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

IN THE MATTER OF:

Reg No.: 2012-42174

Issue No.: 2009

Case No.:

Hearing Date: July 5, 2012 Macomb County DHS (36)

ADMINISTRATIVE LAW JUDGE: Colleen M. Mamelka

## **HEARING DECISION**

This matter is before the undersigned Administ rative 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 he ld in Sterling Heights, Michigan on Thursday, July 5, 2012. The Claimant appeared, along with and testified. The Department did not participate in the hearing process. The hearing was scheduled to begin at 11:00 a.m. At 11:30, the undersigned went to the front desk to inquire regarding Department participation. No one from the Department appeared. The hearing commenced at 11:42. A Department r epresentative did not come to the hearing room until after the hearing concluded.

# <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:

- 1. The Claimant submitt ed an application for public assistance seeking MA-P benefits on August 9, 2011.
- 2. On March 16, 2012, the Medical Revi ew Team ("MRT") found the Claimant not disabled. (Exhibit 1, pp. 1, 2)
- 3. The Claimant submitted at least two written requests for hearing.

- 4. On May 8, 2012, the State Hearing Review Team ("S HRT") found the Claimant not disabled. (Exhibit 3)
- 5. The Claimant has not alleged any physical disabling impairment(s).
- 6. The Claimant alleged mental disabling impairment(s) due to mental retardation.
- 7. At the time of hearing, the Claim ant was years old with a date; was 5'5" in height; and weighed 134 pounds.
- 8. The Claimant is a high school gr aduate under a special education program with no employment history.
- 9. 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 Eligib ility 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 esta blish it through the use of competent medical evidence from qualified medical sources such as his or her medical history, clinica l/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 com plaints ar e not, in and of themselves, sufficient to establish disab ility. 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

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 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 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 individual has the 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, a special technique is utilized. 2 0 CFR 416.920a(a). First, an individual'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 which the impairment(s) interferes with an individual's ability to function independently, appropriately, effectively, and on

sustained basis. *Id.*; 20 CFR 416.920a(c)(2). Chronic m ental disorders, structured settings, medication, and other treatment and the effect on the overall degree of functionality is c onsidered. 20 CFR 416.920a(c)(1). In addition, four broad functional areas (activities of daily living; social functioning; concentration, persistence or pace; and episodes of decompensation) are considered when determining 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 limit ation in the fourth functional area. *Id.* The last point on each scale represents a degree of limitation that 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 Claimant 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 disab ling 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 individual'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.

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).

In the present case, the Claimant alleges disability due to mental retardation.

On the Claimant was referred for psychological evaluation to determine continued eligibility—under a special educ—ation progr am. During the meeting, the Claimant had difficult y maintaining eye contac t and was difficult to engage. At times, the Claimant was hostile, was tearful or fear ful, and frequently sought reassurance from her mother. The Claimant was very dish—eveled and had an odor about her. The Claimant's full scale I Q ( was 78 with a standard deviation of 15. In summary, the Claimant pres—ented as a "very distur—bed and limited young lady." Cognitively, the Claimant dem onstrated borderline skills and had difficulty maintaining friendships and interacting appropriately with st udents/staff. As a result, continuation of certification as a student with an emotional impairment was recommended.

On a psychiat ric evaluation was performed. Support services wer e recommended to include CLS services to assi st the Claimant in learning new skills (money management and cooking). A guardian was also recommended. The Claimant had poor socialization skills and exhibited obsessive compulsive characteristics (i.e. washing hands after touching things). The Claimant was found unable to make safe and informed decisions independently.

On the Cl aimant attended a c onsultative psychiatric evaluation. The Claimant had an unkempt appearanc e and avoided eye c ontact, appearing to be scared. The Claimant carried a bag of stuffed animals and her mood was anxious. The diagnosis was mild mental re tardation. Asperger's disor der was not ruled out. The Global Assessment Functioning ("GAF") was 46 and the prognos is was guarded. The Claimant was found unable to manage benefit funds.

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 Claimant has presen ted medical evidence establis hing that she does hav e mental limitations on her ability to perform basic work activities. The medic al 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 last ed continuously for t welve 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 co mbination of impairm ents, is listed in Appendix 1 of Subpart P of 20 CFR, Part 404. The Claimant has alleged disabling impairments due to mental retardation.

Listing 12.00 encompasses adult mental disorder s. The evaluation of disability on the orders requires doc umentation of a medically determinable basis of mental dis impairment(s) and consideration of the degr ee in which the impairment limits the individual's ability to work, and whether these limitations have lasted or are expected to 12 months. 12.00A. The existence of a last for a continuous period of at least medically determinable impai rment(s) of the required duration must be established through medical evidence cons isting of sy mptoms, signs, and laboratory findings, to include psychological test findings. 12.00B. The evaluation of disability on the basis of a mental disorder requires sufficient evid ence to (1) establis h the presence of a medically determinable ment al impairment(s), (2) asse ss the degree of functional limitation t he impair ment(s) imposes, and (3 ) project the probable duration of the impairment(s). 12.00D. The ev aluation of disability on the basis of mental disorder s requires documentation of a medically determinable impairment(s) and consideration of the degree in which the impairment limits the indiv idual's ability to work consideration. and whether these limitations have lasted or are expected to last for a continuous period of at least 12 months. 12.00A.

Listing 12.10 discusses autistic disorders and other pervasive developmental disorder s which are characterized by qual itative deficits in the development of reciprocal social interaction, verbal and nonverbal communication skills, and in imaginative activity. Often there is a markedly restricted repertoire of activities and interests which frequently are stereotyped and repetitive. To meet the severity for other pervasive developmental disorders, both the following must be met:

- a. Qualitative deficits in reciprocal social interaction; and
- b. Qualitative deficits in verbal and nonv erbal com muncation and in imaginative activity

Additionally, at evidence must establish at least two of the following:

- Marked restriction of activities of daily living; or
- Marked difficulties in maintaining social functioning; or
- Marked difficulties in maintain ing concentration, persistence, or pace; or
- 4. Repeated episodes of decompensation, each of extended duration.

In this case, the Claimant's full scale IQ was 78 with a standard deviation of 15. The ssible Asperger's dis order. Further, the record confirms mental retardation and po evidence establishes that the Claimant is very disturbed and unable to mak e safe and informed decisions independently. The appointment of a guardian was recommended. The Claimant's GAF in was 46 which represe serious sy mptoms or any serious impairm ent in s ocial, occ upational, or school functioning. The Claimant's prognosis is guarded and she was found unable to manage benefit funds. There is no evidence that the Claimant is able to function independent of a highly structured environment. In light of the foregoing, it is found the Claimant's impairments meet, or are the medical equivalent thereo f, a listed impairment within Listing 12.00, specifically 12.10A2. Accordingly, the Claimant is found disabled at Step 3 with no further analysis required.

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Mich igan are found in the Mic h Admin Code, Rules 400.901 - .951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because a claim for assistance is denied or is not acted upon with reasonable promptness, and to any recipient who is aggreeieved by an agency action resulting in suspension, reduction, discontinuance, or te rmination of assistance. Rule 400.903. A request for hearing shall be in writing and signed by the claimant, petitioner, or authorized representative. Rule 400.904(1). A claimant shall be provided 90 days from the negative action notice. Rules 400.902 - .904; BAM 600.

As noted above, the Department did not participate in the hearing process. The hearing summary questions the timeliness of the Claimant's hearing request(s). The packet did not contain a Notice of Case Action so the ere was no evidence of the date the denial notice was sent to the Claimant. Duri notice was sent to the Claimant. Duri notice was that she submitted several written requests for hearing; some which were within 90 days of the Notice of Case Acti on. Without evidence to the contrary, the Claimant's requests for hearing are found timely.

## **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 Claimant's request for hearing is timely.
- The Department's determination is REVERSED.
- 3. The Department shall init iate processing of the Augus t 9, 2011 applic ation to determine if all other non-medical criteria are met and inform the Claimant of the determination in accordance with Department policy.
- 4. The Department shall supplement for lo st benefits (if any) that the Claimant was entitled to receiv e if otherwise el igible and qualified in accordance with Department policy.
- 5. The Department shall review the Claimant's continued eligibility in accordance with Department policy in August 2013.

Colleen M. Mamuka

Colleen M. Mamelka

Administrative Law Judge

For Maura Corrigan, Director

Department of Human Services

Date Signed: July 19, 2012

Date Mailed: July 19, 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 or der 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

Re consideration/Rehearing Request

P. O. Box 30639

Lansing, Michigan 48909-07322

#### CMM/cl

CC: