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

#### IN THE MATTER OF:



Reg. No.:	
Issue No.:	
Case No.:	
Hearing Date:	
County:	

2013-15905 2009; 4031

March 28, 2013 Emmet

ADMINISTRATIVE LAW JUDGE: Vicki L. Armstrong

# HEARING DECISION

This matter is before the undersigned Ad ministrative Law Judge upon Claimant's chigan Compiled Laws 400.9 and 400.37, which gov ern the administrative hearing a telephone hearing was commenced on March 28, 2013, from Lansing, Michigan. Claimant personally appeared and testified. Participants on behalf of the Department of Human Services (Department) included Eligibility Specialist

#### ISSUE

Did the Department of Human Services (DHS) pr operly deny Claimant 's Medic al Assistance (MA), Retro-MA and State Disability Assistance (SDA) application?

# 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 July 10, 2012, Claimant filed an application for MA/Retro-MA and SDA benefits alleging disability.
- 2. On October 31, 2012, the Medical Review Team (MRT) denied Claimant's application for MA/Retro-MA indicati ng he was capable of performing other work. (Depart Ex. A, pp 1-2).
- 3. On November 7, 2012, the department caseworker sent Claimant notice that his application for MA/Retro-MA and SDA had been denied.
- 4. On December 3, 2012, Claimant f iled a request for a hearing to contest the department's negative action.
- 5. On Januar y 24, 2013, the State Hearing Review Team (SHRT) found Claimant was not disabled and retained the capac ity to perform simple and repetitive tasks that does not invo live the use of ropes, ladders,

scaffolding, or even moderate ex posure to unprot ected heights and dangerous machinery. (Depart Ex. B, pp 1-2).

- 6. Claimant had applied for Social Security disability benefits at the time of the hearing.
- 7. Claimant is a 38 year old man w hose birthday is Claimant is 5'10" tall and weighs 190 lbs.
- 8. Claimant does not have an alc ohol/drug or nicotine abuse pr oblem or history.
- 9. Claimant does not have a driv er's licens e and is unable to drive an automobile due to his bimonthly seizures.
- 10. Claimant has a high school education.
- 11. Claimant is not currently working. Claimant last worked in 2009.
- 12. Claimant alleges disability on the basis of epilepsy.
- 13. Medical evidence indicates Claimant has left temp oral lobe epilepsy with an abnormal EEG.

# CONCLUSIONS OF LAW

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 Bridges Reference Manual (RFT).

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 ar e found in the Bridge es Administrative Manua I (BAM), the Bridges Elig ibility Manual (B EM) and the Bridges Reference Manual (RFT).

Statutory authority for the SDA program states in part:

(b) A person with a phy sical or mental impairment which meets federal SSI disability standards, except that the minimum duration of the disa bility shall be 90 days. Substance abuse alone is not defined as a basis for eligibility. In order to receive MA benefits based upon disa bility or blindness, claimant must be disabled or blind as defined in T itle XVI of the Social Security Act (20 CFR 416.901). DHS, being authorized to make such disability determinations, utilizes the SSI definition of disability when making medical decisions on MA applications. MA-P (disability), also is known as Medicaid, which is a program designated to help public assistance claimants pay their medical expenses. Mi chigan administers the federal Medicaid program. In assessing eligibility, Michigan utilizes the federal regulations.

Relevant federal guidelines provide in pertinent part:

"Disability" is:

... the inability to do any subs tantial gainful activ ity by reason of any medically dete rminable physical or mental impairment which c an be expect ed to result in death or which has lasted or can be expect ted to last for a continuous period of not less than 12 months. 20 CFR 416.905.

The federal regulations require t hat several considerations be analyzed in s equential order:

... We follow a set order to determine whether you are disabled. We review any current work activity, the severity of your impairment(s), your resi dual functional capacity, your past work, and your age, educati on and work experience. If we can find that you are disabled or not disabled at any point in the review, we do not review your claim further. 20 CF R 416.920.

The regulations require that if disability can be ruled out at any step, analysis of the next step is not required. These steps are:

- 1. If you are working and the work you are doing is substantial gainful activity, we will find that you are not dis abled regardless of your medical condition or your age, education, and work experienc e. 20 CFR 416.920(b). If no, the analysis continues to Step 2.
- 2. Does the client have a severe impairment that has lasted or is expected to last 12 months or more or result in deat h? If no, the client is ineligible for MA. If yes, the analysis continues to Step 3. 20 CFR 416.909(c).
- 3. Does the impairment appear on a special Listing of Impairments or are the clie nt's symptoms, signs, and Iaboratory findings at least equiv alent in severity to the set of medical findings specified for the listed im pairment that meets the duration requirement? If no, the analysis

continues to Step 4. If yes, MA is approved. 20 CFR 416.920(d).

- 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 analys is continues to Step 5. Sections 200.00-204.00(f)?
- 5. Does the client hav e the Residual Func tional 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? This step consider s the residual functional capacity, age, education, and past work experience to see if the client can do other work. If yes, the analysis ends and the client is ineligible for MA. If no, MA is a pproved. 20 CFR 416.920(g).

At application Claimant has the burden of proof pursuant to:

... You must provide medical evidence showing that you have an im pairment(s) and how seve re it is during the time you say that you are disabled. 20 CFR 416.912(c).

Federal regulations are very specific regarding the type of medical evidence required by claimant to establish statutory disability. The regulations essentially require laboratory or clinical medical reports that corroborate claimant's claims or claimant's physicians' statements regarding disability. These regulations state in part:

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 ultrasounds, X-rays);
- (4) Diagnosis (statement of di sease or injury based on its signs and symptoms). 20 CFR 416.913(b).

Statements about your pain or other symptoms will not al one establish that you are disabled; there must be medical signs and laboratory findings which show that you have a medical impairment. 20 CFR 416.929(a). T he medical evidence must be complete and detailed enough to allow us to mak e a determination about whether you are disabled or blind. 20 CFR 416.913(d).

Medical findings consist of symptoms, signs, and laboratory findings:

- (a) **Sy mptoms** are your own description of your physical or mental impairment. Y our statements alone are not enough to establish t hat there is a physic al or mental impairment.
- (b) Signs are anatomical, physiological, or psychological abnormalities which can be obs erved, apart from your statements (symptoms). Si gns must be shown by medically acceptable clinic al diagnostic t echniques. Psychiatric signs are medically demonstrable phenomena which indic ate s pecific ps ychological abnormalities e.g., abnormalit ies of behavior, mood, thought, memory, orientat ion, development, or perception. They must al so be shown by observable facts that can be medically described and evaluated.
- (c) Laboratory findings are anatomical, phy siological, or psychological phenomena which can be s hown by the use of a medically accept able laboratory diagnostic techniques. Some of these diagnostic techniques include chemical tes ts, el ectrophysiological studie s (electrocardiogram, electroencephalogram, etc.), roentgenological studies (X -rays), and psychologic al tests. 20 CFR 416.928.

It must allow us to determine --

- (1) The nature and limiting effects of your impairment(s) for any period in question;
- (2) The probable duration of your impairment; and
- (3) Your residual functional capac ity to do work-related physical and mental activities. 20 CFR 416.913(d).

Information from other sources may also help us to understand how your impairment(s) affects your ability to work. 20 CFR 416.913( e). You can only be found dis abled if you are unable 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. See 20 CFR 416.905. Your impairment must re sult from anatomical, physiologic al, or psychological abnormalities which are demons trable by medically acc eptable clinical and laboratory diagnostic techniques. 20 CFR 416.927(a)(1).

Applying the sequential analys is herein, Claimant is not ine ligible at the first step as Claimant is not currently working. 20 CFR 416.920(b). The analysis continues.

The second step of the analysis looks at a two-fold assessment of duration and severity. 20 CFR 416.920(c). This second step is a *de min imus* standard. Ruling a ny ambiguities in Claimant's favor, this Administrative Law Judge (ALJ) finds that Claimant meets both. The analysis continues.

The third step of the analysis looks at whet her an individual meets or equals one of the Listings of Impairments. 20 CFR 416.920(d). Claimant does not. The analys is continues.

The fourth step of the analysis looks at the ab ility of the ap plicant to return to past relevant work. This step ex amines the physical and mental dem ands of the work done by Claimant in the past. 20 CFR 416.920(f).

In this cas e, this ALJ finds that Claimant cannot return to past relevant work on the basis of the medical evidence. The analysis continues.

The fifth and final step of the analysis applies the biographical data of the applic ant to the Medical Vocational Grids to determine the residual functional capacity of the applicant to do other work. 20 CFR 416.920(g).

See *Felton v DSS* 161 Mich. App 690, 696 (1987) . Once Claimant reaches Step 5 in the sequential review process, Cl aimant has already established a *prima facie* case of disability. *Richardson v Secretary of Health and Human Services,* 735 F2d 962 (6<sup>th</sup> Cir, 1984). At that point, the burden of proof is on the state to prove by substantial evidence that Claimant has the residual functional capacity for substantial gainful activity.

After a careful review of the credible and s ubstantial evidence on the whole record, this Administrative Law Judge finds that Cla imant's exertional and non-exertional impairments render Claimant unable to engage in a full r ange of even sedentary work activities on a regular and continuing bas is. 20 CFR 404, Subpar t P. Appendix 11, Section 201.00(h). See Soc ial Security Ruling 83-10; *Wilson v Heckler*, 743 F2d 216 (1986).

In this case, Claimant's abnormal EEG and the evidence that Claim ant is still having seizures twice a month despite an increase in his medication, as already noted, does rise to statutory disability. It is noted that at review Claimant's current medical records will be assessed as controlling with regards to continuing eligibility.

# DECISION AND ORDER

The Administrative Law Judge, based upon t he above findings of fact and conclusion s of law, decides the department erred in determining Claimant is not currently disabled for MA/Retro-MA and SDA eligibility purposes.

### 2013-15905/VLA

Accordingly, the department's decision is **REVERSED**, and it is Ordered that:

- 1. The department shall process Claimant's July 10, 2012, MA/Retro-MA and SDA application, and shall award him all the benefits he may be entitled to receive, as long as he meets the remaining financ ial and non-financ ial eligibility factors.
- 2. The department shall rev iew Claimant's medica I cond ition for improvement in July, 2014, unless his Social Security Administration disability status is approved by that time.
- 3. The department shall obtain updated medical evidence from Claimant's treating physicians, physical therapists, pain clinic notes, etc. regarding his continued treatment, progress and prognosis at review.

It is SO ORDERED.

Juli Z. Chi

Vicki L. Armstrong Administrative Law Judge for Maura D. Corrigan, Director Department of Human Services

Date Signed: July 10, 2013

Date Mailed: July 10, 2013

**NOTICE**: Administrative Hearings may or der a rehearing or reconsideration on either its own motion or at t he request of a party wit hin 30 days of the ma iling date of this Decision and Order. Administrative Hear ings will not orde r 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.

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 mailing date of the rehearing decision.

The following claimants have 3 way hearings scheduled. Please call in at the correct time to let Administrative Hearings know you are ready to proceed.

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

#### VLA/las

