

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No: 2013-13852  
Issue No: 4009  
Case No: [REDACTED]  
Hearing Date: March 13, 2013  
Delta County DHS

**ADMINISTRATIVE LAW JUDGE:** Landis Y. Lain for Suzanne Morris

**HEARING DECISION**

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 42 CFR 431.200 to 431.250; and 45 CFR 205.10. After due notice, a telephone hearing was held on March 13, 2013, from Lansing, Michigan and conducted by Administrative Law Judge [REDACTED]. Participants on behalf of Claimant included Claimant and her friend [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Eligibility Specialist.

The undersigned Administrative Law Judge, having reviewed the entire record in this matter including the audio recording of the hearing, the official papers filed in this matter in the form of pleadings, and the exhibits that were entered generates this Hearing Decision in the absence of the presiding Administrative Law Judge.

**ISSUE**

Did the Department of Human Services (the Department) properly determine that Claimant was no longer disabled and deny the review application 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 State Disability Assistance recipient and her SDA case was scheduled for review in November 1, 2012.
2. On November 1, 2012, Claimant filed a review application for Medical Assistance and State Disability Assistance benefits alleging continued disability.
3. On November 5, 2012, the Medical Review Team denied Claimant's application stating that Claimant had medical improvement.

4. On November 15, 2012, the Department caseworker sent Claimant notice that the SDA case would be cancelled based upon medical improvement.
5. On November 27, 2012, Claimant filed a request for a hearing to contest the Department's negative action.
6. On January 6, 2013 the State Hearing Review Team denied Claimant's continued eligibility for State Disability Assistance stating that Claimant can perform at least simple, unskilled sedentary work pursuant to medical vocational rule 201.27.
7. Claimant is a [REDACTED]-year-old whose [REDACTED]. Claimant is 5'4" tall and weighs 187 pounds. Claimant is a [REDACTED]. Claimant is able to read, write and does have basis math skills.
8. Claimant last worked in [REDACTED] in [REDACTED].
9. Claimant was receiving State Disability Assistance based upon approval by the Medical Review Team from June 3, 2012.
10. Claimant alleges as disabling impairments: herniated discs, degenerative disc disease, sciatic nerve pinch, muscle spasms, hips and lower back pain, leg pain, numbness in the hands, obsessive compulsive disorder, bipolar disorder, depression and anxiety as well as [REDACTED].

### **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 State Disability Assistance (SDA) program differs from the federal Medical Assistance regulations in that the durational requirement is 90 days. This means that the person's impairments must meet the SSI disability standards for 90 days in order for that person to be eligible for SDA benefits.

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 approximately [REDACTED]

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 a [REDACTED] dated [REDACTED], showed the Claimant had soft tissue tenderness over the postero-superior iliac spine, over the greater trochanters and over the iliotibial band. She had good range of motion, was not particularly tight about her hamstrings and hip girdle muscles. Muscle strength was 5/5 throughout. Her gait was normal. An MRI of the lumbar spine showed degenerative changes at L3 – L4, L4 – L5 and L5 – S1 levels. At the L3 – L4 and L4 – L5 level she has central disc prominences that projected into the canal but did not produce any significant profound compression. At the L5 – S1 level she had bilateral spondylosis and grade 1 spondylolisthesis with associated foraminal stenosis around the existing L5 nerve root, page A181-A182. A [REDACTED] dated [REDACTED] showed the Claimant reported three psychiatric hospital stays. She was not any counseling at the time of the examination, page A172. She had a very

harsh expression on her face. She was defensive occurred in her responses. She was appropriately dressed and her hygiene was good, page A174. She was emotionally distant, guarded though not unpleasant. She appeared dysthymic, depressed and within undercurrent of anger Peter speech was spontaneous, logical and goal oriented. She denied hallucinations, delusions, persecutions, obsessions and unusual powers, page A 175. Diagnosis included bipolar disorder, anxiety disorder and personality disorder, page A 176. A [REDACTED] dated [REDACTED] showed the Claimant was capable of performing sedentary work, page A72.

A [REDACTED] indicates the Claimant was in no acute distress. She had no obvious deformities. She was well groomed is somewhat overweight. She had intact bulk, strength and tone of the upper and lower extremities except is inhabited by her pain syndrome. Grip strength was a little less on the left side of the right. She walked an independent fashion. There was no focal weakness really discovered. There was no evidence of atrophy in the upper extremities or her hands. Language functions were normal. Speech was intact and spontaneous, page A 34. She described decreased light touch and pinprick over the fourth and fifth fingers of the left hand. Deep tendon reflexes were reactive and symmetrical in the upper and lower extremities. She reacted very strongly to testing of the left triceps reflex, page A 35.

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.

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 past work as a **factory worker**.

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 **younger individual at age [REDACTED] and a history of unskilled/semiskilled work**, MA-P is denied using Vocational Rule **201.27** as a guide. Claimant can perform other work in the form of sedentary work. 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 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 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 Y. Lain  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: 3/10/14

Date Mailed: 3/10/14

**NOTICE OF APPEAL:** 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 Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

Michigan Administrative Hearing System (MAHS) 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. MAHS 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 (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 original 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

2013-13852/LYL

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

LYL/tb

cc:

