STATE OF MICHIGAN MICHIGAN ADMINISTRATIVE HEARING SYSTEM ADMINISTRATIVE HEARINGS FOR THE DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Reg. No.: 2012 29106 Issue No.: 2009, 4031

Case No.:

Hearing Date: April 9, 2012

DHS County: Oakland County (02)

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the Claimant's request for a hearing. After due notice, a telephone hearing was held in Detroit, Michigan, on April 9, 2012. The Claimant appeared and testified.

Assistance Payments Worker appeared on behalf of the Department of Human Services ("Department").

ISSUE

Whether the Department properly determined that the Claimant was not disabled for purposes of the Medical Assistance ("MA-P") benefit program and the State Disability Assistance Program?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

- The Claimant submitted an application for public assistance seeking MA-P benefits and retro benefits and State Disability Assistance benefits on October 13, 2011.
- 2. On January 13, 2012, the Medical Review Team ("MRT") found the Claimant not disabled. (Exhibit 1, pp.)
- 3. The Department notified the Claimant of the MRT determination on January 13, 2012.

- 4. On January 20, 2012, the Department received the Claimant's timely written request for hearing.
- 5. On March 16, 2012, the State Hearing Review Team ("SHRT") found the Claimant not disabled. (Exhibit 2)
- 6. An Interim Order was issued on July 17, 2012, to accept new medical evidence. The new evidence was submitted to the State Hearing Review Team on July 19, 2012.
- 7. On August 20, 2012, the State Hearing Review Team again found the Claimant not disabled. (Exhibit 3)
- 8. The Claimant alleges physical disabling impairments of osteomyelitis of the spine and severe low back pain, and Hepatitis C.
- 9. The Claimant has alleged mental disabling impairments of depression and anxiety.
- 10. At the time of hearing, the Claimant was birth date. Claimant is 5'10" in height; and weighed 172 pounds.
- 11. The Claimant has a high school education and an employment history working as a car detailer and as a supervisor in a box manufacturing plant. The Claimant, in the box manufacturing job, lifted up to 40 pounds. The Claimant also worked in a stamping plant operating hi lo equipment and was a crane operator.
- 12. The Claimant's impairments have lasted, or are expected to last, continuously for a period of 12 months or longer.

CONCLUSIONS OF LAW

The Medical Assistance ("MA") program is established by Subchapter XIX of Chapter 7 of The Public Health & Welfare Act, 42 USC 1397, and is administered by the Department, formerly known as the Family Independence Agency, 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 Bridges Reference Manual ("BRM").

The State Disability Assistance program, which provides financial assistance for disabled persons, was established by 2004 PA 344. The Department administers the

SDA program purusant to MCL 400.10 *et seq.* and Mich Admin Code, Rules 400.3151 – 400.3180. Department policies are found in BAM, BEM, and RFT. A person is considered disabled for SDA purposes if the person has a physical or mental impariment which meets federal SSI disability standards for at least ninety days. Receipt of SSI benefits based on disability or blindness, or the receipt of MA benefits based on disability or blindness automatically qualifies an individual as disabled for purposes of the SDA program.

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). The person claiming a physical or mental disability has the burden to establish it through the use of competent medical evidence from qualified medical sources such as his or her medical history, clinical/laboratory findings, diagnosis/prescribed treatment, prognosis for recovery and/or medical assessment of ability to do work-related activities or ability to reason and make appropriate mental adjustments, if a mental disability is alleged. 20 CRF 413.913. An individual's subjective pain complaints are not, in and of themselves, sufficient to establish disability. 20 CFR 416.908; 20 CFR 416.929(a). Similarly, conclusory statements by a physician or mental health professional that an individual is disabled or blind, absent supporting medical evidence, is insufficient to establish disability. 20 CFR 416.927.

When determining disability, the federal regulations require several factors to be considered including: (1) the location/duration/frequency/intensity of an applicant's pain; (2) the type/dosage/effectiveness/side effects of any medication the applicant takes to relieve pain; (3) any treatment other than pain medication that the applicant has received to relieve pain; and, (4) the effect of the applicant's pain on his or her ability to do basic work activities. 20 CFR 416.929(c)(3). The applicant's pain must be assessed to determine the extent of his or her functional limitation(s) in light of the objective medical evidence presented. 20 CFR 416.929(c)(2).

In order to determine whether or not an individual is disabled, federal regulations require a five-step sequential evaluation process be utilized. 20 CFR 416.920(a)(1). The five-step analysis requires the trier of fact to consider an individual's current work activity; the severity of the impairment(s) both in duration and whether it meets or equals a listed impairment in Appendix 1; residual functional capacity to determine whether an individual can perform past relevant work; and residual functional capacity along with vocational factors (e.g., age, education, and work experience) to determine if an individual can adjust to other work. 20 CFR 416.920(a) (4); 20 CFR 416.945.

If an individual is found disabled, or not disabled, at any step, a determination or decision is made with no need to evaluate subsequent steps. 20 CFR 416.920(a)(4). If a determination cannot be made that an individual is disabled, or not disabled, at a particular step, the next step is required. 20 CFR 416.920(a)(4). If impairment does not meet or equal a listed impairment, an individual's residual functional capacity is assessed before moving from Step 3 to Step 4. 20 CFR 416.920(a)(4); 20 CFR 416.945. Residual functional capacity is the most an individual can do despite the limitations based on all relevant evidence. 20 CFR 945(a)(1). An individual's residual functional capacity assessment is evaluated at both Steps 4 and 5. 416.920(a)(4). In determining disability, an individual's functional capacity to perform basic work activities is evaluated and if found that the individual has the ability to perform basic work activities without significant limitation, disability will not be found. 20 CFR 416.994(b)(1)(iv). In general, the individual has the responsibility to prove disability. 20 CFR 416.912(a). An impairment or combination of impairments is not severe if it does not significantly limit an individual's physical or mental ability to do basic work activities. 20 CFR 416.921(a). The individual has the responsibility to provide evidence of prior work experience; efforts to work; and any other factor showing how the impairment affects the ability to work. 20 CFR 416.912(c)(3)(5)(6).

As outlined above, the first step looks at the individual's current work activity. In the record presented, the Claimant is not involved in substantial gainful activity and, therefore, is not ineligible for disability benefits under Step 1.

The severity of the claimant's alleged impairment(s) is considered under Step 2. The claimant bears the burden to present sufficient objective medical evidence to substantiate the alleged disabling impairments. In order to be considered disabled for MA purposes, the impairment must be severe. 20 CFR 916.920(a)(4)(ii); 20 CFR 916.920(b). An impairment, or combination of impairments, is severe if it significantly limits an individual's physical or mental ability to do basic work activities regardless of age, education and work experience. 20 CFR 916.920(a)(4)(ii); 20 CFR 916.920(c). Basic work activities means the abilities and aptitudes necessary to do most jobs. 20 CFR 916.921(b). Examples include:

- 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.

ld.

The second step allows for dismissal of a disability claim obviously lacking in medical merit. *Higgs v Bowen*, 880 F2d 860, 862 (CA 6, 1988). The severity requirement may still be employed as an administrative convenience to screen out claims that are totally groundless solely from a medical standpoint. *Id.* at 863 *citing Farris v Sec of Health and Human Services*, 773 F2d 85, 90 n.1 (CA 6, 1985). An impairment qualifies as non-severe only if, regardless of a claimant's age, education, or work experience, the impairment would not affect the claimant's ability to work. *Salmi v Sec of Health and Human Services*, 774 F2d 685, 692 (CA 6, 1985).

Claimant alleges osteomyelitis of the spine and severe low back pain, and hepatitis C and depression.

The Claimant was hospitalized on and was discharged on The Claimant received a full work up and was found to have an infection in his spine (MRSA bacteremia), osteomyelitis, depression, anxiety and Hepatitis C. The Claimant was released and completed a course of home care and medication for the MRSA. (Exhibit 4)

A psychiatric consult mental status was dated and was conducted as a result of Claimant's hospitalization for MRSA and low back pain. The diagnostic impression was depression secondary to substance abuse. The prognosis was guarded and the Claimant received Prozac; and was advised to seek follow up treatment (Exhibit 1 pp 10-12). The Claimant has not received treatment for his depression since the examination.

An MRI of the spine dated was conducted, and concluded that there was mild degenerative discogenic changes at L2-3 and L3-4 without evidence of central stenosis. There was acute chronic osteomyelitis along the disc at L4-5. (Claimant Exhibit 1)

In February 2012, a further follow up by Claimant's infectious disease treating physician notes limited range of motion in lumbar spine with flexion, extension and side bending.

The Claimant's treating physician completed a medical examination report on . The report indicated that the Claimant was deteriorating, and imposed limitations included occasionally lifting less than 10 pounds, but never 10 pounds. The doctor also found that a cane, and occasionally a walker, was medically required. The exam further imposed restrictions using foot and leg controls and that the Claimant was restricted to either standing or walking less than two hours in an 8 hour day (Exhibit 4 pp 6-7). The exam also concluded that the Claimant needed assistance in his home carrying objects and cleaning.

On the Claimant was tested to determine whether an infection (MRSA) had reoccurred in his vertebral spine due to MRSA/osteomyelitis. The test results returned were within normal values.

On the control of the Claimant was seen at an infectious disease clinic for follow up from a previous MRSA sepsis abscess and vertebral osteomyelitis. The report noted that there has been no return of any other systemic symptomatology to suggest recurrent infection. Range of motion was noted due to previous osteomyelitis. The medical examination report noted limited range of motion of the lumbar spine, with some increase in pain and stiffness due to osteomyelitis. (Exhibit 4 pp 30, 31)

In December 2011, the Claimant's treating physician completed a medical examination report which found that his condition was stable and that he could meet his needs in his home and noted osteomyelitis and hepatitis C. Another medical examination report in December 2011 noted that pain and movement of the lumbar spine was improved and restricted range of motion of the lumbar spine.

As previously noted, the Claimant bears the burden to present sufficient objective medical evidence to substantiate the alleged disabling impairment(s). As summarized above, the Claimant has presented some medical evidence establishing that he does have some physical limitations on his ability to perform basic work activities. The medical evidence has established that the Claimant has an impairment, or combination thereof, that has more than a *de minimis* effect on the Claimant's basic work activities. Further, the impairments have lasted continuously for twelve months; therefore, the Claimant is not disqualified from receipt of MA-P benefits under Step 2.

In the third step of the sequential analysis of a disability claim, the trier of fact must determine if the Claimant's impairment, or combination of impairments, is listed in Appendix 1 of Subpart P of 20 CFR, Part 404. The Claimant has alleged physical impairments due to osteomyelitis as well as low back pain and hepatitis C and mental disabling impairments due to depression.

Listings regarding 5.00(4a), Chronic viral hepatitis infections and 5.05 chronic liver disease and Mental Disorders, specifically 12.04 Affective Disorders (depression) were reviewed. As regards Claimant's Hepatitis C diagnosis, the medical evidence and Claimant's testimony did not establish a basis to find that listing 5.05 was met. Likewise, the Claimant's depression was only evaluated one time while hospitalized and no prior history of depression was claimed by the Claimant. The Claimant has not continued any treatment for depression, and thus it is determined that the evidence presented was insufficient to meet the requirements of 12.04.

Listings, 1.00 Musculoskeletal System, specifically Listing 1.04 Disorders of the spine was reviewed.

1.04 Disorders of the spine (e.g., herniated nucleus pulposus, spinal arachnoiditis, spinal stenosis, osteoarthritis, degenerative disc disease, facet arthritis, vertebral fracture), resulting in compromise of a nerve root (including the cauda equina) or the spinal cord. With:

A. Evidence of nerve root compression characterized by neuro-anatomic distribution of pain, limitation of motion of the spine, motor loss (atrophy with associated muscle weakness or muscle weakness) accompanied by sensory or reflex loss and, if there is involvement of the lower back, positive straight-leg raising test (sitting and supine);

OR

B. Spinal arachnoiditis, confirmed by an operative note or pathology report of tissue biopsy, or by appropriate medically acceptable imaging, manifested by severe burning or painful dysesthesia, resulting in the need for changes in position or posture more than once every 2 hours;

or

C. Lumbar spinal stenosis resulting in pseudoclaudication, established by findings on appropriate medically acceptable imaging, manifested by chronic nonradicular pain and weakness, and resulting in inability to ambulate effectively, as defined in 1.00B2b.

The Claimant's MRI does not support a finding that this listing is met, as the MRI showed no significant central or foraminal stenosis noting a mild diffuse disc bulge and no significant impression upon the ventral thecal sac. At L 5, S1 there was no evidence for obvious disc hernation and no stenosis. Acute osteomyelitis was noted at L4-5. Mild degenerative discogenic changes at L2-3 and L3-4 without evidence for significant central stenosis (Claimant Exhibit 1). Based upon the foregoing objective medical evidence, the MRI does not allow a finding that the listing is met.

The Claimant's treating physician has found most recently that he requires use of a cane; cannot do some household chores; that the Claimant is restricted and was noted as deteriorating. The Claimant's treating physician for infectious disease saw the Claimant around the same time and found the Claimant's infection to be resolved and had not reoccurred.

The evaluations of the treating physician under 20 CDF§ 404.1527(d)(2), the medical conclusion of a "treating " physician is "controlling" if it is well-supported by medically acceptable clinical and laboratory diagnostic techniques and is not inconsistent with the other substantial evidence in the case record.

Deference was given to both the tests and observations of the Claimant's treating physician and infections disease treating physician and the objective MRI results, however, based upon this evidence it is not established that the Claimant meets the requirements of listing 1.04.

The fourth step in analyzing a disability claim requires an assessment of the claimant's 416.920(a)(4)(iv). An individual is not disabled if he/she can perform past relevant work. *Id.*; 20 CFR 416.960(b)(3). Past relevant work is work that has been performed within the past 15 years that was a substantial gainful activity and that lasted long enough for the individual to learn the position. 20 CFR 416.960(b)(1). Vocational factors of age, education, and work experience, and whether the past relevant employment exists in significant numbers in the national economy are not considered. 20 CFR 416.960(b)(3). RFC is assessed based on impairment(s) and any related symptoms, such as pain, which may cause physical and mental limitations that affect what can be done in a work setting. RFC is the most that can be done, despite the limitations.

To determine the physical demands (exertional requirements) of work in the national economy, jobs are classified as sedentary, light, medium, heavy, and very heavy. 20 CFR 416.967. Sedentary work involves lifting of no more than 10 pounds at a time and occasionally lifting or carrying articles like docket files, ledgers, and small tools. 20 CFR 416.967(a). 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. *Id.* Jobs are sedentary if walking and standing are required occasionally and other sedentary criteria are met. Light work involves lifting no more than 20 pounds at a time with frequent lifting or carrying objects weighing up to 10 pounds. 20 CFR 416.967(b). Even though 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. *Id.* To be considered capable of performing a full or wide range of light work, an individual must have the ability to do substantially all of these activities. *Id.* An individual capable of light work is also capable of sedentary work, unless there are additional limiting factors such as loss of fine dexterity

or inability to sit for long periods of time. *Id.* Medium work involves lifting no more than 50 pounds at a time with frequent lifting or carrying of objects weighing up to 25 pounds. 20 CFR 416.967(c). An individual capable of performing medium work is also capable of light and sedentary work. *Id.* Heavy work involves lifting no more than 100 pounds at a time with frequent lifting or carrying of objects weighing up to 50 pounds. 20 CFR 416.967(d). An individual capable of heavy work is also capable of medium, light, and sedentary work. *Id.* Finally, very heavy work involves lifting objects weighing more than 100 pounds at a time with frequent lifting or carrying objects weighing 50 pounds or more. 20 CFR 416.967(e). An individual capable of very heavy work is able to perform work under all categories. *Id.*

Limitations or restrictions which affect the ability to meet the demands of jobs other than strength demands (exertional requirements, e.g., sitting, standing, walking, lifting, carrying, pushing, or pulling) are considered nonexertional. 20 CFR 416.969a(a). In considering whether an individual can perform past relevant work, a comparison of the individual's residual functional capacity to the demands of past relevant work must be made. Id. If an individual can no longer do past relevant work, the same residual functional capacity assessment along with an individual's age, education, and work experience is considered to determine whether an individual can adjust to other work which exists in the national economy. Id. Examples of non-exertional limitations or restrictions include difficulty function due to nervousness, anxiousness, or depression; difficulty maintaining attention or concentration; difficulty understanding or remembering detailed instructions; difficulty in seeing or hearing; difficulty tolerating some physical feature(s) of certain work settings (e.g., can't tolerate dust or fumes); or difficulty performing the manipulative or postural functions of some work such as reaching, handling, stooping, climbing, crawling, or crouching. 20 CFR 416.969a(c)(1)(i) - (vi). If the impairment(s) and related symptoms, such as pain, only affect the ability to perform the non-exertional aspects of work-related activities, the rules in Appendix 2 do not direct factual conclusions of disabled or not disabled. 20 CFR 416.969a(c)(2). The determination of whether disability exists is based upon the principles in the appropriate sections of the regulations, giving consideration to the rules for specific case situations in Appendix 2. Id.

The Claimant's prior work history consists of employment performing car detailing requiring bending; lifting hoods and wheels in excess of 20 pounds and sometimes up to 150 pounds. The Claimant was also employed as a shipping supervisor of a box manufacturing company and was required to load boxes up to 40 pounds. The Claimant also worked in a stamping plant as a press operator, requiring standing for most of his shift. In another stamping plant job, the Claimant operated a hi lo and was a crane operator. In light of the Claimant's testimony and records, and in consideration of the Occupational Code, the Claimant's prior work is classified as unskilled/semi skilled medium work.

The Claimant credibly testified that he is able to walk about one quarter mile; lift/carry up to a gallon of milk and can sit for 45 minutes and stand for one hour. The objective medical evidence regarding the Claimant's back does indicate osteomyelitis and some degenerative disc disease. Further, Claimant's treating physician's most recent evaluation after numerous visits, concluded that both a cane and occasional use of a walker were medically indicated and significantly restricted the Claimant. The Claimant was noted as needing help with household lifting; restricted to lifting less than 10 pounds occasionally and standing or walking no more than 2 hours in an 8 hour day. If the impairment or combination of impairments does not limit physical or mental ability to do basic work activities, it is not a severe impairment(s) and disability does not exist. 20 CFR 416.920. In consideration of the Claimant's testimony, medical records, and current limitations, it is found that the Claimant is not able to return to past relevant work; thus, the fifth step in the sequential analysis is required.

In Step 5, an assessment of the individual's residual functional capacity and age, education, and work experience is considered to determine whether an adjustment to other work can be made. 20 CFR 416.920(4)(v). The Claimant is 48 years old and, thus, is considered to be younger individual for MA purposes. The Claimant is a high school graduate. Disability is found if an individual is unable to adjust to other work. Id. At this point in the analysis, the burden shifts from the Claimant to the Department to present proof that the Claimant has the residual capacity to substantial gainful employment. 20 CFR 416.960(2); Richardson v Sec of Health and Human Services. 735 F2d 962, 964 (CA 6, 1984). While a vocational expert is not required, a finding supported by substantial evidence that the individual has the vocational qualifications to perform specific jobs is needed to meet the burden. O'Banner v Sec of Health and Human Services, 587 F2d 321, 323 (CA 6, 1978). Medical-Vocational guidelines found at 20 CFR Subpart P, Appendix II, may be used to satisfy the burden of proving that the individual can perform specific jobs in the national economy. Heckler v Campbell, 461 US 458, 467 (1983); Kirk v Secretary, 667 F2d 524, 529 (CA 6, 1981) cert den 461 US 957 (1983).

In this case the evidence reveals that the Claimant suffers from severe pain in the lumbar spine, and a diagnosis of osteomyelitis, depression and hepatitis C. He uses a cane to ambulate and has been given ongoing serious functional limitation restrictions by his treating physician. Although the Claimant is 48, and thus technically considered a younger individual, guidelines in 416.963(b) instructs that age categories in paragraphs (c) through (e) of section 416.920 (f)(1) are not to be applied mechanically in borderline situations. If an individual is within a few months of reaching an older age category and using the older age category would result in a determination or decision that one is disabled, the older age category may be considered after evaluating the overall impact of all the factors of your case. In light of the foregoing, is found that the

Claimant maintains the residual functional capacity for work activities on a regular and continuing basis, including the ability to meet the physical and mental demands required to perform sedentary work as defined in 20 CFR 416.967(a). After review of the entire record and using the Medical-Vocational Guidelines [20 CFR 404, Subpart P, Appendix II] as a guide, and specifically applying the age categories non mechanically it is determined that the Claimant should be considered as closely approaching advanced age under Rule 201.12, and it is found that the Claimant is disabled for purposes of the MA-P program at Step 5.

In this case, the Claimant is found disabled for purposes of the MA-P program.

The State Disability Assistance program, which provides financial assistance for disabled persons, was established by 2004 PA 344. The Department administers the SDA program purusant to MCL 400.10 *et seq.* and Mich Admin Code, Rules 400.3151 – 400.3180. Department policies are found in BAM, BEM, and RFT. A person is considered disabled for SDA purposes if the person has a physical or mental impariment which meets federal SSI disability standards for at least ninety days. Receipt of SSI benefits based on disability or blindness, or the receipt of MA benefits based on disability or blindness automatically qualifies an individual as disabled for purposes of the SDA program.

In this case, the Claimant is found disabled for purposes of the MA-P program; therefore, he if found disabled for purposes of SDA benefit program.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law finds the Claimant disabled for purposes of the MA-P.

Accordingly, It is ORDERED:

- 1. The Department is ordered to intitiate processing of the Claimant's MA-P, Retro MA-P and SDA application dated October 13, 2011 and award required benefits, provided Claimant meets all non medical eligibility requirements.
- 2. The Department shall supplement the Claimant for any lost benefits (if any) that the Claimant was entitled to receive, if otherwise eligible and qualified in accordance with Department policy.

3. The Department shall initiate review of the Claimant's disability case in September 2013, in accordance with Department policy.

Lynn M. Ferris
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: September 14, 2012

Date Mailed: September 14, 2012

NOTICE: Michigan Administrative Hearing System (MAHS) 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. MAHS 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. (60 days for FAP cases).

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.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing <u>MAY</u> be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration MAY be granted for any of the following reasons:
 - misapplication of manual policy or law in the hearing decision,
 - typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
 - the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail to:

Michigan Administrative Hearings Reconsideration/Rehearing Request P. O. Box 30639

Lansing, Michigan 48909-07322

LMF/hw

