

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

**IN THE MATTER OF:**



Reg. No.: 2012-16176  
Issue Nos.: 2009, 4031  
Case No.: [REDACTED]  
Hearing Date: February 13, 2012  
County: Oakland (63-04)

**ADMINISTRATIVE LAW JUDGE:** Jan Leventer

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9, MCL 400.37 and Claimant's request for a hearing. After due notice, a telephone hearing was held on February 13, 2012, from Detroit, Michigan. Claimant appeared and testified. The Department of Human Services (Department) was represented by [REDACTED].

**ISSUE**

Did the Department properly determine that Claimant is not disabled for purposes of the Medical Assistance (MA-P) and State Disability Assistance (SDA) programs?

**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 August 5, 2011, Claimant filed an application for MA-P and SDA benefits. The application requested MA-P retroactive to May 12, 2011.
2. On November 28, 2011, the Department denied Claimant's application for benefits based on a finding that Claimant did not meet the requisite disability criteria.
3. On December 2, 2011, Claimant filed a hearing request to protest the Department's determination.
4. Claimant, age fifty, has a sixth-grade education. She is 5'5" and weighs 198 lbs.

5. Claimant last worked in 2009 as a telephone survey taker. Claimant also performed relevant work as a nurse's aide and a drywall, wallpaper and carpet installer. Claimant's relevant work history consists of light and heavy work activities.
6. Claimant has a history of neck, back and lower extremity pain, dysthymia, post-traumatic stress disorder, and learning disability.
7. Claimant was hospitalized for psychiatric treatment in [REDACTED] as a result of a nervous breakdown. Her discharge diagnosis was anxiety and depression.
8. Claimant currently suffers from neck, back and lower extremity pain, dysthymia, post-traumatic stress disorder, and learning disability.
9. Claimant has severe limitations on her ability to ambulate effectively. Claimant's limitations have lasted or are expected to last twelve months or more.
10. Claimant's complaints and allegations concerning physical and mental impairments and limitations, when considered in light of all objective medical evidence, as well as the record as a whole, reflect an individual who is so impaired as to be incapable of engaging in any substantial gainful activity on a regular and continuing basis.

### **CONCLUSIONS OF LAW**

MA was established by Title XIX of the U.S. Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department administers MA 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 Reference Tables (RFT).

SDA provides financial assistance for disabled persons and was established by 2004 PA 344. The Department administers SDA pursuant to MCL 400.10, *et seq.*, and MAC R 400.3151-400.3180. Department policies are found in BAM, BEM and RFT.

Federal regulations require the Department to use the same definition for "disabled" as the U.S. Social Security Administration uses for Supplemental Security Income (SSI) benefits applications under Title XVI of the U.S. Social Security Act. 42 CFR 435.540(a).

"Disability" is:...the 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.

In determining whether an individual is disabled, 20 CFR 416.920 requires the trier of fact to follow a five-step sequential evaluation process by which current work activity

(Step 1), the severity of the impairment(s) (Steps 2 and 3), current physical and mental impairments, residual functional capacity, and vocational factors (i.e., age, education, and work experience) (Steps 4 and 5) are assessed in that order. When a determination that an individual is or is not disabled can be made at any step in the sequential evaluation, no evaluation under a subsequent step is necessary.

Turning now to the required five-step evaluation, Step 1 requires the trier of fact to determine if the individual is working and if the work is substantial gainful activity. 20 CFR 416.920(b). In this case, Claimant is unemployed. Therefore, Claimant is not disqualified for MA at Step 1 of the sequential evaluation process.

Step 2 requires that in order to be considered disabled for purposes of MA, a person must have a severe impairment. 20 CFR 416.920(c). A severe impairment is an impairment which significantly limits an individual's physical or mental ability to perform basic work activities. Basic work activities means the abilities and aptitudes necessary to do most jobs. Examples of these include:

- (1) Physical functions such as walking, 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.

20 CFR 416.921(b).

The purpose of Step 2 in the sequential evaluation process is to screen out claims lacking in medical merit. *Higgs v. Bowen* 880 F2d 860, 862 (6<sup>th</sup> Cir, 1988). As a result, the Department may screen out at this level only those claims which are "totally groundless" solely from a medical standpoint. The *Higgs* court used the severity requirement as a "*de minimis* hurdle" in the disability determination. The *de minimis* standard is a provision of law that allows the court to disregard trifling matters.

In this case, Claimant has presented the required medical data and evidence necessary to support a finding that Claimant has significant physical limitations upon her ability to perform basic work activities such as ambulating effectively. Medical evidence clearly establishes that Claimant has an impairment (or combination of impairments) that has more than a minimal effect on Claimant's work activities. See Social Security Rulings 85-28, 88-13, and 82-63.

As Claimant meets the severity requirement of Step 2, the trier of fact must next consider Step 3 of the sequential consideration of a disability claim. In Step 3 of the sequential consideration of a disability claim, the trier of fact must determine if the Claimant's impairment (or combination of impairments) is listed in Appendix 1 of Subpart P of 20 CFR, Part 404-Listing of Impairments. This Administrative Law Judge finds that the Claimant's medical record supports a finding that Claimant's impairment(s)

is a listed impairment or equal to a listed impairment. See Appendix 1 of Subpart P of 20 CFR, Part 404, Part A. Accordingly, Claimant is found disabled based upon the medical evidence alone. 20 CFR 416.920(d).

It is found and determined that Claimant's lower extremity impairments meet the requirements of Listing 1.02, Major dysfunction of a joint(s) (due to any cause):

Characterized by gross anatomical deformity (e.g. subluxation, contracture, bony or fibrous ankylosis, instability) and chronic joint pain and stiffness with signs of limitation of motion or other abnormal motion of the affected joint(s), and finding on appropriate medically acceptable imaging of joint space narrowing, bony destruction, or ankylosis of the affected joint(s). With:

- A. Involvement of one major peripheral weight-bearing joint (i.e., hip, knee, or ankle), resulting in inability to ambulate effectively, as defined in 1.00B2b....

It is found and determined that Claimant has physical impairments in both knees based on her testimony and the medical examinations conducted on her knees. Claimant gave credible and un rebutted testimony that she can walk only fifty feet. She can drive no more than ten miles. She has "some difficulty" with rough and uneven walking surfaces, and she might have to stop, wait or walk slower because of difficulty with her knees and her back. While she can go banking and grocery shopping by herself, she can climb up only one step without the use of a handrail, because it is very painful in both legs and her back. She also experiences pain in her ankle and hip joints.

Claimant gave credible and un rebutted testimony that she cannot engage in her previous physical activities: dancing, exercising and walking for many miles at a time. This has been true for the past four years.

Claimant gave credible and un rebutted testimony that although she does not believe her knees have gotten worse, she has been taking Vicodin for overall pain for the past four months. She used many other prescription pain medications before that, such as Anaprox, going back at least before [REDACTED].

Claimant gave credible and un rebutted testimony that in [REDACTED], her personal physician, [REDACTED], referred her to an orthopedic specialist and ordered MRIs taken of both knees. The referral was based on Claimant's report to her doctor that she could no longer bend or squat as she used to and that there was a lot of pain shooting through her knees. The orthopedic specialist told her there was nothing serious on the MRIs, but he recommended more testing for both knees.

This determination is based on both MRI exams of Claimant's knees. The right knee MRI showed three-compartment hyaline articular cartilage thinning of the knee, mild to moderate in extent, with the patellofemoral chondral thinning exacerbated by a lateral patellar tilt; intrasubstance degeneration of the medial and lateral menisci, small joint effusion, mild tendinosis of the extensor mechanism, and mild medial collateral ligament sprain. The MRI of the left knee showed three-compartment chondral fibrillation, most

pronounced at the junction of the patellar apex and lateral patellar facet, where also there is full thickness chondral fissure and mild deep surface chondral delamination. Also in the left knee MRI there is surface fraying of the medial and lateral meniscal bodies without a discrete surfacing meniscal tear, minimal joint effusion, mild tendinosis of the extensor mechanism, and a nonspecific sclerotic focus of the posterior aspect of the proximal tibia.

It is found and determined that the MRIs provide a basis or explanation of some portion of Claimant's pain and physical impairment in her knees. Accordingly, this Administrative Law Judge concludes that Claimant is disabled for purposes of the MA program. The Department's denial of MA benefits to Claimant is REVERSED.

Considering next whether Claimant is disabled for purposes of SDA, the individual must have a physical or mental impairment which meets federal SSI disability standards for at least 90 days. Receipt of MA benefits based upon disability or blindness (or receipt of SSI or RSDI benefits based upon disability or blindness) automatically qualifies an individual as disabled for purposes of the SDA program. Other specific financial and non-financial eligibility criteria are found in BEM Item 261. Inasmuch as Claimant has been found disabled for purposes of MA, she must also be found disabled for purposes of SDA benefits.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides and concludes that Claimant meets the definition of medically disabled under the Medical Assistance and State Disability Assistance program as of 2010.

Accordingly, the Department is ordered to:

1. Initiate a review of Claimant's August 5, 2011, application, if it has not already done so, to determine if all nonmedical eligibility criteria for MA-P, MA-P retroactive and SDA benefits have been met;
2. Initiate procedures to inform Claimant of its determination in writing, and provide MA-P, MA-P retroactive, and SDA benefits to Claimant at the benefit levels to which she is entitled;
3. Assuming that Claimant is eligible for program benefits, initiate procedures to review Claimant's continued eligibility for program benefits in March 2013.

4. All steps shall be taken in accordance with Department policy and procedure.



**Jan leventer**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: February 14, 2012

Date Mailed: February 15, 2012

**NOTICE:** Michigan Administrative Hearing System (MAHS) 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. MAHS will not order a rehearing or reconsideration on the Department's motion where the final decision 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 timely 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 **MAY** 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  
Reconsideration/Rehearing Request  
P. O. Box 30639  
Lansing, Michigan 48909-07322

JL/pf

cc:

