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

IN THE MATTER OF:

Reg. No: 2013-6575

Issue No: 2009 Case No:

Hearing Date: January 31, 2013

Allegan 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 January 31, 2013. Claimant personally appeared and testified.

<u>ISSUE</u>

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:

- On August 3, 2012, claimant filed an application for Medica I Assistance, Retroactive Medical Assistance and State Disability Assistance benefit s alleging disability.
- On September 27, 2012, the Medical Review Team approved claimant for State Disability Assis tance from August, 2012 to February, 2013 and denied claimant's Medical Assistance and Retroactive Medical Assistance application stating that claimant's impairments lacked duration.
- 3. On October 2, 2012, the department caseworker sent claimant notice that his application was denied.
- 4. On October 15, 2012, claimant fil ed a request for a hearing to contest the department's negative action.
- 5. On December 20, 2012, the State Hearing Revi ew Team again denied claimant's application st ating in its ana lysis and recommendation: the medical source statement from the claimant's treating source has been considered. The medical evidence of re cord indicates that the claimant's

condition is improving/is expected to improve with in 12 months from the date of onset or from the date of su rgery. The medical evidence further supports that the claimant would be reasonably limited to the performance of sedentary exertional tasks. The clai mant is not currently engaging in substantial gainful activity based on the information that is available in file. The medical evidence of record indica tes that the claimant's condition is improving/is expected to improve within 12 months from the date of onset or from the date of surgery. The medical evidence of record indicates that the claimant retains the capacity to perform sedentary exertional tasks. The claimant's past work was as a: welder, 810.384-014, 5H. 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 (43 years old, a high school education and a history of heavy extertional, skilled employment), MA-P is denied, 20CF R416.920(e&g), using Vocational Rule 201.28 as a guide. Retroactive MA-p was considered in this determination and is also denied. SDA was previously approved by the MRT determination dated October 1, 2012 and is scheduled for review on February, 2013. At review, current medical records must be provided. Listings 1.02 and 14.09 were considered in this determination.

- 6. The hearing was held on January 31, 2013. At the hearing, claimant waived the time periods and request ed to submit additional medical information.
- 7. Additional medical information wa s submitted and sent to the State Hearing Review Team on January 31, 2013.
- 8. On March 20, 2013, the State H earing Review Team again denied claimant's application st ating in its analys is and recommendation: the claimant had a histor y of multiple large ganglion cyst's throughout the left foot with severe hind foot valgus with pes planus and chronic change s though the foot and peroneal tendon tear s on MRI in July, 2012. He als o has a history of gout. The claimant was admitted in November, 2012 with AKI secondary to dehydration and NSAI D use, gastroenteritis leading to dehydration, acute gout attack and episode of bronchospasm. His creatinine on admission was 6.4 but had decreased to 1.7 on the day of discharge. A renal ultrasound was unremarkable. An examination revealed foot cysts and bilateral lower extremity edema. A lower extremity venous duplex was normal. An ec hocardiogram did not show any significant abnormalities. 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 int ent or severity of a Social Security listing. The medical evidence of record indicates claimant retains the capacity to perform a wide range of sedentary work. A finding about the capacity for prior work has not been made. However, this information is not material bec ause all p otentially a pplicable medicalvocational guidelines woul d direct a findin g of not disabled giv en the

claimant's age, educ ation and residual functional capacity. Therefore, based on the claimant's vocational profile (younger individual, high school education and history of semi skill ed work), MA-P is denied usin g Vocational Rule 201.28 as a guide. Retroactive MA-P was considered in this case and is also denied.

- 9. Claimant is a 43-year-old man whose birth date is Claimant is 6'1" tall and weighs 260 pounds. Cla imant is a high school graduate. Claimant is able to read and write and does have basic math skills.
- 10. Claimant last worked in 2008 as a truck driver. Claimant has als o worked as a welder and as a fabricator from 1987-2007.
- 11. Claimant alleges as disabling impairments: arthritis, osteoarthritis, gout, cysts on the foot, and rheumatoid arthritis.

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 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 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 Bridges Administrative Manual (BAM), the Bridges Elig ibility Manual (BEM) and the Program Reference Manual (PRM).

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 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 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 press ure, X-rays);
- (4) Diagnosis (statement of disease or injury based on it's 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 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 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 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 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 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 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 <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).
- 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).

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 he lives with his parents, in a house and he is single with no children under 18 who live wit hhim. Claim ant has no income except for the SDA of \$ income he was receiving in the amount /mo. and he does receive Food Assistance Program benefits. Claimant does have a driver 's license but he doesn't drive, his mother takes him where he needs to go. Claimant testified that he does cook everyday things and he cooks things like chicken, s andwiches and pork and he does grocery shop, using the amigo, every two weeks and his mother helps him. Claimant testified that he does dishes and he rides a tractor and he watches televis ion 4 hours per day. Claimant testified that he can stand for 10 minutes at a time and sit for 2 hours at a time. Claimant testified that it is hard to walk and he uses crutches but they are not prescribed by a doctor. Claim ant testified that he cannot squat, bend at the waist or touch his toes and he can sometimes, barely shower and dress himself and sometimes tie his shoes. Claimant testified that he has gout and arthritis in his knees and his back is fine. Claimant testified that his level of pain, on a sc ale of 1-10, without medication is an 11, and with medication is a 7-8. Claimant testified that he is right handed, he has gout and arthritis in his hands/ arms and he has swelling in his legs/feet. Claimant testified that the heaviest weight he can carry is 10 lb s and he doesn't smoke, only drinks on occasion and never takes drugs. Claim ant testified that on a typical day he takes his medication, drinks coffee, has br eakfast, does dishes and then s its around. Claimant testified that he was hospitalized in November, 2012 and December, 2012 for acute kidney failure.

The claimant was admitted November 4, 2012 to November 7, 2012 with acute dyspnea and chest pain (p 39- 40). He was 6'1" and 271 lbs 6.2 ounces with a BMI of 35.81. Breath sounds were distant. Lungs were clear to auscultation bilaterally. He had

tachycardia. He had f oot cysts and bilatera I lower extremity edema (p 40). He was noted to have an ac ute kidney injury (p 41) with a creatinine of 6.4 (p 43). A renal ultrasound was without significant abnormalities. His creat inine was decreasing. The etiology of the renal dysfunction appeared to be from nausea, vomiting and dehydration (p 44). A lower extremity venous Duplex dated November 4, 2012 was nor mal (p 62). An echocardiogram dated November 5, 2012 showed mildly dilated left ventricle, an estimated ejection fraction (EF) of 55%, normal right ventricular size and function, mildly dilated left atrium and moderat e aortic root dilation (p 59). Discharge diagnose s included acute kidney injury (AKI) se condary to dehydratio n and NSAID use, gastroenteritis leading to dehydration, ac ute gout attack and episode of bronchospas m (p 52). His creatinine had decreased to 1.7 on the day of discharge (p 54).

At Step 2, claimant has the burden of proof of establishing that she 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. in multiple areas of his body; however, there are no Claimant has reports of pain 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 which support claimant's contention of disability. The clinical impre ssion is that claimant is stable. There is no medical finding that claim ant has any muscle at rophy or trauma, abnormality or injury that is consistent with a deteriorating condition. In short, claimant has restricted himself from tasks associated with occupational func tioning based upon his 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 that 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 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/ps ychiatric e vidence in the record indicating claimant suffers severe mental limitations . There is a no mental 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 would prevent claimant from working at any job. Claimant was or iented 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 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 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 hi s ability to perform his past relevant work. There is no evidence upon which this Admin istrative 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 sequentia 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 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, 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 lik e 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 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 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 pr ovide 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 mont hs. 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/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 place during the hearing. Claimant's c omplaints of pain, while pr ofound 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 qualified 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 43), with a high school education and an unskilled/semiskilled work hi story who is limited too light work is not consider disabled.

The department's Program Elig ibility Manual contains the following policy statements and instructions for casework ers regarding the State Disability Assistance program: to receive State Disability Assist ance, a person must be disabled, caring for a disable diperson 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 Stat e 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.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusion sof 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 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.

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

Landis

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 or der 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 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 <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 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

LYL/las

CC:

