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



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 who has since left employment with the State Office of Administrative Hearings and Rules. This hearing was completed by after reviewing the record. Claimant personally appeared and testified.

<u>ISSUE</u>

Did the Department of Human Services (the department) properly deny claimant's application for Medical Assistance (MA-P) and retro MA?

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 _____, claimant filed an application for Medical Assistance benefits alleging disability.
- (2) On the control of the Medical Review Team denied claimant's application stating that claimant was capable of performing past relevant work, pursuant to 20 CFR 416.920(e).
- (3) On the department caseworker sent claimant notice that her application was denied.
- (4) On _____, claimant filed a request for a hearing to contest the department's negative action.

- (5) On again denied claimant's application stating that the claimant retained the ability to perform
- (6) A telephone hearing was held on ______. The record was left open to allow the submission of additional medical evidence, as agreed to by claimant's representative.
- (7) The additional medical evidence submitted at hearing was sent to the Although the record was left open for the claimant/representative to submit additional medical evidence, no further medical documentation was received.
- (8) On again denied claimant's application stating that claimant retains the capacity to perform a wide range of unskilled, light work and citing materiality of drug/alcohol abuse and Vocational Rule 202.20.
- (9) Claimant is a woman whose birth date is school diploma and attended two years of college. Claimant reports that she can read and write and do basic math.
- (10) Claimant reports that she currently works

 at She claims experience working as a supervisor in a grocery store, waitressing, housekeeping, nurse's aid, and as a loan clerk.
- (11) Claimant alleges as disabling impairments: Hyperthyroidism, degenerative disc disease, osteoarthritis, gastrointestinal bleed, post-traumatic stress disorder, depression, asthma, hemorrhoids and seizures.
- (12) Claimant resides alone in an apartment. She reports she can cook and clean, but needs someone to go with her to grocery shop. Claimant knows how to drive, but is currently unable to do so as she has had a seizure.
- (13) Claimant reports that she can bathe and dress herself, can sit for 15 20 minutes, stand for about 15 minutes, and walk $\frac{1}{4}$ mile, at most.
- (14) Claimant reports that she quit drinking alcohol three or four years ago, that she has quit smoking crack, but does smoke ½ pack cigarettes per day and occasionally smokes marijuana.
- (15) Claimant reports that she applied for Social Security disability benefits, but had not yet received a response.

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

In general, claimant has the responsibility to prove that he/she is disabled. Claimant's impairment must result from anatomical, physiological, or psychological abnormalities which can be shown by medically acceptable clinical and laboratory diagnostic techniques. A physical or mental impairment must be established by medical evidence consisting of signs, symptoms, and laboratory findings, not only claimant's statement of symptoms. 20 CFR 416.908; 20 CFR 416.927. Proof must be in the form of medical evidence showing that the claimant has an impairment and the nature and extent of its severity. 20 CFR 416.912. Information must be sufficient to enable a determination as to the nature and limiting effects of the impairment for the period in question, the probable duration of the impairment and the residual functional capacity to do work-related physical and mental activities. 20 CFR 416.913.

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.

At step one, the Administrative Law Judge must determine whether the claimant is engaging in substantial gainful activity (20 CFR 404.1520(b) and 416.920(b)). Substantial gainful activity (SGA) is defined as work activity that is both substantial and

gainful. "Substantial work activity" is work activity that involves doing significant physical or mental activities (20 CFR 404.1572(a) and 416.972(a)). "Gainful work activity" is work that is usually done for pay or profit, whether or not a profit is realized (20 CFR 404.1572(b) and 416.972(b)). Generally, if an individual has earnings from employment or self-employment above a specific level set out in the regulations, it is presumed that he/she has demonstrated the ability to engage in SGA (20 CFR 404.1574, 404.1575, 416.974, and 416.975). If an individual engages in SGA, he/she is not disabled regardless of how severe his/her physical or mental impairments are and regardless of his/her age, education, and work experience. If the individual is not engaging in SGA, the analysis proceeds to the second step.

At step two, the Administrative Law Judge must determine whether the claimant has a medically determinable impairment that is "severe" or a combination of impairments that is "severe" (20 CFR 404.1520(c) and 416.920(c)). An impairment or combination of impairments is "severe" within the meaning of the regulations if it significantly limits an individual's ability to perform basic work activities. An impairment or combination of impairments is "not severe" when medical and other evidence establish only a slight abnormality or a combination of slight abnormalities that would have no more than a minimal effect on an individual's ability to work (20 CFR 404.1521 and 416.921; Social Security Rulings (SSRs) 85-28, 96-3p, and 96-4p). If the claimant does not have a severe medically determinable impairment or combination of impairments, he/she is not disabled. If the claimant has a severe impairment or combination of impairments, the analysis proceeds to the third step.

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). 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).

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).

At step three, the Administrative Law Judge must determine whether the claimant's impairment or combination of impairments meets or medically equals the criteria of an impairment listed in 20 CFR Part 404, Subpart P, Appendix 1 (20 CFR 404.1520(d), 404.1525, 404.1526, 416.920(d), 416.925, and 416.926). If the claimant's impairment or combination of impairments meets or medically equals the criteria of a listing and

meets the duration requirement (20 CFR 404.1509 and 416.909), the claimant is disabled. If it does not, the analysis proceeds to the next step.

Before considering step four of the sequential evaluation process, the Administrative Law Judge must first determine the claimant's residual functional capacity (20 CFR 404.1520(e) and 416.920(e)). An individual's residual functional capacity is his/her ability to do physical and mental work activities on a sustained basis despite limitations from his/her impairments. In making this finding, all of the claimant's impairments, including impairments that are not severe, must be considered (20 CFR 404.1520(e), 404.1545, 416.920(e), and 416.945; SSR 96-8p).

Next, the Administrative Law Judge must determine at step four whether the claimant has the residual functional capacity to perform the requirements of his/her past relevant work (20 CFR 404.1520(f) and 416.920(f). The term past relevant work means work performed (either as the claimant actually performed it or as it is generally performed in the national economy) within the last 15 years or 15 years prior to the date that disability must be established. In addition, the work must have lasted long enough for the claimant to learn to do the job and have been SGA (20 CFR 404.1560(b), 404.1565, 416.960(b), and 416.965). If the claimant has the residual functional capacity to do his/her past relevant work, the claimant is not disabled. If the claimant is unable to do any past relevant work or does not have any past relevant work, the analysis proceeds to the fifth and last step.

At the last step of the sequential evaluation process (20 CFR 404.1520(g) and 416.920(g), the Administrative Law Judge must determine whether the claimant is able to do any other work considering his/her residual functional capacity, age, education, and work experience. If the claimant is able to do other work, he/she is not disabled. If the claimant is not able to do other work and meets the duration requirements, he/she is disabled.

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).

The law does not require an applicant to be completely symptom free before a finding of lack of disability can be rendered. In fact, if an applicant's symptoms can be managed to the point where substantial gainful activity can be achieved, a finding of not disabled must be rendered.

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).

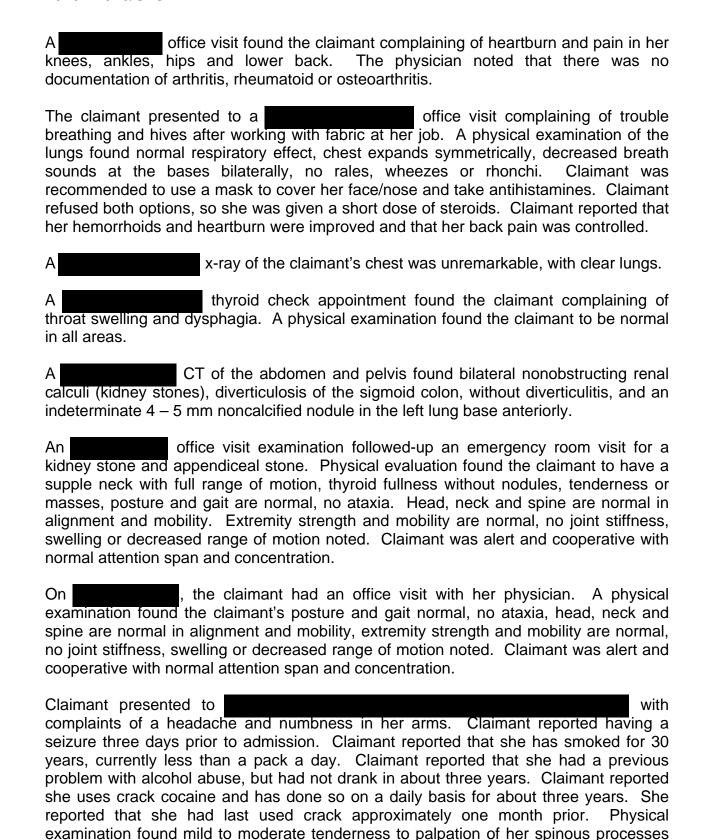
At Step 1, claimant is not engaged in substantial gainful activity. While claimant does work approximately 30 hours each week for this activity does not meet the level of substantial gainful employment. Claimant is not disqualified from receiving disability at Step 1.

At Step 2, the claimant's symptoms are evaluated to see there is an underlying medically determinable physical or mental impairment(s) that could reasonably be expected to produce the claimant's pain or other symptoms. This must be shown by medically acceptable clinical and laboratory diagnostic techniques. Once an underlying physical or mental impairment(s) has been shown, the Administrative Law Judge must evaluate the intensity, persistence, and limiting effects of the claimant's symptoms to determine the extent to which they limit the claimant's ability to do basic work activities. For this purpose, whenever statements about the intensity, persistence, or functionally limiting effects of pain or other symptoms are not substantiated by objective medical evidence, a finding on the credibility of the statements based on a consideration of the entire case record must be made.

The objective medical evidence on the record indicates claimant has a history of hypothyroidism, degenerative disc disease, possible seizure activity, asthma/COPD, hemorrhoids, kidney stones and depression.

At a physician visit, the claimant stated that she didn't "feel right." Claimant reported that she was having trouble breathing. Physical examination of the claimant found decreased breath sounds throughout respiratory effort, no intercostal retractions, no accessory muscle use, no crackles and no wheezes. The claimant was oriented x 3, memory intact for recent and remote events and not anxious appearing. She did show frustration, poor eye contact, mildly withdrawn, tearful at times and argumentative at times. ultrasound of the thyroid found no solid or cystic lesions. The claimant presented to with alternating diarrhea and constipation that contained blood. A CT of the abdomen and pelvis found no acute process of the abdomen and pelvis. nonobstructing left renal calculus (kidney stones), normal appendix, status post hysterectomy. The claimant was diagnosed with hematochezia, most likely related to hemorrhoids. examination found the claimant complaining of abdominal/rectal pain, sleep problems, depression and anxiety. The claimant was prescribed Tylenol/codeine for pain, Levothyroxine Sodium, for thyroid hormone replacement, and Protonix for stomach problems. The claimant next saw her physician on At that time she complained of rectal bleeding and nausea. Claimant reported that she felt the Prozac was helping her mood at first, but now felt that she needed an increase in the dosage. Claimant reported that she suffered from symptoms of depression such as psychomotor retardation, fatigue, and impaired concentration. office visit found the claimant complaining of occasional stabbing pains in her head, some numbness in her upper extremities, and rectal bleeding and pain. A CT scan of the head was ordered. CT of the head found no high or low attenuation parenchymal abnormalities and no evidence of acute hemorrhage or mass effect. The ventricles were normal in size, configuration and location. There were no intra- or extra-axial masses or pathologic fluid collections. Bone windows demonstrated no evidence of a depressed calvarial fracture and visualized portions of the paranasal and mastoid sinuses were clear. On the claimant presented to her physician for a follow-up of the CT exam. Claimant complained of headaches and dizziness, but could not explain when she experiences the symptoms and what makes them better/worse. physical examination areas were all within normal limits, except that the claimant's affect was argumentative and accusatory and the claimant described a "bruise like pain"

with deep palpation over the epigastrum.



and paraspinal musculature of her neck in the C4 – C7 region. Claimant had good range of motion of her neck, but noted pain with movement in regards to side bending to

the right and rotation to the right. Claimant's bilateral upper extremities were grossly neurovascularly distally. She had 5/5 strength with regards to internal and external rotation of her upper extremities as well as flexion/extension at the elbows. A chest x-ray showed no acute cardiopulmonary process. A CT scan of the head was negative with no acute intracranial process. An MRI of the brain was essentially normal. An EKG showed sinus bradycardia with a ventricular rate of 55. An X-ray of the cervical spine showed degenerative changes most notable at C6 – C7. An MRI of the cervical spine also demonstrated moderate to severe central canal stenosis at C5 – C6 and C6 – C7. There was also extensive fossa and uncovertebral joint hypertrophy seen at multiple levels. A chest x-ray was unremarkable, showing clear lungs. Claimant was discharged in good condition on synthroid, prozac, ventolin inhaler, flexeril, mobic, ranitidine and amitriptyline.

On examination. Thought content was found appropriate with no apparent thought disorder. Examination found the claimant reported depression symptoms of under eating, constant worry and social isolation. The clinician opined that the claimant did not meet the criteria for depression and found the claimant's medications were working well. The clinician also opined that the claimant did not meet the criteria for panic disorder as insufficient symptoms were reported and none were observed. The clinician found no impairments in the claimant's ability to understand, recall and carry out simple direction; make judgments with simple work-related decisions; understand, recall and carry out complex instructions; multi-task, sequence and process instructions; and interact with the public, supervisors, and co-workers.

An examination was conducted on The claimant reported that she could not work due to pain in her neck and lower back and respiratory problems. The claimant reported she had been hospitalized on for respiratory distress. Physical examination found the claimant to be independent in her activities of daily living (ADL), groomed, cooperative and informative. Her chest was clear to auscultation at rest. Claimant walked 200 feet in the hallway and her pulse oximeter was 97% and her heart rate was 106/minute. While she reported shortness of breath, auscultation of her lungs was clear. Claimant had no cyanosis or edema of limb, no joint erythema or edema, her radial and pedal pulses were intact, she lifted a 10 pound dumbbell in the right hand and 5 pound dumbbell in the left hand from floor to overhead. A neuromuscular exam found no atrophy, manual muscle testing normal, no muscle spasm, grip 5/5, intact touch, straight leg negative bilaterally in the seated position, no tremor or ataxia, fine and gross motor coordination intact for ADL and independent Deep tendon reflexes were brisk, but equal with no signs of clonus. Claimant's range of motion was normal in all areas as listed on DDS form 43, including the cervical and LS spine. Claimant's gait had equal swing and stance, client could step climb, heel and toe walk and full squat without assistance. Claimant was capable of performing all orthopedic maneuvers on DDS form 41.

An independent medical examination found the claimant reporting a history of shortness of breath. Claimant reported a history of tobacco use for about 30

years, but she reported that she recently quit smoking. Physical examination found the claimant to be alert, cooperative in answering questions and following requests, and well-oriented. Affect, dress and effort were all appropriate. Claimant's immediate, recent and remote memory was intact with normal concentration. Insight and judgment were both appropriate. Claimant's breath sounds were clear to auscultation and symmetrical. There was no accessory muscle use. Exam was unremarkable, although deep breathing did induce coughing. Air exchange was of excellent quality and equal. The exam found no evidence of joint laxity, crepitance or effusion. Grip strength remained intact. Dexterity was unimpaired. Claimant could pick up a coin, button and open a door. The physician opined that the claimant suffered from asthma/chronic obstructive pulmonary disease.

The claimant's physical examinations have repeatedly found no limitations in range of motion, grip strength, dexterity, or orthopedic maneuvers. Claimant's chest sounds and x-rays have repeatedly shown clear lungs, despite possible diagnoses of asthma and/or COPD. The claimant has been diagnosed with hypothyroidism, but this appears well-controlled through medication. Claimant also has a history of hemorrhoids, which can be ameliorated through a high-fiber diet. Claimant's depression and/or anxiety appear to be under good control with current medications. Claimant was not found to be limited in any functional areas.

In summary, there is no objective clinical medical evidence in the record that claimant suffers a severely restrictive physical or mental impairment. This Administrative Law Judge finds that the medical record combined with claimant's own hearing testimony about her physical condition is insufficient to establish that claimant has a severely restrictive physical or mental impairment.

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 she 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 her again at Step 4 based upon her ability to perform her past relevant work. There is no evidence upon which this Administrative Law Judge could base a finding that claimant is unable to perform the current work in which she is engaged in on a full-time basis. Thus, the claimant is denied from receiving disability 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 jobs.

At Step 5, this Administrative Law Judge must determine whether or not claimant has the residual functional capacity to perform some other jobs in the national economy. 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 she has not

established by objective medical evidence that she cannot perform at least light or sedentary work even with her impairments.

Medical vocational guidelines have been developed and can be found in 20 CFR, Subpart P, Appendix 2, Section 200.00. When the facts coincide with a particular guideline, the guideline directs a conclusion as to disability. 20 CFR 416.969. Under the Medical-Vocational guidelines, a younger individual (age 45), with a high school education and an unskilled or semi-skilled work history who is capable of at least light work is not considered disabled pursuant to Vocational Rule 202.20 and 202.21.

The claimant has not presented the required competent, material and substantial evidence which would support a finding that the claimant has an impairment or combination of impairments which would significantly limit the physical or mental ability to do basic work activities. 20 CFR 416.920(c). Although the claimant has cited medical problems, the clinical documentation submitted by the claimant is not sufficient to establish a finding that the claimant is disabled. There is no objective medical evidence to substantiate the claimant's claim that the alleged impairment(s) are severe enough to reach the criteria and definition of disability. The claimant is not disabled for the purposes of the Medical Assistance disability (MA-P) program.

The department's Bridges 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 her impairments. The department has established its case by a preponderance of the evidence.

Accordingly, the department's decision is AFFIRMED.



Date Signed: 4/11/11

Date Mailed: 4/11/11

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.

