

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

IN THE MATTER OF:



Reg. No: 2013-17151
Issue No: 2009; 4031
Case No: [REDACTED]
Hearing Date: March 27, 2013
Saginaw 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 27, 2013. Claimant personally appeared and testified.

ISSUE

Did the Department of Human Services (the department) properly determine that claimant was no longer disabled and deny his review application for Medical Assistance (MA-P) and State Disability Assistance (SDA) based upon medical improvement?

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 was a Medical Assistance benefit recipient and his Medical Assistance case was scheduled for review in July, 2012.
2. On July 31, 2012, claimant filed a review application for Medical Assistance and State Disability Assistance benefits alleging continued disability.
3. On October 25, 2012, the Medical Review Team denied claimant's application stating that claimant had medical improvement.
4. On November 2, 2012, the department caseworker sent claimant notice that his Medical Assistance case would be cancelled based upon medical improvement.
5. On December 6, 2012, claimant filed a request for a hearing to contest the department's negative action.

6. On February 13, 2013, the State Hearing Review Team again denied the claimant's review application stating in its analysis and recommendation: the claimant was approved by the MRT on July 22, 2011 based on the assumption that the Social Security Administration Disability Determination Service had made a favorable determination dated July 15, 2011. However, this determination was overturned and the determination dated August 17, 2011 notes that the claimant retained the ability to perform light exertional tasks. Subsequently, there has been another SSA/DDS denial (January 27, 2012) and SSA Administrative Law Judge denial (November 16, 2012). As such, there is no need to support that significant medical improvement has been evidenced for the MRT determination of October 26, 2012 nor relative to this recommendation. Drug and alcohol abuse (DAA) is present but the evidence does not support that it is material to this determination. It is noted that DAA is the only severe psychiatric impairment. Physically, the evidence of record indicates that the claimant would reasonably retain the ability to perform light exertional tasks. The claimant is not currently engaging in substantial gainful activity based on the information that is available in file. The claimant's impairments/combination 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 light exertional tasks. DAA is present but not material to this determination. The only severe psychiatric impairment is noted to be the claimant's alcohol dependence. The claimant's past work was: shipping, 299.367-014, 4H; and, tree farm laborer, 451.687-010, 2H. 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 (54 years old, a high school education and a history of heavy, exertional, unskilled and semi skilled employment), continuing MA-P is denied, 20CFR416.920(e&g), using Vocational Rule 202.14 as a guide. Continuing 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. Retroactive MA-P was not considered as part of this continuing MA-P and SDA only review. Listings 1.02/04, 3.02/03, 4.04, 5.05/06, 11.03/14, 12.09 and 14.09 were considered in this determination.
7. Claimant is a 54-year-old man whose birth date is [REDACTED]. Claimant is 5'11" tall and weighs 177 pounds. Claimant is a high school graduate. Claimant is able to read and write and does have basic math skills.
8. Claimant last worked in 2007 as a laborer.
9. Claimant was receiving Medical Assistance and State Disability Assistance benefits.

13. Claimant alleges as disabling impairments: substance abuse, alcohol, asthma, hypertension, gastroesophageal reflux disorder, carpal tunnel syndrome, memory problems, arthritis, left shoulder abscess and cellulitis.

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 Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) 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 Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

In general, claimant has the responsibility to prove that he/she is disabled. Claimant's impairment must result from anatomical, physiological, or psychological abnormalities which can be shown by medically acceptable clinical and laboratory diagnostic techniques. A physical or mental impairment must be established by medical evidence consisting of signs, symptoms, and laboratory findings, not only claimant's statement of symptoms. 20 CFR 416.908; 20 CFR 416.927. Proof must be in the form of medical evidence showing that the claimant has an impairment and the nature and extent of its severity. 20 CFR 416.912. Information must be sufficient to enable a determination as to the nature and limiting effects of the impairment for the period in question, the probable duration of the impairment and the residual functional capacity to do work-related physical and mental activities. 20 CFR 416.913.

Once an individual has been determined to be "disabled" for purposes of disability benefits, continued entitlement to benefits must be periodically reviewed. In evaluating whether an individual's disability continues, 20 CFR 416.994 requires the trier of fact to follow a sequential evaluation process by which current work activities, severity of impairment(s), and the possibility of medical improvement and its relationship to the individual's ability to work are assessed. Review may cease and benefits may be

continued at any point if there is substantial evidence to find that the individual is unable to engage in substantial gainful activity. 20 CFR 416.994(b)(5).

First, the trier of fact must determine if the individual is working and if work is substantial gainful activity. 20 CFR 416.994(b)(5)(i). In this case, the claimant is not engaged in substantial gainful activity and has not worked since 2007.

Secondly, if the individual has an impairment or combination of impairments which meet or equal the severity of an impairment listed in Appendix 1 to Subpart P of Part 404 of Chapter 20, disability is found to continue. 20 CFR 416.994(b)(5)(ii).

The objective medical evidence in the record indicates that claimant received an unfavorable decision from the Social Security Administration which was dated November 16, 2012, which indicates that claimant retained the ability to make a successful adjustment to other work that exists in significant numbers in the national economy and that claimant could perform light work. A psychological evaluation dated September 25, 2012 indicates that claimant was diagnosed with alcohol dependence and an axis V GAF of 50 and his prognosis was poor. His ability to relate and interact with others, including coworkers and supervisors, is impaired. When sober, his ability to understand, recall, and complete tasks and expectations does not appear to be significantly impaired. His ability to maintain concentration was fair. He appears able to deal with normal workplace stressors appropriately. His only marked disability appears to be alcohol dependence (p 7). A medical examination report dated November 18, 2011 indicates that claimant has a history of rheumatoid arthritis and alcoholism. He is 70" tall, weighs 177.5 lbs, and blood pressure 160/100 (p 28). A September 6, 2012 medical examination indicates that abdomen was obese and distended. No evidence of ascites. He had enlargement of the liver, approximately two fingers breadth below the right costal margin. Liver was tender. Bowel sounds were normal. He ambulated normally. He had a marked fine tremor. He was able to elevate his arms above his head. Fine dexterity was normal. Tinel's sign was negative in both wrists. He had evidence of surgery for carpal tunnel syndrome. He was able to make a fist with difficulty. He had some evidence of deformity of the fingers of both hands. He was able to walk on heels and toes, but he had difficulty because of instability of gait. Straight leg raising was limited in both legs, the right more than the left. He was able to bend and touch his toes with some difficulty. He was assessed with cirrhosis of the liver, hypertension, rheumatoid arthritis, gout and chronic obstructive pulmonary disease. Neurologically peripheral nerves were intact. Peripheral pulses were good (p 10).

At Step 2, claimant's impairments do not equal or meet the severity of an impairment listed in Appendix 1.

In the third step of the sequential evaluation, the trier of fact must determine whether there has been medical improvement as defined in 20 CFR 416.994(b)(1)(i). 20 CFR 416.994(b)(5)(iii). Medical improvement is defined as any decrease in the medical severity of the impairment(s) which was present at the time of the most recent favorable medical decision that the claimant was disabled or continues to be disabled. A determination that there has been a decrease in medical severity must be based on changes (improvement) in the symptoms, signs, and/or laboratory findings associated

with claimant's impairment(s). If there has been medical improvement as shown by a decrease in medical severity, the trier of fact must proceed to Step 4 (which examines whether the medical improvement is related to the claimant's ability to do work). If there has been no decrease in medical severity and thus no medical improvement, the trier of fact moves to Step 5 in the sequential evaluation process.

In the instant case, this Administrative Law Judge finds that claimant does have medical improvement and his medical improvement is related to the claimant's ability to perform substantial gainful activity.

Thus, this Administrative Law Judge finds that claimant's. If there is a finding of medical improvement related to claimant's ability to perform work, the trier of fact is to move to Step 6 in the sequential evaluation process.

In the sixth step of the sequential evaluation, the trier of fact is to determine whether the claimant's current impairment(s) is severe per 20 CFR 416.921. 20 CFR 416.994(b)(5)(vi). If the residual functional capacity assessment reveals significant limitations upon a claimant's ability to engage in basic work activities, the trier of fact moves to Step 7 in the sequential evaluation process. In this case, this Administrative Law Judge finds claimant can perform at least sedentary work even with his impairments. This Administrative Law Judge finds that

In the seventh step of the sequential evaluation, the trier of fact is to assess a claimant's current ability to engage in substantial gainful activities in accordance with 20 CFR 416.960 through 416.969. 20 CFR 416.994(b)(5)(vii). The trier of fact is to assess the claimant's current residual functional capacity based on all current impairments and consider whether the claimant can still do work he/she has done in the past. In this case, this Administrative Law Judge finds that claimant could probably perform his past work as a laborer.

In the final step, Step 8, of the sequential evaluation, the trier of fact is to consider whether the claimant can do any other work, given the claimant's residual function capacity and claimant's age, education, and past work experience. 20 CFR 416.994(b)(5)(viii). In this case, based upon the claimant's vocational profile of a person closely approaching advanced age at 54, with a high school education and a history of light work, is not considered disabled, using Medical Vocational Rule 202.14 as a guide. Claimant can perform other work in the form of light work per 20 CFR 416.967(b). This Administrative Law Judge finds that claimant does have medical improvement in this case and 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 proposed to cancel claimant's Medical Assistance and State Disability Assistance benefits based upon medical improvement.

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. PEM, Item 261, page 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.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department has appropriately established on the record that it was acting in compliance with department policy when it denied claimant's continued disability and application for Medical Assistance, retroactive Medical Assistance and State Disability Assistance benefits. The claimant should be able to perform a wide range of light or sedentary work even with his impairments. The department has established its case by a preponderance of the evidence. Claimant does have medical improvement based upon the objective medical findings in the file.

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

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

Date Signed: April 10, 2013

Date Mailed: April 10, 2013

NOTICE: Administrative Hearings 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. Administrative Hearings 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.

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 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.

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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:

