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

#### IN THE MATTER OF:



Reg. No:2013-63658Issue No:2009;4009Case No:Image: Case No:Hearing Date:December 18, 2013Kalamazoo County DHS

#### ADMINISTRATIVE LAW JUDGE: Landis Y. Lain

# **HEARING DECISION**

Following Claimant's r equest for a hearing, this matter is before the undersigned Administrative Law J udge pursuant to MC L 400.9 and 400.37; 42 CFR 431.200 t o 431.250; and 45 CF R 205.10. After due notice, a telephon e hearing was held on December 18, 2013, from Lansing, Michi gan. Participa nts on behalf of Claimant included Claimant and her interpreter Participants on behalf of the Department of Human Services (Department) included Eligibility Specialist.

## ISSUE

Did the Department of Human Services (the Department) proper ly deny Claimant's application for Medical Assistance (MA-P) and State Disability Assistance (SDA)?

## 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 February 12, 2013, Claimant filed a n application for Medical Assistance and State Disability Assistance benefits alleging disability.
- 2. On June 25, 2013, the Medical Revi ew Team denied Claim ant's application stating that Claimant's impairments were non-severe.
- 3. On June 28, 2013, the Department case worker sent Claimant notice that her application was denied.
- 4. On August 8, 2013, Claimant filed a request for a hearing to contest the Department's negative action.
- 5. On October 3, 2013, the State Hearing Review Team again denied Claimant's application.

- 6. Claimant is a 55-year-old woman whose birth date is Claimant is 5'3" tall and weighs 160 pounds. Claima nt attended the fifth grade in India. Claimant a lleges that she is unable to read and w rite in Englis h and does not have basic math skills. Claimant has been in the United States for two years
- 7. Claimant has never held gainful employment.
- 8. Claimant alleges as disabling impairments: pain in the right side, back, legs and joints.

# 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 eligibility or benefit levels whenever 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 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) administers 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 Eligibility 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 T itle 42 of the C ode of Federal Regulations (CFR). The Department of Human Servic es (DHS or Department) adm inisters 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 (suc h 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 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 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 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 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).
- 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 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).
- 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 f or MA. If no, MA is approved. 20 CFR 416.920(f).

At Step 1, Claimant is not engaged in subs tantial gainful activity and has never hel d gainful employment. Claimant is not disqualified from receiving disability at Step 1.

Subjective evidence on the record indicates : Claimant testified in the record that she lives with her husband and has no children under 18 and no income. She receives no benefits from the Department of Human Services. She has no driver's license. Sh e cooks one time per day. She does dishes and the usual housework. She can stand for 30 minutes at a time and can sit for 1 hour at a time. She is able to walk a  $\frac{1}{2}$  a mile. She showers and dresses herself slowly. She c annot squat, tie her shoes or touch her toes because of her back pain. Her level of pain on a scale from 1 to 10 without medication is an 8 to a 9 and with medication is a 6 to a 7. She can carry less than a gallon of milk.

Objective evidence on the record indicate s: on April 26, 2013 th e Claimant walked with a normal gait without an assist device. She was 62 inches tall weighed 154 pounds. Her blood pressure was 130/70 and 130/76. Extremities circumference was equal bilaterally. She had no joint instability. She had no enlar gement or effusion. Grip strength was intact. Dexterity was unimpaired, page 13. Motor strength and function were normal. Sensory functions were intact. Reflexes were intact and symmetrical. She had multiple arthralgias. She had t enderness with movement of the right shoulder and lumbar spine with full range of motion, page 14.

At Step 2, Claimant has the bur den of pr oof 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. Claimant has reports of pain in multiple areas of her body; however, there are no corresponding clinic al 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 whic h support Claimant's contention of disability. T he clinic al impression is that Claimant is stable. There is no medical finding that Claimant has any muscle atrophy or trauma, abnormality or injury that is cons istent with a deteriorating condition. 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 met 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.

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 suffers severe m ental limitations . There is **no** mental residual functional capacity assessment in the record. There is in sufficient evidence contained in the file of depression or a cognitive dysfun ction that is so sever e that it would 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 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 Claima nt's condition does not give ris e 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 her again at Step 4 based u pon her ability to perform her past relevant work. There is no ev idence upon which this Admin istrative 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 Claim ant had not already been denied at Step 2, she 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, 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 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 testimony as to her limitations indicates that she should be able to perform light or sedentary work.

There is insufficient objective medical/ps vchiatric evidence contained in the file of depression or a cognitive dysfunction that is so sever e that it would prevent Claimant from working at any job. Claimant was able to answer all the guestions 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 rec ord does not estab lish that Claimant has no residual functional capacity. Clai mant is dis qualified 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, an individual (age 53), with a high school education and an unskilled work hist ory who is limited t o light work is not considered disabled pursuant to medical vocational rule 203.21.

The Department's Program Elig ibility Manual contains t he following policy statements and instructions for casework ers regarding t he State Disability Assistance program: to receive State Disability Assist ance, a person must be dis abled, caring for a disable d person or age 65 or ol der. BEM, Item 261, p. 1. Becaus e the Claimant does not meet the definition of disabled u nder the MA-P program and becaus e the evidence of record does not establish that Claiman t is unable to work for a per iod exceeding 90 days, the Claimant does not meet the disability crit eria for State Disab ility 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 Claim ant was not eligible to receive Medical Assistance and/or State Disability 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 it was acting in compliance wit h Department policy when it denied Claimant's application for Medical Assistance, retroactive Medica I Assistance and State Disability Assistance benefits. The Claimant should be able to perform a wide r ange of light or sedentary work even with her impairments. The D epartment has established its c ase by a preponderance of the evidence.

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: December 20, 2013

Date Mailed: December 26, 2013

**NOTICE OF APPE AL:** 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 timely Request for Rehearing or Reconsiderati on was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

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Michigan Administrative Hearing Syst em (MAHS) may order a rehearing or reconsideration on either its own motion or at the request of a par ty within 30 days of the mailing date of this Dec ision and Order . 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).

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the or iginal hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The Department, AHR or the Claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings Reconsideration/Rehearing Request P.O. Box 30639 Lansing, Michigan 48909-07322



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