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

IN THE MATTER OF:



Reg. No:2013-12123Issue No:2009Case No:1000Hearing Date:March 19, 2013Wayne-43 County DHS

ADMINISTRATIVE LAW JUDGE: Landis Y. Lain

HEARING DECISION

This matter is before the undersigned Admini strative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon claimant's request for a hearing. After due notic e, a telephone hearing was held on March 19, 2013. Claimant personally appeared and testified.

ISSUE

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

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 September 28, 2012, c laimant filed an application for Medica I Assistance and retroactive Medical Assistance benefits alleging disability.
- 2. On October 31, 2012, the M edical Rev iew Team denied claimant's application stating that claimant could perform other work.
- 3. On November 7, 2012, the department caseworker sent claimant notice that her application was denied.
- 4. On November 13, 2012, claimant f iled a request for a hearing to contest the department's negative action.
- 5. On January 11, 2013, the State Hearing Review T eam again denie d claimant's application stating in its analysis and recommended decision: the claimant had a flare-up of the Crohn's diseas e. Her condition is currently stable. As a result of the claimant's severe physical condition, she is capable of performing past work as a bus operator or cashier . Claimant is not eng aging in s ubstantial gainful activity at this time. Claimant's severe impairments do not meet or equal any listing. Despite

the impair ments, she retains the capac ity to perform past work as a bus operator or cashier. Therefore, based on the claimant's vo cational profile (advance age, 12th grade educat ion, and medium work history); MA-P is denied using Vocational Rule 203.16 as a guide. Retroactive MA-P benefits are denied at step 5 of the sequential evaluation; claimant retains the capacity to perform past work as a bus operator or cashier.

- 6. On the date of hearing claimant was a 55-year-old woman whose birth date is Claimant is 5'4" tall and weighs 196 pounds . Claimant is a high school graduate and attended one year of busines s school. Claimant is able to read and write and does have basic math skills.
- 7. Claimant last work ed January 4, 2011 as a bus driver. Claimant had that job for 13 years before she was te rminated for a second dir ty urine. Claimant has also worked as a cashier and as a secretary.
- 8. Claimant alleges as disabling im pairments: crohn's disease, cr amping, diarrhea, constipation, vomiting, inflammatory bowel disease, and headaches. Claimant alleges no disabling mental impairments.

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 oppor tunity for a hearing shall be granted to an ap plicant 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 elig ibility or benefit levels whenev er it is believed that the decision is incorrect. The department will provide an adm inistrative hearing to review the decision and determine the appropriateness of that decision. BAM 600.

The Medical Assistance (MA) program is estab lished by Title XIX of the Social Sec urity Act and is implemented by T itle 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 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 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 A set order is used to deter mine disability . Current work activity, severity of impairments, residual functional capacity, past wor k, 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 experienc e. 20 CFR 416.920(c).

If the impairment or combination of impair ments do not signific antly limit physica I or mental ability to do basic work activities, it is not a severe impairment(s) and disab ility does not exist. Age, education and work ex perience will not be c onsidered. 20 CFR 416.920.

Statements about pain or other symptoms do not alone establish disability. There must be medical signs and laboratory findings wh ich demonstrate a medical im pairment.... 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 di sease 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 bas ic work activities is evaluated. If an individual has the ability to perform basic work activities with out 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 wa lking, 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 a cceptable medical sources that reflect judgments about the nature and severity of the impairment(s), including your symptoms, diagnosis and prognosis, what an indiv idual can do des pite impairment(s), and the physical or mental restrictions. 20 CFR 416.927(a)(2).

All of the evidenc e relevant to the claim, including m edical opinions, is rev iewed and findings are made. 20 CFR 416.927(c).

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

A statement by a medical s ource finding t hat an individual is "d isabled" or "unable to work" does not mean that disability e xists 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 <u>not</u> required. These steps are:

- 1. Does the client perform Substant ial Gainful Activity (SGA)? If yes, the client is ineligible for MA. If no, the analysis continues to Step 2. 20 CFR 416.920(b).
- 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 clie nt's symptoms, signs, and laboratory findings at least equiv alent 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 forme r work that he/she performed within the last 15 years? If yes, t he client is ineligible for MA. If no, the analysis continues to Step 5. 20 CFR 416.920(e).
- 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, A ppendix 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 testified on the record that she lives with her daughter in a home and married/separated with no children under 18 who live with her. Claimant has no income and does receive Food Assistance Program benefit s. Claimant testified that she does have a driver's license but drives her daughter's car because she doesn't have a vehic le of her own. Claimant testified that s he cooks three meals a day and c ooks chicken and fis h. Claimant testified she grocery shops two times per month and needs a ride to get there. Claimant testified that s he does dishes, laundry, dusts, changes the sheets, sweeps and mops and she watches television 4 hours per day and uses the computer for a minimal amount of time. Claimant testified that she can stand for 10 minutes at a time. sit for no limits ad can walk 2 blocks. Claimant testified that she can squat, bend at the waist, shower and dress herself, tie her shoes and touch her toes. Claimant testified she has some back pain and her k nees are fine. Claimant testified that her level of pain, on a scale of 1-10, without medication is an 8, and with medication is a 2-3. Claimant testified that she is right handed and her hands/arms are fine except for left shoulder pain from a motor vehicle acc ident and her legs/feet are fine. Cla imant testified the heaviest weight she can carry is 10 lbs and she smokes marijuana one time per week and she does have a marijuana card. Claimant te stified that on a typical day she eat s. takes pain medication, watches television and does chores.

A medical examination report dated Sept ember 21, 2012, indicates that claimant is ambulatory without assistance and that she is alert and oriented in the neurological area and alert and oriented in the ment al status area. The clinical impression is claimant is stable. Her abdomen was soft and non tender and her curr ent diagnosis was chrohn's disease and her current medication was Re micade Infusion and her current weight was 206 lbs (p 8-9). A July 20, 2012 report indicates that clai mant was alert and oriented times three in no acute distress. Her blood pressure was 154/102, respiratory rate 18, pulse 60, oxygen s aturation on room air 97% and t emperature was 97.6°. HEENT: sclerae is nonicteric. Conjunctiv ae is pink. Mucosa is moist. The heart had regular rate and rhythm, S1, S2, no audible murmurs. The lu ngs were clear to auscultate anteriorly bilaterally. No wheezes, no rhonchi. The abdomen was soft, slightly distended, non tender, positive bowel sounds. The extremit ies were without edema. The skin wa S warm, dry, and intact without rash or jaundice noted. Hem oglobin was 13.1, hematocrit 40.4. The impression was diarrhea with 1 day history of bloody diarrhea in a patient with history of crohn's disease diagnosed in 1996. on Remicade 2000-2011, stopped

secondary of insuranc e and fi nancial reasons, status post EGD 2011 negative, status post colonscopy 2009 was negative (p 19). A July 20, 2012 report indicat es the lung basis had mild left base atelectasis. The liver has timy hypodensity in the right hepatic lobe, adjacent gallbladder fossa measuring less than 3 mm is too small to accurately characterize. The gallbladder was no rmal. The pancreas unremarkable. The retroperitoneum normal adrenal glands. Kidn eys show normal enhanc ement. No hydronephrosis. There are no enlarg ed retroperitoneal lymph nodes. The gastrointestinal had no dilated small bowel or colon. There is bowel wall thickening seen involving the distal transverse c olon. This cause mild marrowing of the lum en without significant obstruction. There may also be mild thickening in the sigmoid colon as well. No abscess is seen. The pelv is had an unr emarkable bladder and the uterus was present. In the peritoneum there is no free ai r of free fluid. The bones had no lytic lesion. The impression was colitis involving the distal transverse colon and possibly the sigmoid colon. No significant obstruction or abscess(p 21-22).

At Step 2, claimant has the burden of pr oof of establishing that she has a severe ly 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 her body; however, there are no corresponding clinic al findings that suppor t the reports of symptoms and limitations made by the claimant. There are no labor atory or x-ray findings listed in the file whic h support claimant's contention of disability. The clinical impre ssion is that claimant is stable. There is no m edical finding that clai mant has any muscle atrophy or trauma, abnormality or injury that is c onsistent with a deteriorating c ondition. In short, claimant has restricted herself from tasks associat ed with occupational functioning based upo n her reports of pain (symptoms) rather than medical findings. Reported symptoms are an insufficient basis upon which a finding that claimant has me t the evidentiary burden of proof can be made. This Admini strative Law Judge finds th at the medical record is insufficient to establish that claimant has a severely restrictive physical impairment.

Claimant alleges no disabling mental impairments.

For mental disorders, severity is assessed in terms of the functional limitations imposed by the impairment. Functional limitations ar e assessed using the criteria in paragraph (B) of the listings for mental di sorders (descriptions of restrict ions of activities of daily living, social functioning; c oncentration, persistence, or pace; and ability to tolerat e increased mental demands associated wit h com petitive work).... 20 CFR, Part 404, Subpart P, App. 1, 12.00(C).

There is insufficient objective medical/ps ychiatric e vidence in the record indicating claimant s uffers severe mental limitations . There is no ment al residual functional capacity assessment in the record. There is in sufficient evidence contained in the file of depression or a cognitive dysfunction that is so severe that it w ould prevent claimant from working at any job. Claimant was or iented to time, person and plac e during the hearing. Claimant was able to answer all of the questi ons at the hearing and was responsive to the questions. The evidentiar y record is insufficient to find that claimant suffers a severely restrictive mental impair ment. For these reasons, this Administrative

Law Judge finds that claimant has failed to meet her burden of proof at Step 2. Claimant must be denied benefits at this step bas ed upon her failure t o 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 sh e 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 her again at Step 4 based u pon her ability to perform her past relevant work. There is no ev idence upon which this Administrative Law Judge c ould base a finding that claimant is unable to perform work in which she 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 her 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 capac ity is what an individual can do desp ite 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 class ify jobs as sedentary, lig ht, 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 t han 10 pounds at a time and occasionally lifting or carrying articles lik e docket files, ledgers, and small tools. Although a sedentary job is defined as one whic h 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 wor k 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 categor y 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 objecti ve medical evidence that she lacks the residual functional capacity to perform some other less strenuous tasks than in her prior employment or that she is physically unable to do light or sedentary tasks if demanded

of her. Claimant's act ivities of daily liv ing do not appear to be very limit ed and sh e should be able to per form light or sedentary work even with her impairments. Claimant has failed to provide the necessary objective medical evidence to establish that she has a severe impairment or comb ination of impairments which prevent her from performing any level of work for a period of 12 mont hs. The claimant's te stimony as to her limitations indicates that she should be able to perform light or sedentary work.

There is insufficient objective medical/ps ychiatric 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 plac e 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 establis h that claimant has no residual functional capacity. Clai mant is dis gualified from receiving disability at Step 5 based upon the fact that she has not established by objective medical evidence that she cannot perform light or sedentary work even with her impairments. Under the Medical-Vocational guidelines, a person of advanced age (age 55), with a high school education and an unskilled/semiskilled work hi story who is limited to light work is not considere d disabled.

It should be noted that claimant continues to smoke despite the fact that her doctor has told her to quit. Claimant is not in compliance with her treatment program.

If an individual fails to follow prescribed tr eatment which would be expect ed to restor e their ability to engage in s ubstantial activity without good cause there will not b e a finding of disability.... 20 CFR 416.994(b)(4)(iv).

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.

DECISION AND ORDER

The Administrative Law Judge, based upon t he above findings of fact and conclusion s of law, decides that the depar tment has appropriately establis hed on the record that i t was acting in compliance wit h department policy when it deni ed claimant's application for Medical Assistance and retroactive M should be able to perform a wide range of impairments. The department has establis hed its c ase by a preponderance of the evidence.

2013-12123/LYL

Accordingly, the department's decision is **AFFIRMED**.

<u>/s/</u>

Y. Lain Administrative Law Judge for Maura D. Corrigan, Director Department of Human Services

Date Signed: March 26, 2013

Date Mailed: March 27, 2013

NOTICE: Michigan Administrative Hearing S ystem (MAHS) may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the receipt date of this Dec ision and Orde r. MAHS will not or der a rehearing or reconsideration on the Department's mo tion where the final decis ion cannot be implemented within 90 days of the filing of the original request. (60 days for FAP cases)

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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 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 <u>MAY</u> be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration <u>MAY</u> be granted for any of the following reasons:
 - misapplication of manual policy or law in the hearing decision,
 - typographical errors, mathematical erro r, 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

2013-12123/LYL

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