

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 2013-16624
Issue No: 2009
Case No: [REDACTED]
Hearing Date: April 9, 2013
Oakland-04 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 April 9, 2013. Claimant personally appeared and testified. Claimant's mother, [REDACTED] and his support coordinator, [REDACTED], also appeared and testified on claimant's behalf. The department was represented at the hearing by [REDACTED]

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 August 24, 2012, claimant filed an application for Medical Assistance and Retroactive Medical Assistance benefits alleging disability.
2. On November 15, 2012, the Medical Review Team denied claimant's application stating that claimant's impairments were non-exertional.
3. On November 20, 2012, the department caseworker sent claimant notice that his application was denied.
4. On December 7, 2012, claimant filed a request for a hearing to contest the department's negative action.
5. On January 30, 2013, the State Hearing Review Team again denied claimant's application stating in its analysis and recommended decision:

the claimant's neurological examination was normal. There is no medical evidence of seizures in file. The medical evidence shows that he may be depressed at times. He is still able to remember, understand and communicate with others. As a result of the claimant's combination of severe physical and mental conditions, he is restricted to performing medium work. He retains the capacity to lift up to 50 lbs occasionally, 25 lbs frequently and stand and walk for up to 6 of 8 hours. Claimant is not engaging in substantial gainful activity at this time. Claimant's severe impairments do not meet or equal any listing. Despite the impairments, he retains the capacity to perform unskilled work. Therefore, based on the claimant's vocational profile (younger individual, 12th grade education, and medium work history); MA-P is denied using Vocational Rule 204.00 as a guide. Retroactive MA-P benefits are denied at step 5 of the sequential evaluation; claimant retains the capacity to perform unskilled work.

6. The hearing was held on April 9, 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 April 10, 2013.
8. On June 21, 2013, the State Hearing Review Team again denied claimant's application stating in its analysis and recommendation: the medical evidence of record supports that the claimant reasonably retains the capacity to perform simple and repetitive tasks that avoid the use of ropes, ladders, scaffolding and more than concentrated exposure to unprotected heights and dangerous machinery. 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 simple and repetitive tasks that avoid the use of ropes, ladders, scaffolding and more than concentrated exposure to unprotected heights and dangerous machinery. The claimant has a history of less than gainful employment. As such, there is no past work for the claimant to perform, nor are there past work skills to transfer to other occupations. Therefore, based on the claimant's vocational profile (22 years old, at least a high school education and a history of less than gainful employment), MA-P is denied, 20CFR416.920(e&g), using Vocational Rule 204.00 as a guide. Retroactive MA-P was considered in this determination and is also denied. SDA was not applied for by the claimant, but would have been 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 11.02/03/18 and 12.02/04/05 were considered in this determination.

9. Claimant is a 21-year-old man whose birth date is May 27, 1991. Claimant is 6' tall and weighs 176 pounds. Claimant is a high school graduate. Claimant is able to read and write short stories and has minimal math skills. Claimant testified that he was in special education because of attention deficit hyperactive disorder and a closed head injury.
10. Claimant alleges he has never worked.
11. Claimant alleges as disabling impairments: seizures-not currently, depression, learning disability, attention deficit hyperactive disorder, closed head injury from a motor vehicle accident in 2000, mild mental retardation,

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 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 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 lives with his grandmother and mother and he is single with no children. Claimant has no income and does not receive any benefits from the Department of Human Services. Claimant does have a driver's license but walks where he needs to go because he has no vehicle. Claimant's mother cooks for him but he is able to cook eggs and hamburgers. Claimant's mother grocery shops for him but claimant does take out the trash and feeds his birds and he also shovels and cuts the grass sometimes. Claimant testified that he plays basketball and watches sports as a hobby. Claimant watches television 2 hours per day, plays video games 1 hour per day and uses the computer 2-3 hours per day. Claimant testified that he is able to stand for 5 minutes at a time, sit for 30 minutes to an hour at a time and is able to walk 2 miles. Claimant is able to squat, bend at the waist, shower and dress himself, tie his shoes and touch his toes. Claimant testified that his knees are fine but his back hurts from his motor vehicle accident in December, 2012. Claimant testified that his level of pain, on a scale of 1-10, without medication, is a 10, and with medication is a 5. Claimant testified that he is right handed, his hands/arms are fine and his legs/feet are fine. Claimant testified that he can carry 50 lbs and he does smoke a pack of cigarettes per day, his doctors have told him to quit, and he is not in a smoking cessation program. Claimant testified that he does drink alcohol or take any drugs. Claimant testified that on a typical day he hangs out at friends, goes to the mall, wakes up and eats breakfast, watches television and then he goes to bed. Claimant's mother testified that he had some dementia related symptoms and he has outbursts. His caseworker testified that he does have a quarterly assessment.

A March 7, 2013 psychiatric evaluation indicates that claimant has an axis V GAF of 54; his prognosis is good and the claimant appears incompetent to manage his benefits given his history. He displays intellectual development within the Low Average to

Borderline level of functioning with commensurate mental capacities, with the exception of his greatest deficits in concentration and short term memory. He would likely function well on tasks that are not overly complex, without a great deal of sequential, multiple steps. He appears competent and appropriate in social interaction, and would probably function best in social situations involving smaller groups, with environmental parameters that are low in distractions. He would function best with supportive and reassuring support. His concentration appears limited, while his intellectual functioning is more developed in hands-on areas, on which a foundation of vocational skills should be encouraged. He would likely have difficulty with the effective management of benefits. He was diagnosed with attention deficit hyperactivity disorder-combined subtype and borderline intellectual functioning. An April 26, 2012 mental examination report indicates that verbal= 72, perceptual =76, full=65. Evaluation from March 7, 2013 indicates that claimant was diagnosed with ADHD, borderline intellectual functioning by history; capable of simple and repetitive tasks. An October 15, 2012 independent evaluation at p 4 indicates claimant has a mood disorder, cognitive disorder, history of motor vehicle accident with traumatic brain injury in 2000. No difficulty with simple and repetitive tasks. His axis V GAF was 55- 60. His prognosis was hopeful depending on treatment. He is believed to be capable of independently managing his funds. His ability to withstand the stress and pressures associated with day to day work is markedly impaired due to his cognitive problems and emotional difficulties. His ability to maintain his attention, concentration, persistence and pace when performing routine, well learned tasks is markedly impaired depending on the complexity of the job. He will fare better in a job environment where he is able to engage in routine work. His mental ability to understand, remember and carry out simple tasks is mildly impaired because of his cognitive difficulties. He is believed to have the mental ability to relate to others, including fellow workers, supervisors, and the general public in a work related environment. This is evidenced by his ability to establish a rapport with the mental health examiner. He was diagnosed with a mood disorder and a cognitive disorder (p 8).

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: attention deficit hyperactivity disorder, learning disabled, and closed head injury.

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 a 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 21), with a high school education and a medium work history who is limited to medium/light work is not considered disabled pursuant to Medical Vocational Rule 204.00. Claimant does retain the capacity to lift up to 50 lbs occasionally, 25 lbs frequently and can stand/walk up to 6 of 8 hours. Claimant is able to sit for 6-8 hours by his ability to sit and watch television, use the computer and play video games. He is still able to remember, understand and communicate with

others. Claimant retains the capacity to perform unskilled work of simple and repetitive tasks.

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

If an individual fails to follow prescribed treatment which would be expected to restore their ability to engage in substantial activity without good cause there will not be 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 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 application for Medical Assistance and retroactive Medical 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 /s/

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

Date Signed: July 17, 2013

Date Mailed: July 17, 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.

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:

