

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No: 2010-33963

Issue No: 2009; 4031

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

June 16, 2010

Newaygo County DHS

**ADMINISTRATIVE LAW JUDGE:** Landis Y. Lain

**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 June 16, 2009. Claimant personally appeared and testified. Claimant was represented at the hearing by [REDACTED]

**ISSUE**

Did the Department of Human Services (the department) properly deny claimant's application for Medical Assistance (MA-P) 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) On February 16, 2010, claimant filed an application for Medical Assistance and State Disability Assistance benefits alleging disability.
- (2) On March 30, 2010, the Medical Review Team denied claimant could perform other work.
- (3) On April 8, 2010, the department case worker sent claimant notice that his application was denied.
- (4) On May 10, 2010, claimant filed a request for a hearing to contest the department's negative action.
- (5) On May 24, 2010, the State Hearing Review Team again denied claimant's application stating in its analysis and recommendation: The evidence supports that claimant would reasonably be limited to perform a

light exertional task. The claimant's impairments do not meet/equal the intent or severity of a Social Security Listing. The medical evidence of record indicates that the claimant retains the capacity to perform a wide range of light exertional work. Therefore, based on the claimant's vocational profile of 53 years, high school education and a history of heavy semi-skilled employment, Medicaid-P is denied using Vocational Rule 202.15 as a guide. Retroactive Medicaid-P was considered in this case and is also denied. State Disability Assistance is denied per PEM 261 because the nature and severity of the claimant's impairments would not preclude work activity at the above stated level for 90 days. The claimant's past relevant work is best described as: construction worker 1, 4H, 869.664-014. Past skills are transferrable to: assembler, billiard table, 3L, 732.384-010; the last line tank repairer, 3L, 779.684-026; and umbrella repairer, 4L, 369.684-018. Listings 1.02, 1.03, 1.04, 2.02 and 11.14 were considered in the determination.

- (6) The hearing was held on June 16, 2010. At the hearing, claimant waived the time periods and requested to submit additional medical information.
- (7) Additional medical information was submitted and sent to the State Hearing Review Team on July 12, 2010.
- (8) On July 14, 2010, the State Hearing Review Team again denied claimant's application stating that claimant reported multiple injuries with chronic pain and limitations in his neck, back, shoulders, arms, and knees. Examination on April 2010, he had no muscle atrophy in the hands and his fine and gross dexterity were intact. There was no muscle atrophy in the leg at that time, but he did appear somewhat de-conditioned. In June 2010, there is no indication of any muscle atrophy in his arms/hands or legs, but he did have muscle weakness. His limitation in motion was related to pain. The June 2010, examination did not specify dexterity. He is able to ambulate without assistance although wide based. The claimant's consulting physician has given less than sedentary work restrictions based on the claimant's physical impairments. However, this medical source opinion (MSO) is inconsistent with the great weight of the objective medical evidence and per 20 CFR 416.927(c)(2)(3)(4) and 20 CFR 416.927(d)(3)(4)(5), will not be given controlling weight. The collective objective medical evidence shows that the claimant is capable of performing light work. The claimant's impairments do not meet/equal the intent or severity of a Social Security Listing. The medical evidence of record indicates that the claimant retains the capacity to perform a wide range of light work. In lieu of detailed work history, the claimant will be returned to other work. Therefore, based on the claimant's vocational profile of closely approaching advanced age, high school education and a history of construction, MA-P is denied using Vocational Rule 202.13 as a guide. Retroactive MA-P was considered in this case and is also denied.

SDA is denied per PEM 261 because the nature and severity of the claimant's impairment's would not preclude work activity at the above stated level for 90 days.

- (9) Claimant is a 53-year-old man whose birth date is [REDACTED]. Claimant is 5'9" tall and weighs 198 pounds. Claimant is a high school graduate. Claimant is able to read and write and does have basic math skills.
- (10) Claimant last worked 2007 as a construction laborer. Claimant has also worked as a gas station service attendant and cutting firewood.
- (11) Claimant alleges as disabling impairments: degenerative disc disease, knee pain, cataracts, neck problems, and hypertension. Claimant denies any mental impairment's.

### **CONCLUSIONS OF LAW**

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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) 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).

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).

At Step 1, claimant is not engaged in substantial gainful activity and has not worked since 2007. Claimant is not disqualified from receiving disability at Step 1.

The objective medical evidence on the record indicates that claimant testified that he lives alone in a house and his family and friends have been supporting him and he sold his sports equipment. Claimant testified that he is single with no children under 18 and has no income but receives Food Assistance Program benefits. Claimant testified that he doesn't have a driver's license because he had a DUI six years ago and his sister takes him where he needs to go. Claimant testified that he does cook 1-2 times per day and cooks things like hamburger, pork and fish. He does grocery shop 1-2 times per month and he usually needs a ride, but could shop with no help. Claimant testified that he does do dishes, sleep and do laundry and the last time he fished and hunt was this year about a month before the hearing and he watches TV 12 hours per day. Claimant testified that he can stand for 10 minutes, sit for 15-20 minutes, and walk about 100 yards. Claimant testified that he can squat but it's hard to get up and he could bend at the waist partially. Claimant testified that he can shower and dress himself, tie his shoes, and touch his toes. His level of pain on a scale from 1-10 without medication is an 8-9 and with medication is a 6. Claimant testified that he is right handed and his hands and arms hurt and his knees give him problems but his legs and feet are fine otherwise. Claimant testified that he can carry 30 pounds and can carry 10 pounds repetitively. He does smoke 1-2 packs of cigarettes per day and his doctor has told him to quit and he is not in a smoking cessation program. Claimant testified that he does drink 5-6 beers per week and he stopped smoking marijuana 9-10 years ago. Claimant testified that in a typical day he brushes his teeth, drinks coffee, watches TV and lies down for 2 hours per day. Claimant testified that he goes from side to side and then goes bed between 10 and 11 and he doesn't sleep well all night. Claimant testified that hasn't looked for work since 2007 because he doesn't feel he can do it. Claimant testified that he just cleans around the house.

The claimant had cataract surgery on page 22 with OD being corrected and current OS being 20/400 corrected. The claimant has a history of having been injured with a saw to the left shoulder which required surgical correction. Treating physician notes, page 16, only note the need for frequent position changes. The Social Security Administration sent the claimant for an examination. The examination showed some minor reduced range of motion throughout most major joints. There was an x-ray of the lower back which only showed minimal degenerative changes at L2 and pulmonary function study which was within normal limits.

In June 2010, the claimant's passive range of motion was reduced by pain bilaterally. Muscle testing of his shoulder showed the right was 4/5 and the left 3/5. He has positive tinell's sign. Phalen's and reversed phalen's bilaterally. Sensation was decreased to pin prick in the C6 nerve root dermatome. Straight leg raise was positive for pain at 20 degrees on the right and 40 degrees on the left. He ambulated with a moderate wide base antalgic gait. He had moderate pain on palpation of the low back, with heel and toe walking. Muscle testing was 4/5 in the bilateral legs. Sensation was decreased to pin prick in the L5-S1 nerve root dermatome. Patella reflex and Achilles reflex were decreased on the right and normal on the left. The doctor opined that the claimant's activities should be limited to activities of daily living only.

On physical examination claimant was 5'8" tall and weighed 190 pounds. His pulse was 91. Blood pressure 147/113 and 142/92. His uncorrected distance vision was 20/25 OD and two fingers and 5' OS. Corrected near vision 20/25 OD and 20/400 OS. Head was normocephalic. Eyes: Peril, EOMI, and red reflex present on the right and absent on the left. He appeared to have a cataract. His ears were unremarkable. He does not exhibit hearing difficulty in the exam range of motion. The throat was clear. The neck, had no thyromegaly. Lungs were clear throughout with no rales, rhonchi, or wheezing. The respiratory rate is 10 and he does not exhibit cyanosis, clubbing, or pestilent breathing. Heart rhythm regular with no murmur or gallop. The abdomen is soft, benign, and non-tender with no organomegaly or masses. The hands are free of atrophy, swelling or deformity, fine and gross dexterity is intact and sensory is full. The right shoulder appears slightly uncomfortable with range of motion, but the tone is good. On the left he appears more uncomfortable and limited. He has several healed wounds from lateral deltoid area, around the scapular area almost to the midline. He has good muscle mass through the area. The spine is straight without deformity or focal tenderness and axial loading is mildly uncomfortable at the lower back. The SLR is negative and sensory and motor are full in the lower extremities. The hips are not irritable. The knees are positive crepitation, right more than left, and on the right he has a slight thickening in the peripatellar area. He did not have joint space tenderness or swelling elsewhere on the knees. He squats and recovers adequately. Sensory and Motor are full on the lower extremities. The claimant is alert and oriented x3. He speaks in a loud voice suggesting hearing loss. He did not exhibit lateral, or neurologic findings and did not appear overtly sad anxious. The impression was generalized back pain, bilateral shoulder, bilateral knee pain, and hearing and vision issues. The claimant does appear to be somewhat de-conditioned and he would not tolerate more than light manual labor. (p. 45-46). The exam was dated April 8, 2010.

At Step 2, claimant has the burden of proof of establishing that he has a severely restrictive physical or mental impairment that has lasted or is expected to last for the duration of at least 12 months. There is insufficient objective clinical medical evidence in the record that claimant suffers a severely restrictive physical or mental impairment. Claimant has reports of pain in multiple areas of his body; however, there are no corresponding clinical findings that support the reports of symptoms and limitations made by the claimant. There are no laboratory or x-ray findings listed in the file. The clinical impression is that claimant is stable. There is no medical finding that claimant has any muscle atrophy or trauma, abnormality or injury that is consistent with a deteriorating condition. In short, claimant has restricted himself from tasks associated with occupational functioning based upon his reports of pain (symptoms) rather than medical findings. Reported symptoms are an insufficient basis upon which a finding that claimant has met the evidentiary burden of proof can be made. This Administrative Law Judge finds that the medical record is insufficient to establish that claimant has a severely restrictive physical impairment.

Claimant did not allege any disabling mental impairments.

There is insufficient objective medical/psychiatric evidence in the record indicating claimant suffers severe mental limitations. There is no mental residual functional capacity assessment in the record. There is insufficient evidence contained in the file of depression or a cognitive dysfunction that is so severe that it would prevent claimant from working at any job. Claimant was oriented to time, person and place during the hearing. Claimant was able to answer all of the questions at the hearing and was responsive to the questions. The evidentiary record is insufficient to find that claimant suffers a severely restrictive mental impairment. For these reasons, this Administrative Law Judge finds that claimant has failed to meet his burden of proof at Step 2. Claimant must be denied benefits at this step based upon his failure to meet the evidentiary burden.

If claimant had not been denied at Step 2, the analysis would proceed to Step 3 where the medical evidence of claimant's condition does not give rise to a finding that he would meet a statutory listing in the code of federal regulations.

If claimant had not already been denied at Step 2, this Administrative Law Judge would have to deny him again at Step 4 based upon his ability to perform his past relevant work. There is no evidence upon which this Administrative Law Judge could base a finding that claimant is unable to perform work in which he has engaged in, in the past. Therefore, if claimant had not already been denied at Step 2, he would be denied a gain at Step 4.

The Administrative Law Judge will continue to proceed through the sequential evaluation process to determine whether or not claimant has the residual functional capacity to perform some other less strenuous tasks than in his prior jobs.



At Step 5, the burden of proof shifts to the department to establish that claimant does not have residual functional capacity.

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).

Claimant has submitted insufficient objective medical evidence that he lacks the residual functional capacity to perform some other less strenuous tasks than in his prior employment or that he is physically unable to do light or sedentary tasks if demanded of him. Claimant's activities of daily living do not appear to be very limited and he should be able to perform light or sedentary work even with his impairments. Claimant has failed to provide the necessary objective medical evidence to establish that he has a severe impairment or combination of impairments which prevent him from performing any level of work for a period of 12 months. The claimant's testimony as to his limitations indicates that he should be able to perform light or sedentary work.

There is insufficient objective medical/psychiatric evidence contained in the file of depression or a cognitive dysfunction that is so severe that it would prevent claimant from working at any job. Claimant was able to answer all the questions at the hearing and was responsive to the questions. Claimant was oriented to time, person and place during the hearing. Claimant's complaints of pain, while profound and credible, are out of proportion to the objective medical evidence contained in the file as it relates to claimant's ability to perform work. Therefore, this Administrative Law Judge finds that the objective medical evidence on the record does not establish that claimant has no residual functional capacity. Claimant is disqualified from receiving disability at Step 5

based upon the fact that he has not established by objective medical evidence that he cannot perform light or sedentary work even with his impairments.

The Federal Regulations at 20 CFR 404.1535 speak to the determination of whether Drug Addiction and Alcoholism (DAA) is material to a person's disability and when benefits will or will not be approved. The regulations require the disability analysis be completed prior to a determination of whether a person's drug and alcohol use is material. It is only when a person meets the disability criterion, as set forth in the regulations, that the issue of materiality becomes relevant. In such cases, the regulations require a sixth step to determine the materiality of DAA to a person's disability.

When the record contains evidence of DAA, a determination must be made whether or not the person would continue to be disabled if the individual stopped using drugs or alcohol. The trier of fact must determine what, if any, of the physical or mental limitations would remain if the person were to stop the use of the drugs or alcohol and whether any of these remaining limitations would be disabling.

Claimant's testimony and the information indicate that claimant has a history of tobacco, drug, and alcohol abuse. Applicable hearing is the Drug Abuse and Alcohol (DA&A) Legislation, Public Law 104-121, Section 105(b)(1), 110 STAT. 853, 42 USC 423(d)(2)(C), 1382(c)(a)(3)(J) Supplement Five 1999. The law indicates that individuals are not eligible and/or are not disabled where drug addiction or alcoholism is a contributing factor material to the determination of disability. After a careful review of the credible and substantial evidence on the whole record, this Administrative Law Judge finds that claimant does not meet the statutory disability definition under the authority of the DA&A Legislation because his substance abuse is material to his alleged impairment and alleged disability.

It should be noted that claimant continues to smoke despite the fact that his doctor has told him to quit. Claimant is not in compliance with his treatment program.

If an individual fails to follow prescribed treatment which would be expected to restore their ability to engage in substantial activity without good cause, there will not be a finding of disability.... 20 CFR 416.994(b)(4)(iv).

The department's Program Eligibility Manual contains the following policy statements and instructions for caseworkers regarding the State Disability Assistance program: to receive State Disability Assistance, a person must be disabled, caring for a disabled person or age 65 or older. BEM, Item 261, p. 1. Because the claimant does not meet the definition of disabled under the MA-P program and because the evidence of record does not establish that claimant is unable to work for a period exceeding 90 days, the claimant does not meet the disability criteria for State Disability Assistance benefits either.

The Department has established by the necessary competent, material and substantial evidence on the record that it was acting in compliance with department policy when it determined that claimant was not eligible to receive Medical Assistance and/or State Disability Assistance.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department has appropriately established on the record that it was acting in compliance with department policy when it denied claimant's application for Medical Assistance, retroactive Medical Assistance and State Disability Assistance benefits. The claimant should be able to perform a wide range of light or sedentary work even with his impairments. The department has established its case by a preponderance of the evidence.

Accordingly, the department's decision is AFFIRMED.

Landis

/s/

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Y. Lain

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

Date Signed: August 3, 2010

Date Mailed: August 3, 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.

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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.

LYL/alc

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