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

IN THE MATTER OF:



Reg. No.:2013Issue No.:2009Case No.:1009Hearing Date:JuneCounty:Way



June 24, 2013 Wayne DHS (18)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, an inperson hearing was held on June 24, 2013, from Taylor, Michigan. Participants included the above-named claimant. Participants on behalf of Department of Human Services (DHS) included the above many formation of the provided the above many formation of the provided the above many formation of the provided the provide

ISSUE

The issue is whether DHS properly denied Claimant's application for Medical Assistance (MA) on the basis that Claimant is not a disabled individual.

FINDINGS OF FACT

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

- 1. On 10/4/12, Claimant applied for MA benefits (see Exhibits 38-59), including retroactive MA benefits from 7/2012 (see Exhibits 60-61).
- 2. Claimant's only basis for MA benefits was as a disabled individual.
- 3. On 12/12/12, the Medical Review Team (MRT) determined that Claimant was not a disabled individual (see Exhibits 2-3).
- 4. On 12/17/12, DHS denied Claimant's application for MA benefits and mailed a Notice of Case Action informing Claimant of the denial.

- 5. On 3/7/13, Claimant's former hearing representative requested a hearing to dispute the denial of MA benefits.
- 6. On 5/9/13, SHRT determined that Claimant was not a disabled individual (see Exhibit 64), in part, by determining that Claimant does not have a severe impairment.
- 7. As of the date of the administrative hearing, Claimant was a year old male with a height of 5'6" and weight of 205 pounds.
- 8. Claimant has no known relevant history of tobacco, alcohol or drug abuse.
- 9. Claimant's highest education year completed was the 9th grade.
- 10. As of the date of the administrative hearing, Claimant had no medical coverage.
- 11. Claimant alleged impairments and issues including blurry vision, back pain and depression.

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). DHS (formerly known as the Family Independence Agency) 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 Reference Tables Manual (RFT).

MA provides medical assistance to individuals and families who meet financial and nonfinancial eligibility factors. The goal of the MA program is to ensure that essential health care services are made available to those who otherwise would not have financial resources to purchase them.

The Medicaid program is comprised of several sub-programs which fall under one of two categories; one category is FIP-related and the second category is SSI-related. BEM 105 at 1. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. *Id.* Families with dependent children, caretaker relatives of dependent children, persons under age 21 and pregnant, or recently pregnant, women receive MA under FIP-related categories. *Id.* AMP is an MA program available to persons not eligible for Medicaid through the SSI-related or FIP-related categories though DHS does always offer the program to applicants. It was not disputed that Claimant's only potential category for Medicaid eligibility would be as a disabled individual.

Disability for purposes of MA benefits is established if one of the following circumstances applies (see BEM 260 at 1-2):

- by death (for the month of death);
- the applicant receives Supplemental Security Income (SSI) benefits;
- SSI benefits were recently terminated due to financial factors;
- the applicant receives Retirement Survivors and Disability Insurance (RSDI) on the basis of being disabled; or
- RSDI eligibility is established following denial of the MA benefit application (under certain circumstances).

There was no evidence that any of the above circumstances apply to Claimant. Accordingly, Claimant may not be considered for Medicaid eligibility without undergoing a medical review process which determines whether Claimant is a disabled individual. *Id.* at 2.

Generally, state agencies such as DHS must use the same definition of SSI disability as found in the federal regulations. 42 CFR 435.540(a). Disability is federally defined as the inability to do any substantial gainful activity (SGA) 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. A functionally identical definition of disability is found under DHS regulations. BEM 260 at 8.

Substantial gainful activity means a person does the following:

- Performs significant duties, and
- Does them for a reasonable length of time, and
- Does a job normally done for pay or profit. *Id.* at 9.

Significant duties are duties used to do a job or run a business. *Id.* They must also have a degree of economic value. *Id.* The ability to run a household or take care of oneself does not, on its own, constitute substantial gainful activity. *Id.*

The person claiming a physical or mental disability has the burden to establish a disability through the use of competent medical evidence from qualified medical sources such as his or her medical history, clinical/laboratory findings, diagnosis/prescribed treatment, prognosis for recovery and/or medical assessment of ability to do work-related activities or ability to reason and make appropriate mental adjustments, if a mental disability is alleged. 20 CRF 413.913. An individual's subjective pain complaints are not, in and of themselves, sufficient to establish disability. 20 CFR 416.908; 20 CFR 416.929(a).

Federal regulations describe a sequential five step process that is to be followed in determining whether a person is disabled. 20 CFR 416.920. If there is no finding of disability or lack of disability at each step, the process moves to the next step. 20 CFR 416.920 (a)(4).

The first step in the process considers a person's current work activity. 20 CFR 416.920 (a)(4)(i). A person who is earning more than a certain monthly amount is ordinarily

considered to be engaging in SGA. The monthly amount depends on whether a person is statutorily blind or not. The 2012 income limit is \$1010/month.

In the present case, Claimant denied having any employment since the date of the MA application; no evidence was submitted to contradict Claimant's testimony. Without ongoing employment, it can only be concluded that Claimant is not performing SGA. It is found that Claimant is not performing SGA; accordingly, the disability analysis may proceed to step two.

The second step in the disability evaluation is to determine whether a severe medically determinable physical or mental impairment exists to meet the 12 month duration requirement. 20 CFR 416.920 (a)(4)(ii). The impairments may be combined to meet the severity requirement. If a severe impairment is not found, then a person is deemed not disabled. *Id*.

The impairments must significantly limit a person's basic work activities. 20 CFR 416.920 (a)(5)(c). "Basic work activities" refers to the abilities and aptitudes necessary to do most jobs. *Id.* Examples of basic work activities include:

- physical functions (e.g. walking, standing, sitting, lifting, pushing, pulling, reaching, carrying, or handling)
- capacities for seeing, hearing, and speaking, understanding; carrying out, and remembering simple instructions
- use of judgment
- responding appropriately to supervision, co-workers and usual work situations; and/or
- dealing with changes in a routine work setting.

Generally, federal courts have imposed a de minimus standard upon claimants to establish the existence of a severe impairment. *Grogan v. Barnhart*, 399 F.3d 1257, 1263 (10th Cir. 2005); *Hinkle v. Apfel*, 132 F.3d 1349, 1352 (10th Cir. 1997). *Higgs v Bowen*, 880 F2d 860, 862 (6th Cir. 1988). Similarly, Social Security Ruling 85-28 has been interpreted so that a claim may be denied at step two for lack of a severe impairment only when the medical evidence establishes a slight abnormality or combination of slight abnormalities that would have no more than a minimal effect on an individual's ability to work even if the individual's age, education, or work experience were specifically considered. *Barrientos v. Secretary of Health and Human Servs.*, 820 F.2d 1, 2 (1st Cir. 1987). Social Security Ruling 85-28 has been clarified so that the step two severity requirement is intended "to do no more than screen out groundless claims." *McDonald v. Secretary of Health and Human Servs.*, 795 F.2d 1118, 1124 (1st Cir. 1986).

SSA specifically notes that age, education, and work experience are not considered at the second step of the disability analysis. 20 CFR 416.920 (5)(c). In determining whether Claimant's impairments amount to a severe impairment, all other relevant evidence may be considered. The analysis will begin with the relevant submitted medical documentation.

Hospital records (Exhibits 23-28) dated were presented. It was noted that Claimant complained of throbbing head and neck pain. It was noted that Claimant left the hospital without informing staff.

Hospital records (Exhibits 12-22) dated were presented. It was noted that Claimant presented with complaints of a headache. It was noted that Claimant was assaulted approximately one week prior. Claimant testified that he was assaulted by a brick to the head. Claimant testified that his eye socket was broken. It was noted that CT radiology of facial bones revealed blowout fracture floor of left orbit with herniation of orbital contents. It was noted that a CT of Claimant's head was performed revealing no significant abnormalities.

Claimant testified that he is disabled due to back pain related to injuries sustained ten years ago. Claimant testified that he took Aleve for the pain. No medical documents concerning back pain were presented. Without any medical verification, claims of back problems may not be factored into the disability analysis.

Claimant also alleged a loss of vision since his assault. There was a reference to blurred vision in the hospital documents dated **sector**. Claimant's testimony implied that he can see, but that his vision worsened after the assault. Consideration was given to having Claimant's vision tested; ultimately, testing was rejected. The biggest factor in rejecting further testing was that Claimant testified that he has not seen an eye doctor since the assault. Claimant did not deny that his vision problem would improve simply by using eyeglasses. It is found that Claimant failed to establish that vision loss is a significant impairment to performing basic work activities.

Claimant testified that his personality drastically changed since being assaulted. He stated that he is mistrusting and does not like people. Claimant's testimony was generally credible, but again unverified. Claimant stated he tried to see a therapist after the assault, but could not afford a therapist. The presented records noted that Claimant had anger problems in 7/2012, possibly related to physical pain that he was enduring. That was nearly one year ago. No documents were submitted to verify an ongoing psychological barrier for Claimant. Based on the presented evidence, there is insufficient verification to find that Claimant has any psychological restrictions.

The records verified that Claimant was assaulted in 7/2012. The presented documents verified damage to Claimant's orbital bones. Claimant did not allege this to be an ongoing problem and there is insufficient documentation of any other medical problems. Even applying a de minimus standard, Claimant failed to establish significant restrictions in performing basic work activities for a period of longer than 12 months. Accordingly, it is found that Claimant is not a disabled individual and that DHS properly denied Claimant's MA benefit application.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly denied Claimant's MA benefit application dated 10/4/12, including retroactive MA from 7/2012, based on a determination that Claimant is not disabled. The actions taken by DHS are AFFIRMED.

Christin Bardoch

Christian Gardocki Administrative Law Judge for Maura Corrigan, Director Department of Human Services

Date Signed: 6/28/2013

Date Mailed: 6/28/2013

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 <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 Reconsideration/Rehearing Request P. O. Box 30639 Lansing, Michigan 48909-07322

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