

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2012-53199
Issue No.: 2009
Case No.: [REDACTED]
Hearing Date: August 2, 2012
County: Oakland (63-02)

ADMINISTRATIVE LAW JUDGE: Robert J. Chavez

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon claimant's request for a hearing. After due notice, a hearing was held on August 2, 2012, by teleconference from Detroit, Michigan. Participants on behalf of claimant included [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED]

ISSUE

Was the denial of claimant's application for Medical Assistance (MA-P) and retroactive MA-P benefits for lack of disability correct?

FINDINGS OF FACT

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

1. Claimant applied for MA-P on February 1, 2012.
2. Claimant is 39 years old.
3. Claimant has a limited education.
4. Claimant is not currently working.
5. Claimant has a prior work history consisting of press operator and security guard.
6. These positions were performed at the sedentary and light exertional levels.

7. Claimant's job requirements as a press operator consisted of press operation, the ability to concentrate for extended periods of time, standing for up to 8 hours, and lifting up to 10 pounds.
8. Claimant testified that he could not work at this job because he could not focus or concentrate adequately enough to operate a press safely.
9. Claimant's job requirements as a security guard did not involve any lifting or standing, and the occasional focus and concentration.
10. Claimant did not testify to any mental limitations with regard to work-related activities in this particular job.
11. Claimant testified that he could not work at this job because he had previously fallen asleep at this job and was subsequently fired.
12. Claimant alleges disability due to anxiety disorder, depressive disorder, and ADHD.
13. A psychiatric evaluation in [REDACTED] showed an anxious mood and normal thought content and processes.
14. His mental status at this examination was anxious, but otherwise unremarkable.
15. A treating source statement from [REDACTED] notes only moderate limitations in understanding and remembering detailed instructions, maintaining concentration for extended periods, performing at a consistent pace, and accepting instructions.
16. Claimant was given no other limitations by his treating source.
17. Claimant's GAF score has been consistently at 50 or above, which is typical of only moderate limitations in social, occupational, or school functioning.
18. Claimant testified to no side effects from medications
19. Claimant is able to complete all activities of daily living, and participates in community service.
20. Claimant has no physical limitations.
21. On May 1, 2012, the Medical Review Team denied MA-P, stating that claimant could perform other work.
22. On May 3, 2012, claimant was sent a notice of case action.

23. On May 15, 2012, claimant filed for hearing.
24. On June 29, 2012, the State Hearing Review Team (SHRT) denied MA-P, stating that claimant could perform other work.
25. On August 2, 2012, a hearing was held before the Administrative Law Judge.
26. The record was extended for additional evidence; on September 4, 2012, SHRT again denied MA-P, stating that claimant could perform other work.

CONCLUSIONS OF LAW

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 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 Bridges Reference Manual (BRM).

Federal regulations require that the Department use the same operative definition of the term "disabled" as is used by the Social Security Administration for Supplemental Security Income (SSI) under Title XVI of the Social Security Act. 42 CFR 435.540(a).

Disability is defined as 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.

This is determined by a five-step sequential evaluation process where current work activity, the severity and duration of the impairment(s), statutory listings of medical impairments, residual functional capacity, and vocational factors (i.e., age, education, and work experience) are considered. These factors are always considered in order according to the five-step sequential evaluation, and when a determination can be made at any step as to the claimant's disability status, no analysis of subsequent steps is necessary. 20 CFR 416.920.

The first step that must be considered is whether the claimant is still partaking in SGA. 20 CFR 416.920(b). To be considered disabled, a person must be unable to engage in SGA. A person who is earning more than a certain monthly amount (net of impairment-related work expenses) is ordinarily considered to be engaging in SGA. The amount of monthly earnings considered as SGA depends on the nature of a person's disability; the Social Security Act specifies a higher SGA amount for statutorily blind individuals and a lower SGA amount for non-blind individuals. Both SGA amounts increase with increases in the national average wage index. The monthly SGA amount for statutorily blind individuals for 2012 is \$1,690. For non-blind individuals, the monthly SGA amount for 2012 is \$1,010.

In the current case, claimant has testified that he is not working, and the Department has presented no evidence or allegations that claimant is engaging in SGA. Therefore, the Administrative Law Judge finds that claimant is not engaging in SGA and, thus, passes the first step of the sequential evaluation process.

The second step that must be considered is whether or not the claimant has a severe impairment. 20 CFR 416.920(c). A severe impairment is an impairment expected to last 12 months or more (or result in death), which significantly limits an individual's physical or mental ability to perform basic work activities. The term "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 the second step in the sequential evaluation process is to screen out claims lacking in medical merit. *Higgs v. Bowen* 880 F2d 860, 862 (6th Cir, 1988). As a result, the Department may only screen out claims at this level which are "totally groundless" solely from a medical standpoint. This is a *de minimus* standard in the disability determination that the court may use only to disregard trifling matters. As a rule, any impairment that can reasonably be expected to significantly impair basic activities is enough to meet this standard.

In the current case, claimant has presented medical evidence of depression and anxiety disorder, which has more than a minimal effect on claimant's work-related abilities. Claimant has a treating source statement which shows mild limitations with regard to attention, concentration, persistence, and pace. Therefore, claimant passes the second step of the sequential evaluation.

In the third step of the sequential evaluation, we must determine if the claimant's impairment is listed in Appendix 1 of Subpart P of 20 CFR, Part 404. 20 CFR 416.925. This is, generally speaking, an objective standard; either the claimant's impairment is

listed in this appendix, or it is not. However, at this step, a ruling against the claimant does not direct a finding of “not disabled”; if the claimant’s impairment does not meet or equal a listing found in Appendix 1, the sequential evaluation process must continue on to step four.

The Administrative Law Judge finds that claimant’s medical records do not contain medical evidence of an impairment that meets or equals a listed impairment.

In making this determination, the undersigned has considered listings in Section 12.00 (Mental). Claimant’s condition does not meet the requirements contained in the listing. Claimant does not have evidence of any marked difficulties in any mental domain. The medical evidence is insufficient to consider these listings. Therefore, the claimant cannot be found to be disabled at this step based upon medical evidence alone. 20 CFR 416.920(d). We must, thus, proceed to the next steps and evaluate claimant’s vocational factors.

Evaluation under the disability regulations requires careful consideration of whether the claimant can do past relevant work (PRW), which is our step four, and if not, whether he can reasonably be expected to make vocational adjustments to other work, which is our step five. When the individual’s residual functional capacity (RFC) precludes meeting the physical and mental demands of PRW, consideration of all facts of the case will lead to a finding that

- 1) The individual has the functional and vocational capacity for other work, considering the individual’s age, education and work experience, and that jobs which the individual could perform exist in significant numbers in the national economy, or
- 2) The extent of work that the claimant can do, functionally and vocationally, is too narrow to sustain a finding of the ability to engage in SGA.

SSR 86-8.

Given that the severity of the impairment must be the basis for a finding of disability, steps four and five of the sequential evaluation process must begin with an assessment of the claimant’s functional limitations and capacities. After the RFC assessment is made, we must determine whether the individual retains the capacity to perform PRW. Following that, an evaluation of the claimant’s age, education and work experience and training will be made to determine if the claimant retains the capacity to participate in SGA.

RFC is an assessment of an individual’s ability to do sustained work-related physical and mental activities in a work setting on a regular and continuing basis—meaning 8 hours a day, 5 days a week, or an equivalent work schedule. RFC assessments may

only consider functional limitations and restrictions that result from a claimant's medically determinable impairment, including the impact from related symptoms. It is important to note that RFC is not a measure of the least an individual can do despite their limitations, but rather, the most. Furthermore, medical impairments and symptoms, including pain, are not intrinsically exertional or nonexertional; the functional limitations caused by medical impairments and symptoms are placed into the exertional and nonexertional categories. SSR 96-8p, 20 CFR 416.945 (a).

However, our RFC evaluations must necessarily differ between steps four and five. At step four of the evaluation process, RFC must not be expressed initially in terms of the step five exertional categories of "sedentary", "light", "medium", "heavy", and "very heavy" work because the first consideration in step four is whether the claimant can do PRW as they actually performed it. Such exertional categories are useful to determine whether a claimant can perform at their PRW as is normally performed in the national economy, but this is generally not useful for a step four determination because particular occupations may not require all of the exertional and nonexertional demands necessary to do a full range of work at a given exertional level. SSR 96-8p.

Evaluation under the disability regulations requires careful consideration of whether the claimant can do past relevant work (PRW), which is our step four, and if not, whether he can reasonably be expected to make vocational adjustments to other work, which is our step five. When the individual's residual functional capacity (RFC) precludes meeting the physical and mental demands of PRW, consideration of all facts of the case will lead to a finding that

- 3) The individual has the functional and vocational capacity for other work, considering the individual's age, education and work experience, and that jobs which the individual could perform exist in significant numbers in the national economy, or
- 4) The extent of work that the claimant can do, functionally and vocationally, is too narrow to sustain a finding of the ability to engage in SGA.

SSR 86-8.

Given that the severity of the impairment must be the basis for a finding of disability, steps four and five of the sequential evaluation process must begin with an assessment of the claimant's functional limitations and capacities. After the RFC assessment is made, we must determine whether the individual retains the capacity to perform PRW. Following that, an evaluation of the claimant's age, education and work experience and training will be made to determine if the claimant retains the capacity to participate in SGA.

RFC is an assessment of an individual's ability to do sustained work-related physical and mental activities in a work setting on a regular and continuing basis—meaning 8 hours a day, 5 days a week, or an equivalent work schedule. RFC assessments may only consider functional limitations and restrictions that result from a claimant's medically determinable impairment, including the impact from related symptoms. It is important to note that RFC is not a measure of the least an individual can do despite their limitations, but rather, the most. Furthermore, medical impairments and symptoms, including pain, are not intrinsically exertional or nonexertional; the functional limitations caused by medical impairments and symptoms are placed into the exertional and nonexertional categories. SSR 96-8p, 20 CFR 416.945 (a).

However, our RFC evaluations must necessarily differ between steps four and five. At step four of the evaluation process, RFC must not be expressed initially in terms of the step five exertional categories of “sedentary”, “light”, “medium”, “heavy”, and “very heavy” work because the first consideration in step four is whether the claimant can do PRW as they actually performed it. Such exertional categories are useful to determine whether a claimant can perform at their PRW as is normally performed in the national economy, but this is generally not useful for a step four determination because particular occupations may not require all of the exertional and nonexertional demands necessary to do a full range of work at a given exertional level. SSR 96-8p.

In the current case, claimant testifies to depression, anxiety disorder, and ADHD. Claimant has a treating source statement that shows moderate limitations in remembering detailed instructions, maintaining concentration for extended periods, performing at a consistent pace, and accepting instructions from supervisors. Claimant has no physical limitations. Claimant also testifies to sleep disturbance and the occasional racing thought. Claimant testifies to being able to perform all activities of daily living. More recent medical records show a generalized anxiousness, but no disturbance in any other thought processes. Claimant has been given a consistent GAF score of 50 or above, which is typical of moderate limitations in social, occupational, or school functioning.

From these reports, the Administrative Law Judge concludes that claimant has a disabling impairment when considering functions that require concentration for extended periods and memorization of detailed processes. Claimant also has a disabling impairment with performing tasks that require a specific, consistent pace. Claimant should be moderately limited with regard to interactions with a supervisor. Claimant has no limitations with reaching and pulling, and no manipulative limitations. Claimant has no postural limitations (e.g., stooping, bending, and crouching) and no visual limitations or communicative (hearing, speaking) limitations. Claimant has no limitations with standing, walking, or the use of their legs.

Claimant's PRW includes work as a press operator and a security guard. The press operator job requires concentration for extended periods and memorization of detailed processes in order to perform the job safely in customary workplace tolerances.

Therefore, the Administrative Law Judge holds that claimant does not retain the ability to perform this past job.

The security job, per claimant testimony and as typically performed, does not require memorization of detailed processes. While it does require some concentration and attention to detail, this concentration and attention is not required for extended periods. Supervisory interaction is typically limited, and the job does not typically require routines performed at a specific pace.

Furthermore, claimant did not express that he had mental limitations with regards to this job, and only stated that he would not be a good candidate for this job because he was previously fired from a security job because he had fallen asleep at work.

While the undersigned sympathizes with this position, the fourth step does not consider the difficulty of finding work or past reasons for losing the job in question, but only considers whether claimant is still physically and mentally capable of working at a particular job with the same exertional and non-exertional requirements as past relevant work.

The medical record shows that claimant is physically and mentally capable of performing his past relevant work. Therefore, claimant possesses the RFC to perform his past relevant work.

Therefore, given the functional requirements for these jobs as stated by claimant (which is consistent with how these jobs are typically performed) and claimant's functional limitations as described above, the Administrative Law Judge concludes that claimant does retain the capacity to perform his past relevant work.

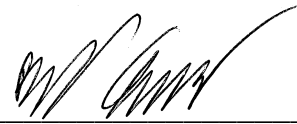
As claimant retains the capacity to perform past relevant work, the undersigned must find that claimant does not meet the requirements to be found medically disabled. As claimant does not meet the requirements to be found medically disabled, the undersigned holds that the Department was correct when claimant was found not disabled for the purposes of the MA-P program.

As claimant has been found not disabled at Step 4, no further analysis is required. 20 CFR 416.920

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that claimant is not disabled for the purposes of the MA program. Therefore, the decision to deny claimant's application for MA-P was correct.

Accordingly, the Department's decision in the above-stated matter is, hereby, AFFIRMED.



Robert J. Chavez
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: October 12, 2012

Date Mailed: October 12, 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

RJC/pf

cc:

