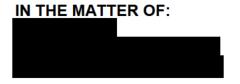
STATE OF MICHIGAN MICHIGAN ADMINISTRATIVE HEARING SYSTEM ADMINISTRATIVE HEARINGS FOR THE DEPARTMENT OF HUMAN SERVICES



Reg No.: 2012-28519 Issue No.: 2009, 4031 Case No.:

Hearing Date: March 15, 2012 Macomb County DHS (20)

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 held in Warren, Michigan on Thursday, March 15, 2012. The Claimant appeared, along with and testified. The Claimant was represented by appeared on behalf of the Department of Human Services ("Department").

During the hearing, the Claimant waived t he 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 May 4, 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") and St ate Disability Assistance ("SDA") benefit programs?

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 applic ations for public assistance seeking M A-P, retroactive to May 2011, and SDA benef its on June 10, 2011 and August 1, 2011.
- 2. On September 20, 2011, the Medical Review Team ("MRT") found the Claimant not disabled. (Exhibit 1, pp. 11, 12)
- 3. The Department notified the Claimant of the MRT determination.
- 4. The Department received the Claimant's timely written request for hearing on October 24, 2011. (Exhibit 2)
- 5. On December 29, 2011, the SHRT foun dthe Claimant not dis abled for MA-P purposes. (Exhibit 3)
- 6. On this same date, t he SHRT approved the Claimant for SDA benefits through December 31, 2011. (Exhibit 3)
- 7. The Claimant alleged physical disab ling impairments due to back pain status post laminectomy and excision of epidural abscess, feet num bness, deep vein thrombosis, left leg numbness, high blood pressure, Hepatitis C, lupus, seizure disorder, and bowel/bladder incontinence.
- 8. The Claimant alleged mental disabling impairments due to depression, bipolar disorder, post-traumatic stress disorder ("PTSD"), and anxiety.
- 9. At the time of hearing, the Claimant was years old with a birth date; was 5'7" in height; and weighed 150 pounds.
- 10. The Claim ant has the equiv alent of a high school education with college and vocational training with an employment history as a waitress, a receptionist, and in sales.
- 11. 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 Elig ibility 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 has 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 disabled, 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 individual'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 functional capacity is the most an individual can do disabled, at any step, a determination or decision is made with no need evaluate subsequent steps. 20 CFR 416.920(a)(4). If an impairment does not meet or equal a listed impairment, an individual's residual functional capacity is

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. 20 CFR 416.994(b)(1)(iv). In general, the individual has the responsibility to prove disability. 20 CFR 4 16.912(a). An impair ment or combination of impairments is not severe if it does not signific antly limit an individual's physical or mental ability to dobasic work activities. 20 CFR 416.921(a). The individual has the responsibility to provide evidence of prior work experience; efforts to work; and any other factor showing how the impairment affects the ability to work. 20 CFR 416.912(c)(3)(5)(6).

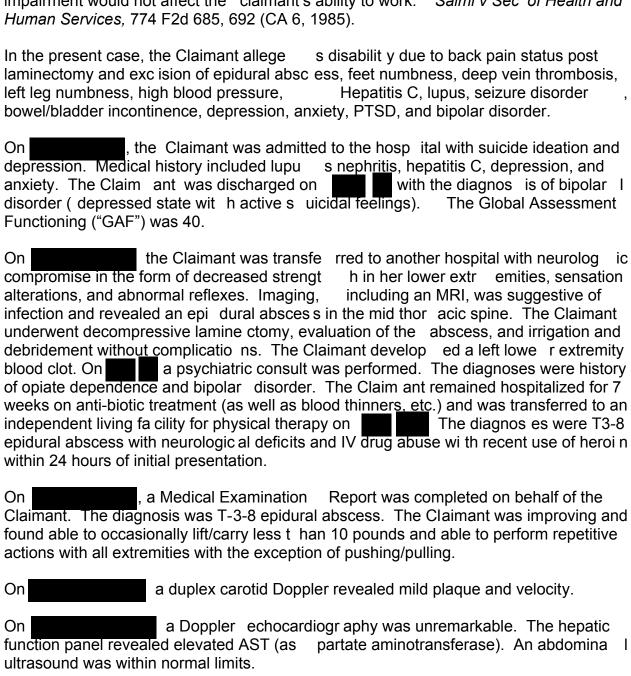
As outlined above, the first step looks at the i ndividual's current work activity. In the record presented, the Claimant is not involved in substantial gainful activity; therefore, is not ineligible for disability benefits under Step 1.

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 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 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 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).



seen at L5-S1.

A Medical Examination Report was complet ed on behalf of the Claimant. The current diagnoses were epidural abscess, deep vein thrombosis of the left lower extremity, and heroin abuse. On a CT of the abdomen and pelvis revealed distended gallbladder with mild intra and extrahepatic biliary duct dilation suggestive of distal CBD obstruction, mild to moderate fecal retention, and mild atherosclerotic changes in the abdominal aorta and iliac arteries. the Claimant attended a consultative evaluation with complaints of lupus, substance abuse, depression, hepatitis C, and fibromyalgia. The Claimant had reasonable gait but without her walker was able to only take a few steps. Squatting was limited to 40% and straight leg raising was about 75 degrees. The Internist opined that the Claimant had limitations temporarily sec ondary to recovery from surgery. The Claimant had limitations with walking, standing, pushing, and pulling; however, she was found able to sit and perform manipulati on with her hands without difficulty. The Claimant required an assistive device for ambulation. On this same date, a psychological assessment was completed. The diagnostic impressions were bipolar di sorder (not otherwise s pecified), panic diso rder without agoraphobia, post-traumatic stress disorder, and opioid dependence. The Psychologists noted that the Claimant had not been clean from substances long enough to know what psychiatric issues consisted of. Continued treatment was recommended. , the Claimant attended a psy chiatric evaluation with reports of increased depression, crying sp ells, severe anxiety, and racing heart. The diagnose s were bipolar I disorder (most recent episode depress ed, severe), post-traumatic stress disorder, opiate dependence, and cocaine abuse. The Glo bal Assessment Functioning ("GAF") was 55. a venous Doppler report of the right lower extremity found no evidence of deep vein thrombosis. On the Claimant attended a follow-up a ppointment status post excision of an epidural abscess in the thorac ic spine. The examination was s uggestive of lumbar radiculopathy. On an MR I without contrast of the lumbar spine revealed mild pronounced lumbar lordosis; transitional anatomy identified in the lumbosacral junction; partial sacralization at L5; and lobular cyst ic lesions in the upper sacral s pine likely

representing a cyst. At L2-3 de generative facet arthrosis was r evealed with mild disc space narrowing and disc degener ation at L4-5. Mild degener ative facet arthrosis was

On an MRI of the thoracic spine reveal ed multi-level degenerative changes of the thoracic spine and multilevel degenerative changes of the cervical spine.

As previously noted, the Claim ant bears the burden to present sufficient objective medical evidence to substantiate the alleged disabling impairment(s). As summarized above, the Claimant has presented medical evidence establishing that she does have physical and mental limitations on her ability to perform basic work activities. The medical evidence has established that the Claimant has an impairment, or combination thereof, that has more than a deminimus effect on the Claimant's basic work activities. Further, the impairments have lasted continuous ly 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 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 back pain status post laminec tomy and exc ision of epidural abscess, feet numbness, deep vein thrombosis, left leg numbness, high blood pressure, Hepatitis C, lupus, seizure disor der, bowel/bladder inc ontinence, depression , anxiety, PTSD, and bipolar disorder.

Listing 1.00 (musculoskeletal system), Listing 4.00 (cardiovascular system); Listing 5.00 (digestive disorders), Listing 11.00 (neurol ogical), Listing 12.00 (mental impairments), and Listing 14.00 (immune system disorders) were considered in light of the objective e findings. The objective medical records establish severe impairments; howe ver, these records do not meet the intent and severity requirements of a listing, or its equivalent. Accordingly, the Claimant cannot 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 ("RFC") is made. 20 CFR 416.945. An individual's RFC is the most he/she canstill do on a sustained bas 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 classified as sedentary, light, medium, heavy, and very heavy. 20 CFR 416.967. Sedentary work involves lifting of no more than 10 pounds at a time and occasionally lifting or carrying articles like docket files, ledgers, and small tools. 20 CFR 416.967(a). Although a sedentary job is defined as one which involves sitting, a certain amount of walking and standing is often necessary in carrying out job duties. *Id.* Jobs are sedentary if walking and standing are required occasionally and other sedentary criteria are met. Light work involves—lifting no more than 20 pounds at a time with frequent lifting or carrying objects weighing up to 10 pounds. 20 CFR 416.967(b). Even though weight lifted may be very—little, a job is in this category when it requires a good

Ives sit ting most of the time with some deal of walking or standing, or when it invo 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 thes e activities. Id. A n individual capab le of light work is also capable of sedentary work, unless there are additionally limiting factors such as loss of fin 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 strength demands (exertional requirements, i.e. sitting, 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 to function due to nervousness. anxiousness, or depression; difficulty maintaining attention or concentration; difficulty understanding or remembering detailed instructions; difficulty in seeing or hearing; difficulty tolerating so me physical feature(s) of certain work settings (i.e. ca n't tolerate dust or fumes); or di fficulty performing the manipulative or postur al functions of some work such as reaching, handling, stooping, climbing, crawling, or crouching. 20 CFR 4 16.969a(c)(1)(i) – (vi). If the imp airment(s) and related symptoms, such as pain, only affect the ability to perform the non-exertional aspects of work-related activities, the rules in Appendix 2 do not direct factual conclusions of disabled or not disabled. 20 CFR 416.969a(c)(2). The determination of whether disability exists is bas ed upon the principles in the appropriate sections of the regulations, giving consideration to the rules fo r specific case situat ions in Appendix 2. ld.

In this case, the Claimant alleged disability based on back pain status post laminectomy and excis ion of epidural abscess, feet numbness, deep vein thrombosis, left leg numbness, high blood pressure, Hepatitis C, lupus, seizure disorder, bowel/bladder incontinence, depression, anxiety, PTSD, and bipolar disorder. The Claimant testified that she is able to walk less than one block with an assistive device; grip/ grasp larger

objects without difficulty; sit for 2 0-30 minutes; lift/carry less than 10 pounds; stand less than 2 hours; and has difficulties bending and squatting. The objective medic al findings document walk ing, standing, pu shing, and pulling limitations. Mentally, because the Claimant has not been clean from substituting enough, continued treatment was recommended and the prognosis was guarded. Afteir review of the entire record to include the Claimant's testimony, it is found that the Claimant does not maintain the residual functional capacity, at this point, to perform even sedentary work as defined by 20 CFR 416.967(a).

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 em ployment. 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 consist s of work as a wait ress (semi-skilled ligh t work), as a receptionist (unskilled, sedentary), and in s ales (semi-skilled sedentary). in floor covering (skilled, heavy) and home restor ation (skilled, heavy). If the impairment or combination of impairments does not limit physical or mental ability to do basic work activities, it is not a severe impairment (s) and dis ability does not exist . 20 CFR 416.920. In light of the entire record and the Claimant's RFC (see above), it is found that the Claimant is unable to perform past relevant work.

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 years old thus consider ed to be a y ounger individual for MA-P purposes. The Claimant is a high school graduate with some college. Disability is found if an individual is unable to adjust to other work. *Id.* At this point in the analysis, the burden shifts from the Claimant to the Department to present proof that the Claimant has the residu al capacity to substantial gainfu I employment. 20 CFR 416.960(2); Richardson v Sec of Health and Human Services, 735 F2d 962, 964 (CA 6, 1984). While a vocational expert is not required, a finding supported by subs tantial evidence that the individual has the vocational qualifications to perform specif ic jobs is needed to meet the burde n. 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 nation al 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 that the Claimant suffers from multiple physical and mental impairments. The Claimant, and her witness, testified credibly regarding the ongoing is sues with incontinenc e and the need fo r assistance with activities of daily living. The Claimant is unable to ambulate effectively requiring an assistive device. After discharge from the extended hospitalization (here), the Claimant continues to suffer from both physical and mental impairments. After review of the entire record, and in consideration of the Claimant's age, education, work experience, and RFC, it is found that the Claimant lacks the physical and/or mental capacity at this time to perform even sedentary activity as defined by 20 CF R 416.967(a). Accordingly, the Claimant is found disabled at Step 5 for purposes of the MA-P benefit program.

The State Disability Assist ance program, which pr ovides financial assistance for disabled persons, was established by 2004 PA 344. The Department administers the SDA program purusant to MCL 400.10 *et seq.* and Mich Admin Code, Rules 400.3151 – 400.3180. Department policie s are found in BAM, BEM, and RFT. A person is considered disabled for SDA purposes if the person has a ph ysical or menta I impariment which m eets federal SSI dis ability standards for at least ninety days. Receipt of SSI or RSDI benefit s based on disability or blindness, or the receipt of MA benefits based on disability or blindness automatically qualifies an individual as disabled for purposes of the SDA program.

In some circumstances benefit payments can, or must, be restricted to someone other than the individual (program group). BAM 420. A protecti ve payee is a person/agency selected to be responsible for receiving and managing the cash assistance on behalf of the individual (program group) as a third party. BAM 420. Restricted payments ar e required in any of the following circumstances:

- Court-ordered shelter arrearage collection
- Third-party resource disqualification
- Minor parent
- Substance Abuse
- Client convicted of a drug-related felony
- Money mismanagement
- A child(ren) receiving FIP has a legal guardian
- Eviction or threatened eviction

BAM 420. Restricted payment status is reviewed when appropriate but at least at every determination. BAM 420. The client has the right to request and be granted a review of the restricted payment status every six months. BAM 420. An individual (group) may request a hearing to dispute a decis ion to beg in or continue r estricted payments or dispute the selection of a protected pay ee. BAM 420. Restricted payments are continued until the hearing matter is resolved. BAM 420.

In this case, the Claimant is found disa bled for purposes of the MA-P program; therefore, she is f ound disabled for purposes of SD A benefit program. The Claimant was previously approved for SDA through December 31, 2011. Accordingly, SDA eligiblity will be determined effective January 1, 2012.

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 and SDA benefit programs.

Accordingly, It is ORDERED:

- 1. The Department's determination is REVERSED.
- 2. The Department shall initiate processing of the June 10, 2011 application, retroactive to May 2011, to determine if all other non-medical criteria are met and inform the Claim ant and her Authorized Hearing Representative of the determination in accordance with Department policy.
- 3. The Depar tment shall initiate a dete rmination of SDA eligibility effective January 1, 2012 in accordance with Department policy.
- 4. The Department shall, in light of the Claimant's hi story of substance abuse, evaluate the need for a protective pay ee in accordance with Department policy.
- 5. The Department shall supplement for lo st benefits (if any) that the Claimant was entitled to receiv e if otherwise el igible and gualified in accordance with Department policy.
- 6. The Department shall review the Claimant's continued eligibility in June 2013 in accordance with Department policy.

Colleen M. Mamelka Administrative Law Judge For Maura Corrigan, Director Department of Human Services

Collein M. Mamilka

Date Signed: May 11, 2012

Date Mailed: May 11, 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

