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

#### IN THE MATTER OF:



Reg. No:	2010-45356
Issue No:	2009, 4031
Case No:	
Load No:	
Hearing Date:	
September 8, 2010	
Tuscola County DHS	

## ADMINISTRATIVE LAW JUDGE: Landis Y. Lain

## **HEARING DECISION**

This matter is before the undersigned Admini strative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon claimant's request for a hearing. After due notic e, a telephone hearing was held on September 8, 2010. Claimant personally appeared and testified.

#### ISSUE

Whether claimant meets the di sability criteria for Medica I 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) Claimant was a Medical Assistance and State Disability Assistance benefit recipient.
- (2) Claimant was eligible for a medical review of her case in July 2010.
- (3) On June 25, 2010, the Medical Revi ew Team denied claimant's continued Medical As sistance and State Disabilit y As sistance benefits alleging that claimant had medical improvement.
- (4) On July 15, 2010, the department case worker sent claimant n otice that her application would be denied.
- (5) On July 21, 2010, claimant filed a request for a hearing to contest the department's negative action.

- (6) On Augus t 9, 2010, the State Hearing Review Team again denied claimant's application stating that the claimant has a history of substance abuse and dependence. Her mental stat us examination was improved significantly since June 2009. The cl aimant has had signific ant medical improvement. Public Law 104-121 is cited due to the materiality of drug and alcohol abuse. The claimant's im pairment's do not meet/equal the intent or severity of a Social Securi ty listing. The medical ev idence of record indicates that the claimant retains the capacity to perform a wide range of s imple unsk illed work. In lieu of detailed work history, the claimant will be ret urned to other work. Therefore, based on the claimant's vocational profile of a younger individual, high school equivalent education and history of unskille d work, MA-P is den ied due to medical improvement and using Vocational Ru le 204.00(H) as guide. SDA is denied due to medical improvement and per PEM 261 because the nature and severity of the claimant's impairment's would no longer preclude work activity at the above stated level for 90 days.
- (7) The hearing was held on September 8, 2010. At the hearing, claiman t presented evidence that she was approve d for Social Security Disability through the Social Security Administra tion and received a fully favorable decision on August 26, 2010, which st ated that the claimant meets the disability r equirements for supplemental security income with a disability onset date of December 11, 2007.

# CONCLUSIONS OF LAW

The State Disability A ssistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Service s (DHS or department) administers the SDA program pursuant to MCL 400.10, et seq., and MAC R 400.3151-400.3180. Department polic ies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

The Medical Assistance (MA) program is estab lished by Title XIX of the Social Sec urity Act and is implemented by T itle 42 of the C ode 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 substant ial 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 deter mine disability . Current work activity, severity of impairments, residual functional capacity, past wor k, 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 experienc e. 20 CFR 416.920(c).

If the impairment or combination of impair ments do not signific antly limit physica I or mental ability to do basic work activities, it is not a severe impairment(s) and disab ility does not exist. Age, education and work ex perience will not be c onsidered. 20 CFR 416.920.

Statements about pain or other symptoms do not alone establish disability. There must be medical signs and laboratory findings wh ich demonstrate a medical im pairment.... 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 di sease 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 bas ic work activities is evaluated. If an individual has the ability to perform basic work activities with out 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 wa lking, 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 a cceptable medical sources that reflect judgments about the nature and severity of the impairment(s), including your symptoms, diagnosis and prognosis, what an indiv idual can do despite impairment(s), and the physical or mental restrictions. 20 CFR 416.927(a)(2).

All of the evidenc e relevant to the claim, including m edical opinions, is rev iewed 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 ev idence that support a medical source's statement of disability.... 20 CFR 416.927(e).

A statement by a medical s ource finding t hat an individual is "d isabled" or "unable to work" does not mean that disability e xists 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 <u>not</u> required. These steps are:

- 1. Does the client perform Substant ial 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 clie nt's symptoms, signs, and laboratory findings at least equiv alent 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 forme r work that he/she performed within the last 15 years? If yes, t he client is ineligible for MA. If no, the analysis continues to Step 5. 20 CFR 416.920(e).
- Does the client have t he Residual Functional Capacity (RFC) to perform other work according to the guidelines set forth at 20 CFR 404, Subpart P, A ppendix 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).

Because of the Social Security Administrati on determination it is not necessary for the Administrative Law Judge to discuss the issue of disability. PEM, Item 260; because it was unclear at the hearing whether or not claimant had been approved SSI or RSDI, the department is required to initia te a determination of c laimant's financial eligibility for the requested benefits if not previously done.

## DECISION AND ORDER

The Administrative Law Judge, based upon t he above findings of fact and conclusion s of law, decides that the claimant meets the definition of medically dis abled under the Medical Assistance program and the State Disability Assistance program as of the July 2010 review date.

Accordingly, the department's decision is REVERSED. The department is ORDERED to initiate a review of the July 2010, review application, if it has not already done so to determine if all other non-medic al eligibility criteria are met for both Medica I Assistance and State Disability Assistance e benefit programs. The department shall inform the claimant of the determination in writing.

The department is ORDERED to conduct a medical review in September 2011. At that time, the department shall make a determination as to whether or not claimant continues to receive Social Security Ad ministration benefits and if so, will act in accordance with department policy. If the claimant does not remain eligible for SSI or RSDI, the department shall conduct a medical review and request updated medical from claimant's treating physicians.

Landis

<u>/s/</u>

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

Date Signed: \_\_\_\_September 10, 2010

Date Mailed: <u>September 13, 2010</u>

**NOTICE**: Administrative Hearings may or der a rehearing or reconsideration on either its own motion or at t he request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hear ings will not order a rehearing or reconsideration on the Department's mo tion where the final decis ion 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.

LYL/alc

CC:

