

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

**IN THE MATTER OF:**



Reg. No: 201252423  
Issue No: 4031  
Case No: [REDACTED]  
Hearing Date: August 7, 2012  
Ingham County DHS

**ADMINISTRATIVE LAW JUDGE:** Kevin Scully

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge by authority of MCL 400.9 and MCL 400.37 upon Claimant's request for a hearing. Claimant's request for a hearing was received on May 14, 2012. After due notice, a telephone hearing was held on August 7, 2012. During the hearing, Claimant waived the time period for the issuance of this decision in order to allow for the submission of additional medical evidence. The Claimant personally appeared and provided testimony.

**ISSUE**

Did the Department of Human Services (Department) properly determine that the Claimant did not meet the disability standard for 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. On December 7, 2011, the Claimant submitted an application for State Disability Assistance (SDA) benefits alleging disability.
2. On February 2, 2012, the Medical Review Team (MRT) determined that the Claimant did not meet the disability standard for State Disability Assistance (SDA) because it determined that her impairments do not prevent employment for 90 days or more.
3. On May 7, 2012, the Department sent the Claimant notice that it had denied the application for assistance.
4. On May 14, 2012, the Department received the Claimant's hearing request, protesting the denial of disability benefits.

5. On July 3, 2012, the State Hearing Review Team (SHRT) upheld the Medical Review Team's (MRT) denial of State Disability Assistance (SDA) benefits.
6. The Claimant applied for federal Supplemental Security Income (SSI) benefits at the Social Security Administration (SSA).
7. The Social Security Administration (SSA) denied the Claimant's federal Supplemental Security Income (SSI) application and the Claimant reported that a SSI appeal is pending.
8. The Claimant is a 44-year-old woman whose birth date is [REDACTED]. Claimant is 5' 11" tall and weighs 195 pounds. The Claimant is a high school graduate. The Claimant is able to read and write and does have basic math skills.
9. The Claimant was not engaged in substantial gainful activity at any time relevant to this matter.
10. The Claimant has past relevant work experience as a cashier where she was required to run a cash register, clean the store, and stock merchandise.
11. The Claimant alleges disability due to back and left foot / ankle pain.
12. The objective medical evidence indicates that a straight leg test was conducted with negative results.
13. The objective medical evidence indicates that the Claimant has minimal disc bulging and mild facet and ligamentous hypertrophy at the L5-S1 level.
14. The objective medical evidence indicates that the Claimant has a broad based disc bulge at the L4-5 level that causes mild encroachment into the inferior aspect of the intervertebral foramina bilaterally that causes mild to moderate narrowing of the right intervertebral foramen and mild narrowing of the left intervertebral foramen. The Claimant has mild to moderate hypertrophy and ligamentum flavum laxity that is mildly compressing the posterolateral thecal sac bilaterally.
15. The objective medical evidence indicates that the Claimant has mild to moderate peroneal longus tendinosis with a short segment longitudinal partial tear centered just distal to the lateral malleolus.
16. The objective medical evidence indicates that the Claimant has mild to mild-moderate posterior talar bond marrow edema in the lateral head of the talus.

17. The objective medical evidence indicates that the Claimant has been diagnosed with an anterior talofibular ligament injury.
18. The objective medical evidence indicates that the Claimant has intact tendons with mildly increased posterior tibialis tendon sheath fluid.
19. The objective medical evidence indicates that the Claimant has a history of foot and ankle injuries.
20. The objective medical evidence indicates that the Claimant has a cavus foot with a positive Coleman block.
21. The objective medical evidence indicates that the Claimant has a large knot over her 5<sup>th</sup> metatarsal head.
22. The objective medical evidence indicates that a magnetic resonance imaging (MRI) scan was conducted that shows peroneal tendonopathy as well as irregularity of her anterior tabofibular ligament.
23. The objective medical evidence indicates that a computed tomography (CT) scan was conducted that shows no acute intracranial process but does show trace fluid in the left maxillary sinus.
24. The objective medical evidence indicates that the Claimant underwent [REDACTED] on [REDACTED].
25. The Claimant is capable of preparing meals and shopping for groceries by using an Amigo.
26. The Claimant is capable of washing dishes and laundry.
27. The Claimant is capable of living alone and caring for her own personal needs.

### **CONCLUSIONS OF LAW**

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901 - 400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because her claim for assistance has been denied. MAC R 400.903. Clients have the right to contest a Department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The Department will provide an administrative hearing to review the decision and determine the appropriateness of that decision. BAM 600.

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Services

(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 uses the federal Supplemental Security Income (SSI) policy in determining eligibility for disability under the Medical Assistance and State Disability Assistance (SDA) programs. Under SSI, disability is defined as:

...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.

When determining disability, the federal regulations require that several considerations be analyzed in sequential order.

### **STEP 1**

Does the client perform Substantial Gainful Activity (SGA)? If yes, the client is not disabled.

At step 1, a determination is made on 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 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 is not disabled regardless of how severe his physical or mental impairments are and regardless of his age, education, and work experience. If the individual is not engaging in SGA, the analysis proceeds to the second step.

The Claimant is not engaged in substantial gainful activity and is not disqualified from receiving disability at Step 1.

### **STEP 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 not disabled.

At step two, a determination is made 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. If the Claimant does not have a severe medically determinable impairment or combination of impairments, he is not disabled. If the Claimant has a severe impairment or combination of impairments, the analysis proceeds to the third step.

The Claimant has the burden of proof of establishing that she has a severely restrictive physical or mental impairment that has lasted or is expected to last for the duration of at least 12 months, or result in death.

The Claimant is a 44-year-old woman that is 5' 11" tall and weighs 195 pounds. The Claimant alleges disability due to back and left foot / ankle pain.

The objective medical evidence indicates the following:

A straight leg test was conducted with negative results. The Claimant has minimal disc bulging and mild facet and ligamentous hypertrophy at the L5-S1 level. The Claimant has a broad based disc bulge at the L4-5 level that causes mild encroachment into the inferior aspect of the intervertebral foramina bilaterally that causes mild to moderate narrowing of the right intervertebral foramen and mild narrowing of the left intervertebral foramen. The Claimant has mild to moderate hypertrophy and ligamentum flavum laxity that is mildly compressing the posterolateral thecal sac bilaterally. The Claimant has mild to moderate peroneal Inogus tendinosis with a short segment longitudinal partial tear centered just distal to the lateral malleolus. The Claimant has mild to mild-moderate posterior talar bond marrow edema in the lateral head of the talus.

The Claimant has been diagnosed with an anterior talofibular ligament. The Claimant has a history of foot and ankle injuries. The Claimant has intact tendons with mildly increased posterior tibialis tendon sheath fluid. The Claimant has a cavus foot with positive Coleman block. The Claimant has a large knot over her 5<sup>th</sup> metatarsal head. A magnetic resonance imaging (MRI) scan shows peroneal tendonopathy as well as irregularity of her anterior tabofibular ligament. The Claimant underwent ankle surgery on January 4, 2012.

A computed tomography (CT) scan shows no acute intracranial process but does show trace fluid in the left maxillary sinus.

The Claimant is capable of preparing meals and shopping for groceries by using an Amigo. The Claimant is capable of washing dishes and laundry. The Claimant is capable of living alone and caring for her personal needs.

This Administrative Law Judge finds that the Claimant has established a severe physical impairment that meets the severity and duration standard for SDA purposes.

### **STEP 3**

Does the impairment appear on a special listing of impairments or are the client's symptoms, signs, and laboratory findings at least equivalent in severity to the set of medical findings specified for the listed impairment? If no, the analysis continues to Step 4.

At step three, a determination is made whether the Claimant's impairment or combination of impairments is of a severity to meet or medically equal 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 is of a severity to meet or medically equal 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.

The Claimant's impairment failed to meet the listing for left foot and ankle pain under section 1.02 Major dysfunction of a joint because the objective medical evidence does not demonstrate that the Claimant's impairment involves a weight bearing joint resulting in inability to ambulate effectively, or an impairment of an upper extremity resulting in inability to perform fine and gross movements effectively. The Claimant is capable of preparing meals and shopping for groceries. The Claimant is capable of living alone and caring for her own personal needs.

The Claimant's impairment failed to meet the listing for a back injury under section 1.04 Disorders of the spine, because the objective medical evidence does not demonstrate that the Claimant suffers from nerve root compression resulting in loss of motor strength or reflexes, or resulting in a positive straight leg test. The objective medical evidence does not demonstrate that the Claimant has been diagnosed with spinal arachnoiditis. The objective medical evidence does not support a finding that the Claimant's impairment has resulted in an inability to ambulate effectively.

The medical evidence of the Claimant's condition does not give rise to a finding that she would meet a statutory listing in federal code of regulations 20 CFR Part 404, Subpart P, Appendix 1.

#### **STEP 4**

Can the client do the former work that she performed within the last 15 years? If yes, the client is not disabled.

Before considering step four of the sequential evaluation process, a determination is made of the Claimant's residual functional capacity (20 CFR 404.1520(e) and 416.920(c)). An individual's residual functional capacity is his ability to do physical and mental work activities on a sustained basis despite limitations from his impairments. In making this finding, the undersigned must consider all of the Claimant's impairments, including impairments that are not severe (20 CFR 404.1520(e), 404.1545, 416.920(e), and 416.945; SSR 96-8p).

Next, a determination is made on whether the Claimant has the residual functional capacity to perform the requirements of his 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 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.

After careful consideration of the entire record, this Administrative Law Judge finds that the Claimant has the residual functional capacity to perform sedentary or light work as defined in 20 CFR 404.1567 and 416.967.

The Claimant has past relevant work experience as a cashier where she was required to run a cash register, clean a store, and stock merchandise. The Claimant's prior work fits the description of light work.

There is no evidence upon which this Administrative Law Judge could base a finding that the Claimant is unable to perform work in which she has engaged in, in the past.

#### **STEP 5**

At Step 5, the burden of proof shifts to the Department to establish that the Claimant has the Residual Functional Capacity (RFC) for Substantial Gainful Activity.

Does the client have the Residual Functional Capacity (RFC) to perform other work according to the guidelines set forth at 20 CFR 404, Subpart P, Appendix 2, Sections 200.00-204.00? If yes, client is not disabled.

At the last step of the sequential evaluation process (20 CFR 404.1520(g) and 416.920(g)), a determination is made whether the Claimant is able to do any other work considering his residual functional capacity, age, education, and work experience. If the

Claimant is able to do other work, he is not disabled. If the Claimant is not able to do other work and meets the duration requirement, he is disabled.

The residual functional capacity is what an individual can do despite limitations. All impairments will be considered in addition to ability to meet certain demands of jobs in the national economy. Physical demands, mental demands, sensory requirements and other functions will be evaluated.... 20 CFR 416.945(a).

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 objective medical evidence indicates that the Claimant has the residual functional capacity to perform some other less strenuous tasks than in her prior employment and that she is physically able to do light or sedentary tasks if demanded of her. The Claimant's activities of daily living do not appear to be very limited and she should be able to perform light or sedentary work even with her impairments for a period of



12 months. The Claimant's testimony as to her limitations indicates that she should be able to perform light or sedentary work.

The Claimant's complaints of pain, while profound and credible, are out of proportion to the objective medical evidence contained in the file as it relates to the Claimant's ability to perform work.

Claimant is 44-years-old, a younger person, under age 50, with a high school education, and a history of unskilled work. Based on the objective medical evidence of record Claimant has the residual functional capacity to perform sedentary work or light work, and State Disability Assistance (SDA) is denied using Vocational Rule 20 CFR 202.20 as a guide.

The Department's Program 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 261. Because the Claimant does not meet the definition of disabled under the Medical Assistance (MA) program and because the evidence of record does not establish that the 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 the Claimant was not eligible to receive 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 the Claimant's application for 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**.

/s/  
Kevin Scully  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: September 5, 2012

Date Mailed: September 5, 2012

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 60 days of the filing of the original request.

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.

KS/tb

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