

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 2013-11868
Issue No: 2009;4031
Case No: [REDACTED]
Hearing Date: March 6, 2013
Luce County DHS

ADMINISTRATIVE LAW JUDGE: Landis Y. Lain

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 telephone hearing was held on March 6, 2013. Claimant personally appeared and testified. Claimant's nephew, [REDACTED] [REDACTED] also appeared and testified on the claimant's behalf. The department was represented at the hearing by Eligibility Specialist, [REDACTED] [REDACTED]

ISSUE

Did the Department of Human Services (the department) properly deny claimant's application for Medical Assistance (MA-P) and State Disability Assistance (SDA)?

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 May 7, 2012, claimant filed an application for Medical Assistance, Retroactive Medical Assistance and State Disability Assistance benefits alleging disability.
2. On October 11, 2012, the Medical Review Team denied claimant's application stating that claimant's impairments were non-exertional.
3. On October 17, 2012, the department caseworker sent claimant notice that his application was denied.
4. On October 23, 2012, claimant filed a request for a hearing to contest the department's negative action.

5. On January 7, 2013, the State Hearing Review Team again denied claimant's application stating in its analysis and recommendation: there is a Social Security Administration determination dated March 9, 2012 indicating that the claimant retains the capacity to perform sedentary exertional, simple and repetitive tasks. The MRT previously approved SDA on July 1, 2011 and September 28, 2011 while denying MA-P and retroactive MA-P on those dates for lacking duration. The current October 1, 2012 and October 12, 2012 SDA and MA-P/retroactive MA-P MRT denials cite non-exertional limitations only. The prior MRT approvals document only physical limitations. The medical evidence of record indicates that the claimant reasonably retains the ability to perform at least sedentary exertional tasks of a simple and repetitive nature. The claimant's allegations of psychiatric limitations is not supported by longitudinal evidence to support the evaluators' medical source opinion that the claimant would be incapable of even simple and repetitive tasks. The physical medical evidence of the face does not support listing level criteria has ever been met or equaled. Taken together, the claimant's conditions do not support that vocational considerations would direct a finding of disability at this time. The claimant is not currently engaging in substantial gainful activity based on the information that is available in file. The claimant's impairments/combinations of impairments does not meet/equal the intent or severity of a Social Security Administration listing. The medical evidence of record indicates that the claimant retains the capacity to perform at least sedentary exertional tasks of a simple and repetitive nature. The claimant's past work was as a maintenance supervisor, 638.131-022, 8M. As such, the claimant would be unable to perform the duties associated with their past work. Likewise, the claimant's past work skills will not transfer to other occupations. Therefore, based on the claimant's vocational profile (42 years old, a high school education and a history of medium exertional, skilled employment), MA-P was considered in this determination and is also denied. The medical evidence of record indicates that significant medical improvement has been evidenced (20CFR416.994) and that the following above findings likewise apply to the claimant's request for continuing SDA benefits. SDA is denied per BEM 261 because the nature and severity of the claimant's impairments would not preclude work activity at the above stated level for 90 days. Listings 1.02/04, 11.14 and 12.04/06 were considered in this determination.
6. The hearing was held on March 6, 2013. At the hearing, claimant waived the time periods and requested to submit additional medical information.
7. Additional medical information was submitted and sent to the State Hearing Review Team on March 7, 2013.

8. On May 2, 2013, the State Hearing Review Team again denied claimant's application stating in its analysis and recommendation: an MRI in 2011 revealed a central herniation at L1-2 along with some facet hypertrophy. In December, 2012 and January, 2013 the claimant had mild lumbar tenderness on palpation. Lower extremity joints were unremarkable. He had diminished sensations in the left anterior thigh. Motor examination revealed normal strength bilaterally in the upper and lower extremities. Reflexes were 1+ at the knees. His gait was normal. A mental status in February, 2012 showed he was spontaneous and his speech was normal. There was no evidence of a thought disorder. Diagnoses included major depressive disorder and generalized anxiety disorder. In January, 2013 the claimant's affect was appropriate. The claimant is not currently engaging in substantial gainful activity based on the information that is available in file. The claimant's impairments do not meet/equal the intent or severity of a Social Security listing. The medical evidence of record indicates that the claimant retains the capacity to perform a wide range of simple, unskilled, light work. A finding about the capacity for prior work has not been made. However, this information is not material because all potentially applicable medical vocational guidelines would direct a finding of not disabled given the claimant's age, education and residual functional capacity. Therefore, based on the claimant's vocational profile (younger individual, high school education and history of semi-skilled/skilled work), MA-P is denied using Vocational Rule 202.21 as a guide. Retroactive MA-P was considered in this case and is also denied. SDA is denied per PEM 261 because the nature and severity of the claimant's impairments would not preclude work activity at the above stated level for 90 days.
9. Claimant is a 42-year-old man whose birth date is [REDACTED]. Claimant is 5'8" tall and weighs 272 pounds. Claimant is a high school graduate and went to vocational school to study to be an electrician. Claimant is able to read and write and does have basic math skills.
10. Claimant last worked 2010 at a retail store. Claimant has also worked in logging, running heavy machinery, as a maintenance supervisor and in the logging industry.
11. Claimant alleges as disabling impairments: back and shoulder and bicep pain, bicep tendon injury, hypertension, premature ventricular contractions, nerve damage, disc protrusions, depression and anxiety.

CONCLUSIONS OF LAW

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901- 400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his or her claim for assistance has been denied. MAC R 400.903(1). Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The department will provide an administrative hearing to review the decision and determine the appropriateness of that decision. BAM 600.

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Services (DHS or department) administers the SDA program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3151-400.3180. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

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 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 Program Reference Manual (PRM).

Pursuant to Federal Rule 42 CFR 435.540, the Department of Human Services uses the federal Supplemental Security Income (SSI) policy in determining eligibility for disability under the Medical Assistance program. Under SSI, 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

A set order is used to determine disability. Current work activity, severity of impairments, residual functional capacity, past work, age, or education and work experience is reviewed. If there is a finding that an individual is disabled or not disabled at any point in the review, there will be no further evaluation. 20 CFR 416.920.

If an individual is working and the work is substantial gainful activity, the individual is not disabled regardless of the medical condition, education and work experience. 20 CFR 416.920(c).

If the impairment or combination of impairments do not significantly limit physical or mental ability to do basic work activities, it is not a severe impairment(s) and disability does not exist. Age, education and work experience will not be considered. 20 CFR 416.920.

Statements about pain or other symptoms do not alone establish disability. There must be medical signs and laboratory findings which demonstrate a medical impairment.... 20 CFR 416.929(a).

...Medical reports should include –

- (1) Medical history.
- (2) Clinical findings (such as the results of physical or mental status examinations);
- (3) Laboratory findings (such as blood pressure, X-rays);
- (4) Diagnosis (statement of disease or injury based on its signs and symptoms).... 20 CFR 416.913(b).

In determining disability under the law, the ability to work is measured. An individual's functional capacity for doing basic work activities is evaluated. If an individual has the ability to perform basic work activities without significant limitations, he or she is not considered disabled. 20 CFR 416.994(b)(1)(iv).

Basic work activities are 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).

Medical findings must allow a determination of (1) the nature and limiting effects of your impairment(s) for any period in question; (2) the probable duration of the impairment; and (3) the residual functional capacity to do work-related physical and mental activities. 20 CFR 416.913(d).

Medical evidence may contain medical opinions. Medical opinions are statements from physicians and psychologists or other acceptable medical sources that reflect judgments about the nature and severity of the impairment(s), including your symptoms, diagnosis and prognosis, what an individual can do despite impairment(s), and the physical or mental restrictions. 20 CFR 416.927(a)(2).

All of the evidence relevant to the claim, including medical opinions, is reviewed and findings are made. 20 CFR 416.927(c).

The Administrative Law Judge is responsible for making the determination or decision about whether the statutory definition of disability is met. The Administrative Law Judge reviews all medical findings and other evidence that support a medical source's statement of disability.... 20 CFR 416.927(e).

A statement by a medical source finding that an individual is "disabled" or "unable to work" does not mean that disability exists for the purposes of the program. 20 CFR 416.927(e).

When determining disability, the federal regulations require that several considerations be analyzed in sequential order. If disability can be ruled out at any step, analysis of the next step is not required. These steps are:

1. Does the client perform Substantial 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 client is ineligible for MA. If yes, the analysis continues to Step 3. 20 CFR 416.920(c).
3. Does the impairment appear on a special listing of impairments or are the client's symptoms, signs, and laboratory findings at least equivalent in severity to the set of medical findings specified for the listed impairment? If no, the analysis 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 eligible 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).

At Step 1, claimant is not engaged in substantial gainful activity and is not disqualified from receiving disability at Step 1.

The subjective and objective medical evidence on the record indicates that claimant lives alone in a trailer and he is divorced with no children under 18 who live with him. Claimant has no income and did receive Food Assistance Program benefits and State Disability Assistance benefits. Claimant does have a driver's license and drives 2 times a week to doctor appointments or to DHS and the farthest he has to drive is 25 miles. Claimant does cook 2 times per day and cooks frozen food and he does grocery shop 2 times per month, he needs help carrying the groceries and his neighbor usually helps him. Claimant testified that he does dishes, makes the bed and does laundry. Claimant testified that his hobby is hunting/fishing, but he hasn't been recently, and he watches television 5-6 hours per day. Claimant testified that he can stand for 5 minutes at a time, sit for 10-15 minutes at a time and walk 50-100 ft using a walker that is not prescribed by a doctor. Claimant testified that he can shower and dress himself, tie his shoes and bend at waist but cannot squat or touch his toes. Claimant testified that his knees are fine and that his level of pain, on a scale of 1-10, without medication is an 8-9, and with medication is a 5-6. Claimant testified that he is right handed and that he has bicep/tendon weakness on the left side and that he has pain in his legs and a bone spur under his left ankle. Claimant testified the heaviest weight he can carry is 4-5 lbs and he does not smoke, drink or take any drugs. Claimant testified that on a typical day he takes his pain medication, goes back to sleep, brushes his teeth, takes a shower, eats, watches television, takes medication, goes back to sleep, watches television, takes medication, goes to sleep, eats late supper, takes medication and goes to bed.

A medical appointment dated December 27, 2012 showed the claimant fell and since then his right hip felt like it was going to pop out of place. On examination, he had mild lumbar tenderness on palpation with normal curvature. His lower extremity joints were unremarkable. His cervical spine was normal. He had diminished sensations in the left anterior thigh. Motor examination revealed normal strength in the bilateral upper and lower extremities. Reflexes were 1+ at the knees. His gait was normal. His affect revealed appropriate responsiveness. On January 24, 2013, the claimant was 5' 7.6" and 264 lbs. He had mild lumbar

tenderness on palpation. Lower extremity joints were unremarkable. He had diminished sensations in the left anterior thigh. Motor examination revealed normal strength bilaterally in the upper and lower extremities. Reflexes were 1+ at the knees. His gait was normal. His affect revealed appropriate responsiveness. A mental status evaluation dated February 25, 2012 states that the claimant attended the interview alone. He reported that he is 5'8" tall and weighs approximately 280 lbs. The claimant's posture was stiff and his gait was slow. His clothing and hygiene was within normal limits. The claimant denied needing any assistance in preparing for this appointment (p 118). He was diagnosed with major depressive disorder, recurrent, moderate, generalized anxiety disorder and had an axis V GAF of 53. His prognosis was guarded (p 117). A July 20, 2011 MRI shows the claimant has a central disc protrusion at the L1-2 level (p 96).

At Step 2, claimant has the burden of proof of establishing that he has a severely restrictive physical or mental impairment that has lasted or is expected to last for the duration of at least 12 months. There is insufficient objective clinical medical evidence in the record that claimant suffers a severely restrictive physical or mental impairment. Claimant has reports of pain in multiple areas of his body; however, there are no corresponding clinical findings that support the reports of symptoms and limitations made by the claimant. There are no laboratory or x-ray findings listed in the file which support claimant's contention of disability. The clinical impression is that claimant is stable. There is no medical finding that claimant has any muscle atrophy or trauma, abnormality or injury that is consistent with a deteriorating condition. In short, claimant has restricted himself from tasks associated with occupational functioning based upon his reports of pain (symptoms) rather than medical findings. Reported symptoms are an insufficient basis upon which a finding that claimant has met the evidentiary burden of proof can be made. This Administrative Law Judge finds that the medical record is insufficient to establish that claimant has a severely restrictive physical impairment.

Claimant alleges the following disabling mental impairments: depression and anxiety.

For mental disorders, severity is assessed in terms of the functional limitations imposed by the impairment. Functional limitations are assessed using the criteria in paragraph (B) of the listings for mental disorders (descriptions of restrictions of activities of daily living, social functioning; concentration, persistence, or pace; and ability to tolerate increased mental demands associated with competitive work).... 20 CFR, Part 404, Subpart P, App. 1, 12.00(C).

There is insufficient objective medical/psychiatric evidence in the record indicating claimant suffers severe mental limitations. There is no mental residual functional capacity assessment in the record. There is insufficient evidence contained in the file of depression or a cognitive dysfunction that is so severe that it would prevent claimant from working at any job. Claimant was

oriented to time, person and place during the hearing. Claimant was able to answer all of the questions at the hearing and was responsive to the questions. The evidentiary record is insufficient to find that claimant suffers a severely restrictive mental impairment. For these reasons, this Administrative Law Judge finds that claimant has failed to meet his burden of proof at Step 2. Claimant must be denied benefits at this step based upon his failure to meet the evidentiary burden.

If claimant had not been denied at Step 2, the analysis would proceed to Step 3 where the medical evidence of claimant's condition does not give rise to a finding that he would meet a statutory listing in the code of federal regulations.

If claimant had not already been denied at Step 2, this Administrative Law Judge would have to deny him again at Step 4 based upon his ability to perform his past relevant work. There is no evidence upon which this Administrative Law Judge could base a finding that claimant is unable to perform work in which he has engaged in, in the past. Therefore, if claimant had not already been denied at Step 2, he would be denied again at Step 4.

The Administrative Law Judge will continue to proceed through the sequential evaluation process to determine whether or not claimant has the residual functional capacity to perform some other less strenuous tasks than in his prior jobs.

At Step 5, the burden of proof shifts to the department to establish that claimant does not have residual functional capacity.

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

To determine the physical demands (exertional requirements) of work in the national economy, we classify jobs as sedentary, light, medium and heavy. These terms have the same meaning as they have in the *Dictionary of Occupational Titles*, published by the Department of Labor... 20 CFR 416.967.

Sedentary work. Sedentary work involves lifting no more than 10 pounds at a time and occasionally lifting or carrying articles like docket files, ledgers, and small tools. 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. Jobs are sedentary if walking and standing are required occasionally and other sedentary criteria are met. 20 CFR 416.967(a).

Light work. Light work involves lifting no more than 20 pounds at a time with frequent lifting or carrying of objects weighing up to 10 pounds. Even though the weight lifted may be very little, a job is in this category when it requires a good

deal of walking or standing, or when it involves sitting most of the time with some pushing and pulling of arm or leg controls.... 20 CFR 416.967(b).

Claimant has submitted insufficient objective medical evidence that he lacks the residual functional capacity to perform some other less strenuous tasks than in his prior employment or that he is physically unable to do light or sedentary tasks if demanded of him. Claimant's activities of daily living do not appear to be very limited and he should be able to perform light or sedentary work even with his impairments. Claimant has failed to provide the necessary objective medical evidence to establish that he has a severe impairment or combination of impairments which prevent him from performing any level of work for a period of 12 months. The claimant's testimony as to his limitations indicates that he should be able to perform light or sedentary work.

There is insufficient objective medical/psychiatric evidence contained in the file of depression or a cognitive dysfunction that is so severe that it would prevent claimant from working at any job. Claimant was able to answer all the questions at the hearing and was responsive to the questions. Claimant was oriented to time, person and place during the hearing. Claimant's complaints of pain, while profound and credible, are out of proportion to the objective medical evidence contained in the file as it relates to claimant's ability to perform work. Therefore, this Administrative Law Judge finds that the objective medical evidence on the record does not establish that claimant has no residual functional capacity. Claimant is disqualified from receiving disability at Step 5 based upon the fact that he has not established by objective medical evidence that he cannot perform light or sedentary work even with his impairments. Under the Medical-Vocational guidelines, a younger individual (age 42), with a high school education and an unskilled/semi-skilled work history who is limited to light work is not considered disabled.

The department's Program Eligibility Manual contains the following policy statements and instructions for caseworkers regarding the State Disability Assistance program: to receive State Disability Assistance, a person must be disabled, caring for a disabled person or age 65 or older. BEM, Item 261, p. 1. Because the claimant does not meet the definition of disabled under the MA-P program and because the evidence of record does not establish that claimant is unable to work for a period exceeding 90 days, the claimant does not meet the disability criteria for State Disability Assistance benefits either

The Department has established by the necessary competent, material and substantial evidence on the record that it was acting in compliance with department policy when it determined that claimant was not eligible to receive Medical Assistance and/or State Disability Assistance.

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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

LYL/las

cc:

