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

**IN THE MATTER OF:** Reg. No: 201261348 Issue No: 2009;4031

Case No:

Hearing Date: October 3, 2012

Otsego County DHS

ADMINISTRATIVE LAW JUDGE: William A. Sundquist

#### **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 telephone hearing was held on October 3, 2012. Claimant appeared along with his hearing representative, and provided testimony on his behalf. Participant s on behalf of the D epartment of Human Se rvices (Department) included

# <u>ISSUE</u>

Was disability, as defined below, medically established?

#### 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's MA-P/SDA ap plication on April 17, 2012 was denied on June 7, 2012 per BEM 260/261, with a hearing request on June 18, 2012.
- Claimant was age 41, with a high school or more education.
- Claimant's last employment ended August 2009 due to lay-off; he became eligible of UCB with exhaustion on September 1, 2011.
- 4. Claimant alleges disability due to medically diagnosed dis orders of obstructive sleep apnea, right ventricl e dilatation, aortic valve, kidney, diabetes, periodontal disease and depression (DHS Ex A, p 42).

- 5. Medical reports of record state the Claimant on:
  - a. Medical exam on May 16, 2012 stat es the claimant was cooperative and had no pathology; that lungs had no wheezes; that cardiovasculary he had no murmurs, bruits or edem a; that he had normal grip strength; that he has depres sion and a personality disorder; and that his condition was stable (DHS Ex 1, p 32).
- 6. State Hearing Review Team (SHRT) decision dated August 9, 2012 states the Claimant's impair ments do not meet/equal a Social Security listing (DHS Ex A, Page 28).

#### **CONCLUSIONS OF LAW**

The State Disability A ssistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Service s (DHS or department) admin isters the SDA program pursuant to MCL 400.10, et seq., and MAC R 400.3151-400.3180. Department polic ies are found in the Bridge es Administrative Manual (BAM), the Bridges Elig ibility Manual (B EM) and the Bridges Reference Manual (BRM).

The Medical Assistance (MA) program is estab lished by Title XIX of the Social Sec urity Act and is implemented by Title 42 of the C ode of Federal Regulations (CFR). The Department of Human Services (DHS or 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).

Facts above are undisputed.

"Disability" is:

...the inability to do any substant ial 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.

#### DISABILITY

A person is disabled for SDA purposes if he:

 receives other specified disability-related benefits or services, or

- . resides in a qualified S pecial Living Arrangement facility, or
- is certified as unable to work due to mental or physical disability f or at least 90 d ays from the onset of the disability.
- . is diagnos ed as hav ing Acquired Immunodeficiency Syndrome (AIDS).

If the client's circumstances change so t hat the basis of his/her disability is no longer valid, determine if he/she meets any of the other disability crit eria. Do NO T simply initiate case closure. BEM, Item 261, p. 1.

...We follow a set order to determine whether y ou are disabled. We review any current work activity, the severity of your impairment(s), your residual functional capacity, your past work, and your age, education and work experience. If we can find that you are disabled or not disabled at any point in the review, we do not review your claim further.... 20 CFR 416.920.

When determining disability, the federal regulations are used as a guideline and require that several considerations be analyzed in sequentia I order. If dis ability can be ruled out at any step, analysis of the next step is <u>not</u> required. These steps are:

- 1. Does the client perf orm S ubstantial Gainful Activity (SGA)? If yes, the client is ineligible for MA. If no, the analysis continues to Step 2. 20 CFR 416.920(b).
- 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 cli ent is ineligible for MA. If yes, the analysis c ontinues to Step 3. 20 CF R 416.920(c).
- 3. Does the impairment appear on a spec ial listing of impairments or are the cli ent's symptoms, signs, and laboratory findings at least eq uivalent in s everity to the set of medical findings specified for the listed impairment? If no, the analys is continues to Step 4. If yes, MA is approved. 20 CFR 416.290(d).

- 4. Can the client do the former work that he/she performed within the last 15 years? If yes, the client is ineligible for MA. If no, the analysis continues to Step 5. 20 CFR 416.920(e).
- 5. 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, the analysis ends and the client is ineligible for MA. If no, MA is approved. 20 CFR 416.920(f).

Step 1 disability is not denied. The evidence of record established the Claimant has not been engaged in substantial gainful activities since August 2009.

Step 2, disability is denied. The medical evidence of record, on date of application, does not establish the Claimant's significant functional inclapacity to do basic work activities for the required one year continuous duration, as defined below.

## Severe/Non-Severe Impairment

...If you do not have any impairment or combination of impairments which significantly limits your physical or mental ability to do basic work activities, we will find that you do not have a severe impairment and are, therefore, not di sabled. We will not consider your age, education, and work experience. 20 CFR 416.920(c).

**Non-severe impairment(s)**. An impairment or combination of impairments is not severe if it does not signific antly limit your physical or mental ability to do basic work activities. 20 CFR 416.921(a).

**Basic w ork activities.** When we talk about basic work activities, we mean the abilities and aptitudes neces sary to do most jobs. Examples of these include:

- 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;

- 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).

#### **SEVERE IMPAIRMENT**

To qualify for MA-P, claimant must first satisfy both the gainful work and the duration criteria (20 CFR 416.920(a)) before further review under severity criteria. If claimant does not have any impairment or combination of impairments which significantly limits physical or mental ability to do basic work activities, an ultima tely favorable dis ability determination cannot result. (20 CFR 416.920(c)).

The burden of proof is on the claimant to establish disability in accordance with the 5 step process below. ...20 CFR 416.912(a).

...You must provide medical evidence showing that you have an impairment(s) and how severe it is during the time you say that you are disabled. 20 CFR 416.912(c).

[In reviewing your impairment]...We need reports about your impairments from acceptable m edical sources.... 20 CFR 416.913(a).

Acceptable medical sources about your impairments are an M.D. or D.O. or fully licensed ps ychologist. Medical reports would include:

- Your ability to do work-re lated activities such as sitting, standing, moving ab out, lifting, carrying, handling objects, hearing, speaking, and traveling.
- In cases of mental impairment s, your ability to reason or make occupational, personal, or social adjustments. ...20 CFR 416.913(a)(c)(1) and (2).

The medic al reports of record are exami nation, diagnostic, tr eatment and progres s reports and do not provide medical assessments of Claimant's basic work limitations for the required duration. Stated differently, do the Claimant's diagnosed medical disorders impair the Claimant minimally, mildly, moderately (non-severe impairment, as defined above) or severely, as defined above?

Claimant testified that he c ould work, but for the poor job market; and that he has the capacity to lift/carry over 60-70 lbs.

Therefore, the Claimant has not sustained his burden of proof to establis h a severe impairment, instead of a non-severe impairment, for the required duration, and the sequential evaluation is required to discontinue.

If Step 2 disability ha d not been denied, Step 3 disability would also be de nied. The medical evidence of record, for the required duration, does not establish Claimant's impairment's meet/equal a Social Security listed impairment.

If disability had not already been denied at Step 2, it would also be denied at Step 4. The medic all evidence of record, on date of application, does not establish the Claimant's functional incapacity, despite his impairments, to perform any of his past work, as a bus rider observer and restaurant cook, for the required one year continuous duration.

The burden of proof shifts. If di sability had not already been denied at Step 2, it would also be denied at Step 5. The medical evi dence of record, on date of application, establishes Claimant's RFC, despite his impairments, to perform any other work in the national economy.

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

To determine the physical demands (exer tional requirements) of work in the national economy, we classify jobs as sedentary, light, m edium and heavy. These terms have the s ame meaning as they have in t he Dictionary of Occupational T itles, published by the Department of Labor...20CFR 416.967.

**Sedentary w ork**. Sedentary work involv es lifting no more than 10 lbs at a time and occ asionally lifting or carrying articles like docket files, ledgers, and small tools. Although a sedentary job is defined as one which in volves 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. 20CFR 416.967(a).

Under the Medical-Vocational guidelines, Rule 201.28, a younger individual age 41, with a high school education and a semi-skilled work history who is limited to sedentary work is not considered disabled.

Therefore, medical disability has not been establishhed at Step 2 and also would not have been established at Steps 3, 4 and 5 by the competent, material and subjective evidence on the whole record.

#### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusion sof law, decides disability was not medically established.

Accordingly, MA-P/SDA denial is **UPHELD**.

William A. Sundquist
Administrative Law Judge
For Maura D. Corrigan, Director
Department of Human Services

Date Signed: February 12, 2013

Date Mailed: February 12, 2013

**NOTICE**: Administrative Hearings may or der a re hearing 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 Hear ings will not orde rarehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing 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 **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

## 201261348/WAS

Request must be submitted through the local DHS office or directly to MAHS by mail at

Michigan Administrative Hearings
Recons ideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-07322

## WAS/las

cc: