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

#### IN THE MATTER OF:

Reg. No.: 2012-75650
Issue No.:
Case No.:
Hearing Date:
County: Wayne 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 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 and was represented by Department of Human Services (Department) included

#### <u>ISSUE</u>

Did the Department of Human Services (Department) properly determine that the Claimant did not meet the disability standard for Medical Assistance (MA) based on disability (MA-P)?

#### FINDINGS OF FACT

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

- On \_\_\_\_\_\_, the Claimant submitted an application for Medical Assistance (MA) benefits alleging disability.
- 2. On the Medical Review Team (MRT) determined that the Claimant did not meet the disability standard for Medical Assistance (MA-P) because it determined that she is capable of performing past relevant work despite her impairments.
- 3. On the Department sent the Claimant notice that it had denied the application for assistance.

- 4. On protecting, the Department received the Claimant's hearing request, protesting the denial of disability benefits.
- 5. On the state Hearing Review Team (SHRT) upheld the Medical Review Team's (MRT) denial of Medical Assistance (MA-P) benefits.
- 6. On Records, after reviewing the additional medical records, the State Hearing Review Team (SHRT) again upheld the determination of the Medical Review Team (MRT) that the Claimant does not meet the disability standard.
- 7. The Claimant applied for federal Supplemental Security Income (SSI) benefits at the Social Security Administration (SSA).
- 8. 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.
- 9. The Claimant is a p-year-old whose birth date is Claimant is tall and weighs pounds. The Claimant attended school through the 11<sup>th</sup> grade and was enrolled in special education in elementary and middle school. The Claimant is able to read and write and does have basic math skills.
- 10. The Claimant was not engaged in substantial gainful activity at any time relevant to this matter.
- 11. The Claimant has past relevant work experience as a restaurant hostess, cashier, and waitress where she was required to take orders, make sales, serve food, lift objects up to 10 pounds, and stand for up to four hours at a time.
- 12. The Claimant alleges disability due to arthritis, degenerative joint disease, degenerative disc disease, asthma, a skin rash, a learning disability, a mood disorder, post-traumatic stress disorder, and personality disorder.
- 13. The objective medical evidence indicates that the Claimant gets along well with people in general.
- 14. The objective medical evidence indicates that the Claimant is capable of independently caring for her hygiene and grooming needs but does not do laundry or household chores.
- 15. The objective medical evidence indicates that the Claimant is capable of managing her finances.

- 16. The objective medical evidence indicates that the Claimant has good language skills.
- The objective medical evidence indicates that the Claimant has been diagnosed with dysthymic disorder and panic disorder without agoraphobia.
- The objective medical evidence indicates that the Claimant has serious symptoms and serious impairments in social and occupational functioning.
- 19. The objective medical evidence indicates that the Claimant's ability to understand, retain, and follow simple instructions, and performing basic, routine, and tangible tasks is mildly impaired.
- 20. The objective medical evidence indicates that the Claimant's ability to interact with others outside the home and in public is adequate.
- 21. The objective medical evidence indicates that the Claimant is alert and orientated to time, place and person.
- 22. The objective medical evidence indicates that the Claimant's mood appears mildly depressed, her affect is full in range, and no delusions, hallucinations, formal though disorders, or cognitive impairments were observed.
- 23. The objective medical evidence indicates that the Claimant was diagnosed with recurrent major depression.
- 24. The objective medical evidence indicates that the Claimant suffers from neck and back pain due to a bulging disc at the C4-5, C5-6, C6-7, and L4-5 levels that contributes to mild encroachment of the respective epidural spaces and inferior nerve roots as seen in a computed tomography (CT) scan taken on
- 25. The objective medical evidence indicates that there is disc space narrowing and diffuse disc bulging with a moderate broad-based left foraminal disc herniation at the L3-4, L4-5, and L5-S1 disc levels.
- The objective medical evidence indicates that the Claimant is capable of getting on and off an examination table and has a normal wide-based gait.
- 27. The objective medical evidence indicates that the Claimant has a mild decrease of flexion of the lumbar spine, a normal range of motion of her neck except that left rotation and left lateral flexion

- are decreased, knee motion is within normal limits, and a normal range of motion in all other areas with some pain.
- 28. A medical report indicates that the Claimant's lumbar spine range of motion is decreased to 50% of normal, her back bending is normal, she is able to lateral bend to the left and right, her hip range of motion is normal, and there is a positive straight leg raise on the right.
- 29. The objective medical evidence indicates that the Claimant experiences mild tenderness on palpation of the lower back, muscle strength is 5/5 in all extremities, and muscle tone is normal.
- 30. The objective medical evidence indicates that the Claimant has been diagnosed with sarcoidosis with a cough and asthma.
- 31. The objective medical evidence indicates that the results of a straight leg raise test were positive bilaterally (moderate), and there are mild limitations of her physical activity.
- 32. The objective medical evidence indicates that the Claimant has been diagnosed with arthritis of the cervical and lumbar spine.
- 33. The objective medical evidence indicates that there is a minute anterior spur formation at the L3, L4, and L5 vertebrae.
- 34. The objective medical evidence indicates that there is minimal narrowing of the facet joints at the mid and lower lumbar spine.
- 35. The objective medical evidence indicates that there is minute spur formation at the tibial spine, tibial plateau, and femoral condyle.
- 36. The objective medical evidence indicates that there is minimal cortical deformity of the superior and inferior segment of the left patella.
- 37. The objective medical evidence indicates that the Claimant has been diagnosed with degenerative arthritis of the right and left knees with possible osteochondritis of the patella.
- 38. The objective medical evidence indicates that the Claimant was diagnosed with shortness of breath, sarcoidosis, a lower respiratory tract infection, and snoring.
- 39. The objective medical evidence indicates that the Claimant's onesecond forced expiratory volume (FEV<sub>1</sub>) was measured at 2.44 liters at body temperature and pressure saturated (L,BTPS) and her

forced vital capacity (FVC) was measured at 2.83 liters at body temperature and pressure saturated (L,BTPS).

- 40. The objective medical evidence indicates that the Claimant was diagnosed and admitted for pneumonia and a fever of 104° on treated with intravenous antibiotics, and discharged on the condition.
- 41. The objective medical evidence indicates that the Claimant was admitted for sarcoidosis on on the control on the control of the control o
- 42. The objective medical evidence indicates that the Claimant was treated for generalized body pain in her chest, hands, ankles, and fingers on
- 43. The objective medical evidence indicates that the Claimant experienced traumatic car accidents in and and and accidents.
- 44. The objective medical evidence indicates that the Claimant has an anterior cruciate ligament tear, torn medial meniscus, moderate knee joint effusion, and degenerative change of the lateral patellofemoral compartment.
- 45. The objective medical evidence indicates that the Claimant has a history of cocaine dependence.
- 46. The objective medical evidence indicates that the Claimant is capable of walking a couple of blocks without pain.
- 47. The Claimant is capable of preparing meals, washing dishes, showering, and dressing herself.

# **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 Medical Assistance (MA) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (Department) administers the MA program pursuant to MCL 400.10, et seq., and MCL 400.105. Department policies are found in the Bridges

Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

Pursuant to Federal Rule 42 CFR 435.540, the Department 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. I520(c) and 4I6.920(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 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 sub-year-old woman that is stated tall and weighs pounds. The Claimant alleges disability due to arthritis, degenerative joint disease, degenerative disc disease, asthma, a skin rash, a learning disorder, a mood disorder, post-traumatic stress disorder, and personality disorder.

The objective medical evidence indicates the following:

The Claimant gets along well with people in general. The Claimant has been diagnosed with dysthymic disorder and panic disorder without agoraphobia. The Claimant has serious symptoms and serious impairments in social and occupational functioning. The Claimant's ability to understand, retain, and follow simple instructions, and perform basic routine, and tangible tasks is mildly impaired. The Claimant's ability to interact with others outside the home and in public is adequate. The Claimant is alert and oriented to time, place, and person. The Claimant's mood appears mildly depressed, her affect is full in range, and no delusions, hallucinations, formal thought disorders, or cognitive impairments were observed. The Claimant was diagnosed with recurrent major depression.

The Claimant experienced traumatic car accidents in and and and Claimant has a history of cocaine dependence.

The Claimant suffers from neck and back pain due to a bulging disc at the C4-5, C5-6, C6-7, and L4-5 levels that contributes to mild encroachment of the respective epidural spaces and inferior nerve roots as seen in a computed tomography (CT) scan taken on the computed tomography (C

The Claimant has a mild decrease of flexion of the lumbar spine, a normal range of motion of her neck except that left rotation and left lateral flexion are decreased, knee motion is within normal limits, and a normal range of motion in all other area with some pain. The Claimant experiences mild tenderness on palpation of the lower back, muscle strength is 5/5/ in all extremities, and muscle tone is normal. There is minimal cortical deformity of the superior and inferior segment of the left patella. The Claimant has been diagnosed with degenerative arthritis of the right and left knees with possible osteochondritis of the patella. The Claimant has an anterior cruciate ligament tear, a torn medial meniscus, moderate knee joint effusion, and degenerative change of the lateral patellofemoral , medical report indicates that the compartment. Claimant's lumbar spine range of motion is decreased to 50% of normal, her back bending is normal, she is able to lateral bend to the left and right, her hip range of motion is normal, and there is a positive straight leg raise on the right.

The Claimant has been diagnosed with sarcoidosis with a cough and asthma. The Claimant was diagnosed with shortness of breath, sarcoidosis, a lower respiratory tract infection, and snoring. The Claimant's one-second forced expiratory volume (FEV<sub>1</sub>) was measured at 2.44 liters at body temperature and pressure saturated (L,BTPS), and her forced vital capacity (FVC) was measured at 2.83 liters at body temperature and pressure saturated (L,BTPS). The Claimant was diagnosed and admitted for pneumonia and a fever of  $104^{\circ}$  on treated with intravenous antibiotics, and discharged on a sarcoidosis on and was discharged on and was discharged on

The Claimant is capable of independently caring for her hygiene and grooming needs but does not do laundry or household chores. The Claimant is capable of managing her finances. The Claimant has good language skills. The Claimant is capable of getting on and off an examination table and has a normal wide-based gait. The Claimant is capable of walking a couple of blocks without pain. The Claimant is capable of preparing meals, washing dishes, and showering and dressing herself.

This Administrative Law Judge finds that the Claimant has established a severe physical impairment that has more than a de minimus effect on the Claimant's ability to perform work activities. The Claimant's impairments have lasted continuously, or are expected to last for twelve months.

# 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 arthritis under section 14.09 Inflammatory Arthritis, because the objective medical evidence does not demonstrate an impairment involving a weight-bearing joint and resulting in an inability to ambulate effectively. The objective evidence does not support a finding that the Claimant lacks the ability to perform fine and gross movements with each upper extremity.

The Claimant's impairment failed to meet the listing for degenerative joint disease 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'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. 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 objective medical evidence includes reports of positive results of a straight leg test but these reports do not support a finding of severe spinal impairment. The Claimant suffers from back pain due to degenerative impairments, but the objective medical evidence does not support a finding that the Claimant meets a listed spinal impairment.

The Claimant's impairment failed to meet the listing for asthma under section 3.03 Asthma because the objective medical evidence does not support a finding of chronic asthmatic bronchitis. The objective medical evidence indicates that the Claimant is tall. The objective medical evidence does not support a finding that the Claimant has a one-second forced expiratory volume (FEV1) less than 1.05 liters at body temperature and pressure saturated (L,BTPS) or a forced vital capacity (FVC) less than 1.25 liters at body temperature and pressure saturated (L,BTPS). The objective evidence does not support a finding that the Claimant suffers from asthma attacks occurring at least once every 2 months despite treatment that require physician intervention.

The Claimant's impairment failed to meet a listing for a skin rash under section 8.00 Skin disorders.

The Claimant's impairment failed to meet the listing for a learning disability under section 12.05 Mental retardation because the objective medical evidence does not support a finding of mental incapacity, or a full IQ score of 70 or less. The objective medical evidence does not support a finding that the Claimant suffers from marked restrictions of activities of daily living or social functioning. The objective medical evidence does not support a finding that the Claimant suffers from repeated episodes of decompensation.

The Claimant's impairment failed to meet the listing for post-traumatic stress disorder or mood disorder under section 12.06 Anxiety-related disorders; because the objective medical evidence does not demonstrate that the Claimant suffers from marked restrictions of his activities of daily living or social functioning. The objective medical evidence does not demonstrate that the Claimant suffers from repeated episodes of compensation. The objective medical evidence does not demonstrate that the Claimant is completely unable to function outside his home.

The Claimant's impairment failed to meet the listing for a personality disorder under section 12.08 Personality disorders because the objective medical evidence does not support a finding that the Claimant suffers from marked restrictions of her activities of daily living or social functioning. The objective medical evidence does not support a finding that the Claimant suffers from repeated episodes of decomposition.

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 4l6.920(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, the 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.l520(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 a history of past relevant work as a restaurant hostess, cashier, and waitress where she was required to take orders, make sales, service food, lift objects weighing up to 10 pounds, and stand for up to four hours at a time. 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.

<u>Sedentary work.</u> 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).

<u>Light work</u>. 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).

<u>Heavy work</u>. 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 was able to answer all the questions at the hearing and was responsive to the questions. The Claimant was oriented to time, person and place during the hearing.

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 greatly ears-old, a younger person, under age equal, with a limited 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 Medical Assistance (MA) is denied using Vocational Rule 20 CFR 202.17 as a guide.

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 Medical 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 Medical Assistance and retroactive Medical 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**.

<u>/S/</u>

Kevin Scully

Administrative Law Judge for Maura D. Corrigan, Director Department of Human Services

Date Signed: 05/30/2013

Date Mailed: <u>05/30/2013</u>

**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/kl

CC:

