eight-hour work day. The physician found that claimant was incapable of repetitive activities with the bilateral upper and lower extremities. On [REDACTED], claimant was seen by a consulting internist for the department. The consultant provided the following diagnoses:

1. COPD, radiation exposure to chest area; shortness of breath exertional.
2. Low back pain, failed back syndrome with left radiculopathy.
3. Osteoarthritis of the hands, neck with stiffness and pain; needs to be on NSAID and need to be checked also for inflammatory arthritis.
4. Hodgkins lymphoma on remission.
5. Anxiety.

On [REDACTED], claimant's treating oncologist indicated that claimant's Stage I Hodgkins disease was in complete remission. On [REDACTED] a pulmonary function test with pre- and post-bronchodilator testing revealed a severe obstruction. A [REDACTED], MRI of the lumbar spine documented disc bulging at L2-L3; disc bulging and endplate spondylosis at L3-L4 resulting in mild foraminal narrowing; disc bulging, endplate spondylosis and presumed left laminectomy at L4-L5 resulting in left greater than right foraminal stenosis and probable

impingement upon the exiting L4 nerve root; and disc bulging and facet hypertrophy at L5-S1 resulting in mild foraminal narrowing and disc/bone material possibly abutting the exiting L5 nerve root. On [REDACTED], claimant's treating physician wrote as follows:

"... has been a patient of mine for the past 6 years. It is my opinion that [claimant] is totally disabled due to a variety of conditions. It is noted that [claimant] does suffer chronic pain secondary to severe lumbar disc disease along with degenerative arthritis in his lower back. Repeat MRI scans done of his back does confirm the existence of severe degenerative disc disease.... The patient also suffers from severe COPD/asthma. His last PFT did reveal severe obstructive disease with a lung age of 159 years.... The patient is on multiple medicines for his COPD. The patient also has been treated by oncology/hematology for Hodgkins lymphoma. He is currently in remission.... The patient also suffers from chronic arthritis.... Last, the patient does suffer from chronic anxiety. This anxiety comes from his underlying debilitating physical conditions that manifest themselves in the patient getting frequent panic attacks and anxiety.... It is my professional opinion that the patient is totally disabled and unfortunately his prognosis is fair."

On [REDACTED], the treating physician diagnosed claimant with lumbar disc disease, severe COPD, chronic anxiety, and status post Hodgkins lymphoma. The physician indicated that claimant is limited to lifting less than ten pounds and demonstrates limitations with comprehension, memory, and sustained concentration. In this case, after comparing past medical documentation with current medical documentation, the undersigned Administrative Law Judge finds that there has been no medical improvement in claimant's condition.

In the fifth step of the sequential evaluation, the trier of fact must consider whether any of the exceptions in 20 CFR 416.994(b)(3) and (b)(4) apply. If none of them apply, claimant's disability must be found to continue. 20 CFR 416.994(b)(5)(v).

The first group of exceptions to medical improvement (i.e., when disability can be found to have ended even though medical improvement has not occurred), found in 20 CFR 416.994(b)(3), are as follows:

- (1) Substantial evidence shows that the claimant is the beneficiary of advances in medical or vocational therapy or technology (related to claimant's ability to work).
- (2) Substantial evidence shows that the claimant has undergone vocational therapy (related to claimant's ability to work).
- (3) Substantial evidence shows that based on new or improved diagnostic or evaluative techniques, claimant's impairment(s) is not as disabling as it was considered to be at the time of the most recent favorable medical decision.
- (4) Substantial evidence demonstrates that any prior disability decision was in error.

In examining the record, this Administrative Law Judge finds that there is nothing to suggest that any of the exceptions listed applies to claimant's case.

The second group of exceptions is medical improvement, found at 20 CFR 416.994(b)(4), are as follows:

- (1) A prior determination was fraudulently obtained.
- (2) Claimant did not cooperate.
- (3) Claimant cannot be located.
- (4) Claimant failed to follow prescribed treatment which would be expected to restore claimant's ability to engage in substantial gainful activity.

After careful review of the record, this Administrative Law Judge finds that none of the above-mentioned exceptions applies to claimant's case. Accordingly, per 20 CFR 416.994, this Administrative Law Judge concludes that claimant's disability for purposes of the MA program must continue.

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).

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 90 days. Receipt of SSI or RSDI benefits based upon disability or blindness or the receipt of MA benefits based upon 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 Item 261. Inasmuch as claimant continues to be “disabled” for purposes of MA, he must also be found to continue to be “disabled” for purposes of the SDA program.

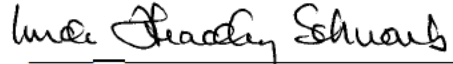
#### DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that claimant continues to meet the definition of medically disabled under the Medical Assistance and State Disability Assistance programs.

Accordingly, the department’s determination in this matter is hereby reversed. The department is ordered to maintain claimant’s eligibility for Medical Assistance and, as appropriate, reinstate claimant’s State Disability Assistance program benefits if claimant is



otherwise eligible for those program benefits. The department should review claimant's continued eligibility for Medial Assistance and State Disability Assistance in July of 2011.



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

Date Signed: July 15, 2010

Date Mailed: July 16, 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.

LSS/pf

cc:

