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

IN THE MATTER OF:

Reg No.: 2012-31460

Issue No.: 2009

Case No.:

Hearing Date: April 16, 2012 Macomb County DHS (20)

ADMINISTRATIVE LAW JUDGE: Colleen M. Mamelka

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 hearing was held in Warren, Michigan, on Monday, April 16, 2012. The Claimant appeared and testified. The Claimant was represented by Participating on behalf of the Department of Human Services ("Department") was

During the hearing, the Claimant waived the time period for the issuance of this decision, in order to allow for the subm ission of additional medical records. The evidence was received, reviewed, and forwar ded to the State Hearing Review Team ("SHRT") for consideration. On August 16, 2012, this office received the SHRT determination which found the Claimant not disabled. This matter is now before the undersigned for a final decision.

<u>ISSUE</u>

Whether the Department proper ly determined that the Claimant was not disabled for purposes of the Medical Assistance ("MA-P") benefit program?

FINDINGS OF FACT

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

 The Claimant submitt ed an application for public assistance seeking MA-P benefits on October 21, 2011, retroactive to July 2011.

- 2. On December 12, 2011, the Medical Re view Team ("MRT") found the Claimant not disabled. (Exhibit 1, pp. 5, 6)
- 3. On December 15, 2011, the Departm ent notified the Cla imant of the MRT determination. (Exhibit 1, p. 1)
- 4. On February 1, 2012, the Department received the Claimant's written request for hearing.
- 5. On March 21st and August 13, 2012, the SHRT found the Claim ant not disabled. (Exhibit 3)
- 6. The Claimant alleged physical disabling impairments due to back pain, leg/feet pain, high blood pressure, osteomyelitis, and diabetic neuropathy with toe amputation.
- 7. The Claimant alleged mental disabling impairment due to anxiety.
- 8. At the time of hearing, the Claimant was birth date; was 5'2" in height; and weighed 239 pounds.
- 9. The Claim ant is a high school graduate with an employment history of work at fast food restaurants and at a convenience store.
- 10. 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 program is established by Subchapter XIX of Chapter 7 of The Public Health & Welfare Act, 42 USC 1397, and is administered by the Department of Human Services, formerly known as the Family Independence Agency, pursuant to MCL 400.10 et seq. and MCL 400.105. Department policies are found in the Bridge's Administrative Manual ("BAM"), the Bridges Eligibility Manual ("BEM"), and the Bridges Reference Tables ("RFT").

Disability is defined as the inability to do any substantial gainful activity by reason of any medically determinable physical or mental im pairment which can be expected to result in death or which has lasted or can be expect ed 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/prescri bed treatment, prognosis for recovery and/or medical

assessment of ability to do work-related ac tivities o r ability to reason and make appropriate mental adjustments, if a mental disability is alleged. 20 CFR 416.913. An individual's subjective pain complaints are not, in and of themselves, sufficient to establish disability. 20 CF R 416.908; 2 0 CFR 4 16.929(a). Similarly, conclusor y 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 nt 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 cons ider an individual's current work activit y; 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 det ermine whether an individual can perform past relev ant work; and residual functional capacity along with vocational factors (i .e. age, education, and work experienc e) 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 disable ed, or not disabled, at a particular step, the next step is required. 20 CFR 416.920(a)(4). If an impairment does not meet or equal a listed impairment, an indi vidual's residual functional capacity is assessed before moving from step three to step four. 20 CFR 416.920(a)(4); 20 CFR 416.945. Residual f unctional capacity is the most an indiv idual can do d espite the limitations based on all rele vant evidence. 20 CFR 416.945(a)(1). An individual's residual functional capacity ass essment is ev aluated at both steps four and five. 20 CFR 41 6.920(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. general, the indiv idual has t he responsibility to prove 20 CFR 416.994(b)(1)(iv). In disability. 20 CFR 4 16.912(a). An impair ment or combi nation of impairments is not severe if it does not signific antly limit an individual's physical or mental ability to do basic work activities. 20 CFR 416.921(a). The in dividual 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).

In addition to the above, when evaluating mental impairments, as pecial technique is utilized. 20 CFR 41 6.920a(a). First, an indi vidual's pertinent symptoms, signs, and laboratory findings are evaluated to determine whether a medically determinable mental impairment exists. 20 CFR 416.920a(b)(1). When a medically determinable mental impairment is established, the symptoms, signs and laboratory findings that substantiate the impairment are documented to include the individual's significant history, laboratory findings, and functional limitations. 20 CFR 416.920a(e)(2). Functional limitation(s) is assessed based upon the extent to whic h the impairment(s) interferes with an individual's ability to func tion independently, appropriately , effectively, and on Id.; 20 CFR 416.920a(c)(2). Chronic m ental disorders, structured sustained basis. settings, medication, and other treatment and the effect on the overall degree of functionality is considered. 20 CFR 416.920a(c)(1). In addition, four broad functional areas (activities of daily living; social f unctioning; concentration, persistence or pace; and episodes of decompensat ion) are consider ed when deter mining an individual's degree of functional limitation. 20 CFR 416.920a(c)(3). The degree of limitation for the first three functional areas is rated by a five point scale: none, mild, moderate, marked, and extreme. 20 CFR 416.920a(c)(4). A four point scale (none, one or two, three, four or more) is used to rate the degree of lim itation in the fourth functional area. Id. The last point on each scale repr esents a degree of limitation t hat is incompatible with the ability to do any gainful activity. Id.

After the degree of functional limitation is determined, the severity of the mental impairment is determined. 20 CFR 416.920a(d). If severe, a determination of whether the impairment meets or is the equivalent of a listed mental disorder is made. 20 CF R 416.920a(d)(2). If the severe mental im pairment does not meet (or equal) a listed impairment, an individual's residual functional capacity is assessed. 20 CF R 416.920a(d)(3).

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

The severity of the Claimant's alleged impa irment(s) is considered under St ep 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 purpos es, the impairment must be seevere. 20 CFR 416. 920(a)(4)(ii); 20 CFR 416.920(b). An impairment, or combination of impairments, is severe if it significantly limits an in dividual's physical or mental ability to do basic work activities regardless of age, education and work experience. 20 CFR 416.920(a)(4)(ii); 20 CFR 416.920(c).

Basic work activities means the abilities and aptitudes necessary to do most jobs. 20 CFR 416.921(b). Examples include:

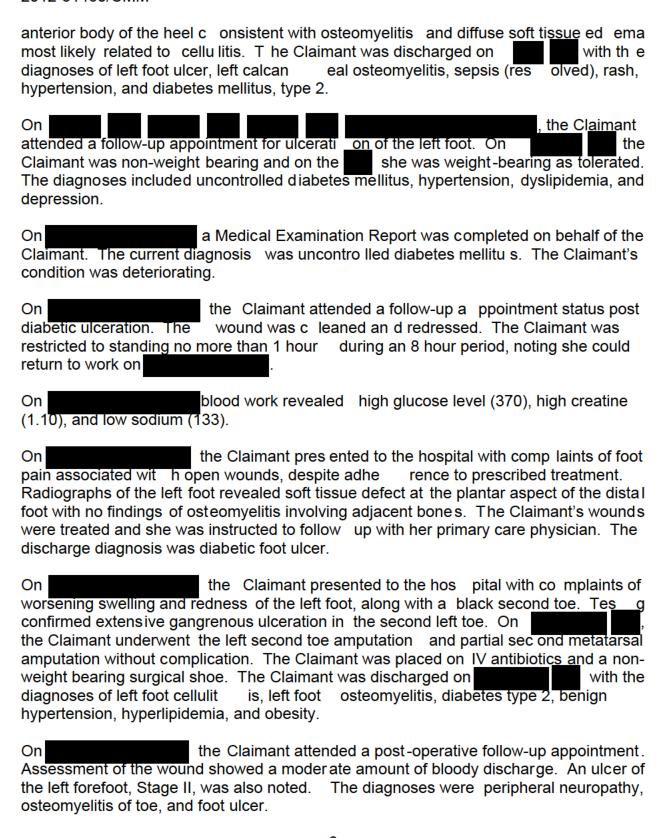
- 1. Physical functions such as wa lking, standing, sitting, lifting, pushing, pulling, reaching, carrying, or handling;
- 2. Capacities for seeing, hearing, and speaking;
- 3. Understanding, carrying out, and remembering simple instructions;
- 4. Use of judgment;
- 5. Responding appropriately to supervision, co-workers and usual work situations; and
- 6. Dealing with changes in a routine work setting.

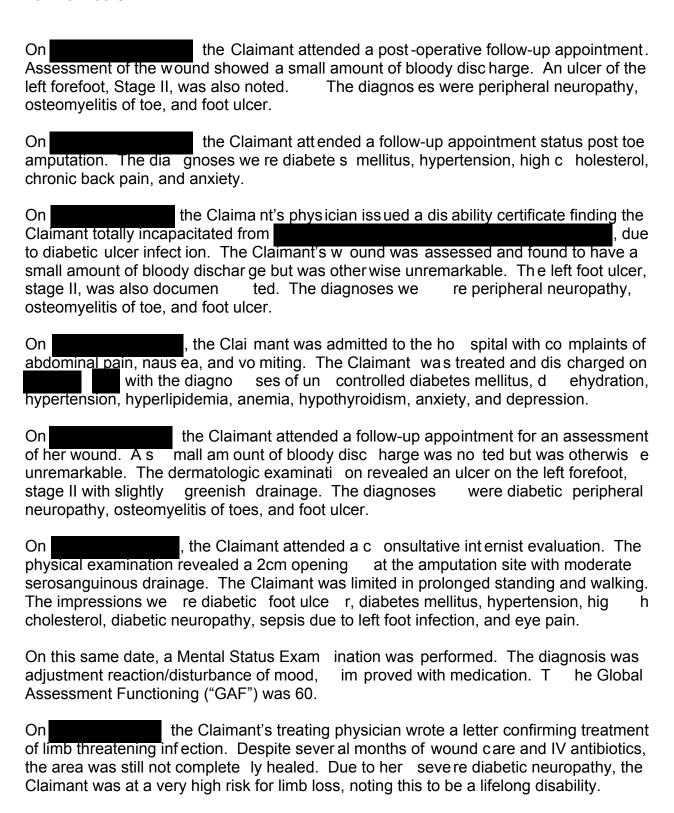
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The second step allows for dismissal of a disability claim obviously lacking in medical merit. Higgs v Bowen, 880 F2d 860, 862 (CA 6, 1988). The severity requirement may still be employed as an admin istrative convenience to screen out claims that 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).

In the present case, the Claiman t alleges disability due to ba ck pain, leg/feet pain, high blood pressure, osteomyelitis, diabetic neuropathy with toe amputation, and anxiety.

the Claimant presented to the hospital with complaints of painful ulceration of the left foot. The Claimant was not compliant with her medication. Chest x-rays found suboptimal inspiration with elevation of the right hemidiaphragm, right catheter, and minimal bibasilar subsegment al atelectasis. A CT of the head showed chronic right maxillary sinusitis. CT of the thoracic and lumbar sp ine found no obvious epidural abscess or osteomyelitis noting m ild mid to lower thoracic degenerative changes. Multiple radiographic views of the left foot found no evidence of osteomyelitis and soft tissue defect along the left heel with edema involving the left ankle and foot. An echocardiogram found evidence of impaired left ventricular relaxation. A CT of the neck found an enlar ged right lobe of the thyroid possible a goiter or tumor and ne. An MRI found fluid signal in the degenerative disc disease of the cervical spi





On Report was completed on behalf of the Claimant. The current diagnos es were ost eomyelitis, diabetic neur opathy, foot ulcer, and digital amputation. The physical ex amination revealed severe decrease d neurological sensation. The Claimant's condition was deteriorating and she was found able to occasionally lift/carry less than 10 p ounds but able to stand and/or walk at least 2 hours in an 8-hour workday. The Podiat rist opined that the Claimant would have a lifelong risk of amputation secondary to neuropathy and diabetes mellitus.

As previously noted, the Claim ant bears t he burden to present sufficient objective medical evidence to s ubstantiate the alleged disabling im pairment(s). As summarized above, the evidence confirms treatment/diagnos es of left foot ulcer, left calcaneal osteomyelitis, sepsis (resolved), hypertens ion, diabetes mellitus, dyslipidemia , depression, second left toe amputation, cellulitis, obesity, anxiety, and severe peripheral diabetic neuropathy. M entally, there was no evidence of any marked limitation in an y functional area, as such the degree of functional limitation on the Claimant's activities, social function, concentration, persistence, or pace is mild. The degree of functional limitation in the fourth area (episodes of dec ompensation) is at most a 1. The medical evidence has established that the Claimant has an impairment, or combination thereof, that has more than a *de minimus* effect on the Claimant's basic work activities. Further, the impairments have lasted cont inuously for twelve months; therefore, the Claimant is not disqualified from receipt of MA-P benefits under Step 2.

In the third step of the seque ntial an alysis 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 Sub part P of 20 CF R, Part 404. The evidenc e confirms treatment/diagnoses of left foot ulcer, left calcaneal osteomyelitis, sepsis (resolved), hypertension, diabetes mellitus, dyslip idemia, depression, second left toe amputation, cellulitis, obesity, anxiety, and severe peripheral diabetic neuropathy.

Listing 1.00 (musculoskeletal system), Listing 2.00 (special senses and speech), Listing 4.00 (cardiovascular system), Listing 8.00 (skin disorders), List ing 9.00 (endocrine system), L isting 11.00 (neurological), and Listing 12.00 (mental disorders) were considered in light of the objective records. The evidence confirms severe impairments; however, these same findings do not meet the intent and severity requirements of a Listing. Accordingly, the Claimant can not be found disabled, or not disabled, at Step 3.

Before considering the fourth step in the sequential analysis, a determination of the individual's residual functional capacity ("Rec") is made. 20 CFR 416.945. An individual's RFC is the most he/she canestill do on a sustained base is despite the limitations from the impairment(s). *Id.* The total limiting effects of all the impairments, to include those that are not severe, are considered. 20 CFR 416.945(e).

To determine the physical demands (exertional requirements) of work in the national economy, jobs are c lassified as sedentary, light, medium, heavy, and very heavy. 2 0 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 r equired 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 invo Ives sit ting 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 additionally limiting factors such as loss of fin е 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 tim e with frequent lifting or carrying of object s weighing up to 50 pounds. 20 CFR 416.967(d). A n individual capable of heavy work is also c apable 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 equirements, i.e. sitting, strength demands (exertional r standing, walk ing, lifting, carrying, pushing, or pulling) are consider ed nonexertional. 20 CFR 416.969a(a). In considering whether an individual can perform past relevant work, a comparis on of the individual's residual functional c apacity with the demands of past relevant work. an individual can no longer do past relevant work the same residual functional capacity assessment along with an individual's a ge, 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 tole rating some physical f eature(s) of certain work settings (i.e. can't tolera te 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-e xertional aspects of work-related activities, the rules in Appendi x 2 do n ot direct factual conclusions o f

disabled or not disabled. 20 CFR 416. 969a(c)(2). The determination of whether disability e xists is b ased upon the princi ples in the appropriate sections of the regulations, giving consideration to the rules fo r specific case situat ions in Appendix 2. *Id.*

In this case, the evidence confir ms treatment/diagnoses of left foot ulcer, left calcaneal osteomyelitis, sepsis (resolved), hypertens ion, diabetes mellit us, dyslipidemia, depression, second left toe amputation, cellulitis, obesity, anxiety, and severe peripheral diabetic neuropathy. The Claimant testified that she is able to walk less than one block; grip/grasp with some difficulties; sit and/or stand for short periods of time; occasionally lift/carry 20 pounds; and is able to bend with pain but unable to squat. Mentally, there is no evidence of any marked limitation. The objective findings limited the Claimant to the occasional lifting/carrying of less than 20 pounds with standing and/or walking to 2 hours over an 8-hour period. After review of the entire record to include the Claimant's testimony, it is found that the Claimant would have difficulty maintaining the physica I and mental requirements necessary to perform even sedentary work as defined by 20 CFR 416.967(a) due to the ongoing complications from her neuropathy and diabete s mellitus.

The fourth step in analyzing a dis ability claim requires an assessment of the Claimant's residual f unctional capacity ("RFC") and pas t relevant employment. 20 CF R 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 fact ors of age, education, and work experience, and whether the past relevant employment exists in significant numbers in the national economy is not considered. 20 CFR 416.960(b)(3).

The Claimant's prior work history consists of work in fast f ood restaurants (unskille d light). In light of the entire record and t he Claimant's RFC (see abov e), it is found that the Claimant is unable to perform past relev ant work. Accordingly, the Claimant's eligibility under Step 5 is required.

In Step 5, an assessment of the individua I's residual functional capace ity and age. education, and work experience is consider ed to determine whet her an adjustment to other work can be made. 20 CFR 416.920(4)(v). At the time of hearing, the Claimant was 37 years old thus consider ed to be a y ounger individual for MA-P 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 pr oof that the Claimant has t he residual capacity to substantial gainful employ ment. 20 CFR 416.960(2); Richardson v Sec of H ealth and Human Services, 735 F2d 962, 964 (CA 6, 1984). While a vocational expert is no t substantial evidence that the individual has th required, a finding supported by е

vocational qualifications to perform specif ic 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 objective findings reveal treatment/diagnoses of left foot ulcer, left calcaneal osteomyelitis, se psis (reso lved), hypertensio n, diabet es mellit us, dyslipidemia, depression, second left toe am putation, cellulitis, obesity, anxiety, and severe peripheral diabetic neuropathy. Despite adherence to prescribed treatment, the Claimant's condition is deter iorating noting a high risk for risk limb loss and sever e decreased neurological sens ation. After review of the entire record, and in consideration of the Claimant's age, education, work experience, and RFC, it is found that at this point, the Claimant lacks the physical and/or mental capacity at this time to perform even sedentary activity as defined by 20 CFR 416.967(a). Accordingly, the Claimant is found disabled at Step 5 for purposes of the MA-P 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 benefit program.

Accordingly, It is ORDERED:

- 1. The Department's determination is REVERSED.
- 2. The Department shall in itiate processing of the October 21, 2011 application, retroactive to July 2011, to determine if all other non-medical criteria are met and inform the Claimant of the determination in accordance with Department policy.
- The Department shall supplement for lo st benefits (if any) that the Claimant was entitled to receiv e if otherwise elig ible and qualified in acc ordance with Department policy.

4. The Department shall revi ew the Claimant's continued eligibility in October 2013 in accordance with Department policy.

Colleen M. Mamuka

Colleen M. Mamelka

Administrative Law Judge

For Maura Corrigan, Director

Department of Human Services

Date Signed: September 5, 2012

Date Mailed: September 5, 2012

NOTICE: Michigan Administrative Hearing Syst em (MAHS) may order a rehearing or reconsideration on either its own motion or at the request of a par ty within 30 days of the mailing date of this Dec ision and Order. MAHS 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. (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 ti mely 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 at Michigan Administrative Hearings

consideration/Rehearing Request

P. O. Box 30639

Lansing, Michigan 48909-07322

Re

