

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 2013-25274
Issue No: 2009
Case No: [REDACTED]
Hearing Date: May 1, 2013
Jackson 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 May 1, 2013. Claimant personally appeared and testified. Claimant's mother, [REDACTED], also appeared and testified on his behalf. The department was represented by assistance payments supervisor [REDACTED] and eligibility specialist [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 May 24, 2012, claimant filed an application for Medical Assistance and Retroactive Medical Assistance benefits alleging disability.
2. On October 25, 2012, the Medical Review Team denied claimant's application stating that claimant could perform other work.
3. On November 1, 2012, the department caseworker sent claimant notice that his application was denied.
4. On January 17, 2013, claimant filed a request for a hearing to contest the department's negative action.
5. On March 22, 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 medium exertional tasks of a simple and repetitive nature. Drug and alcohol abuse is present but evidence does not support that it is material to this determination. The claimant is not currently engaging in substantial gainful activity based on the information that is available in the file. The claimant's impairments/combination of impairments does not meet/equal the intent or severity of a Social Security Administration (SSA) listing. The claimant's past work was: truck driver, 904.383-010, 4M; mechanic, 620.261-010, 7M; and sales representative, 273.357-022, 5L. 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, at least a high school education and a history of light exertional, skilled, and medium exertional, semi-skilled and skilled employment), MA-P is denied, 20CFR416.920 (e&g), using Vocational Rule 203.28 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 1.02/04, 5.06, 7.02, 9.00.B5, 11.14 and 12.04/06/09 were considered in this determination.

6. Claimant is a 43-year-old man whose birth date is [REDACTED]. Claimant is 6'1" tall and weighs 180 pounds. Claimant attended one year of college. Claimant is able to read and write and does have basic math skills.
7. Claimant last worked 2011 as a lab technician. Claimant was also a truck driver doing maintenance and office work for the trucking company, as well as a transmission mechanic in his father's business.
8. Claimant alleges as disabling impairments: gastroparesis, arthritis, back pain and disc problems, depression, diabetic ketacidosis and neuropathy, suicidal ideations, his stomach and intestines have shut down, and poor vision.

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 testified on the record that he lives alone, is divorced, and has no children under 18 who live with him. Claimant has no income and receives Food Assistance Program benefits. Claimant has a CDL license and he drives, when he has gas, to appointments and counseling. Claimant testified that he makes sandwiches, eats bananas and grocery

shops every two days with no help needed. Claimant testified that he is homeless so he does not do any type of cleaning or outside work and has no hobbies. Claimant testified that he can stand for 2-3 minutes at a time, can sit for 20 minutes at a time and can walk 2-3 blocks but cannot squat. Claimant testified that he can bend at the waist, shower and dress himself, tie his shoes and touch his toes, and that he uses a cane to ambulate. Claimant testified that his level of pain on a scale from 1 to 10 without medication is a 9 and he takes no pain medications. Claimant testified that he is right handed and has neuropathy in his hands, arms, legs and feet as a result of motorcycle accident in 1997. Claimant testified that the heaviest weight he can carry is 25 lbs. or a gallon of milk. Claimant testified that he smokes a pack of cigarettes every 3-4 days. His doctors told him to quit and he started a smoking cessation program; he has cut down because he cannot afford to buy cigarettes. Claimant testified that he stopped drinking and using cocaine in May 2012 and smoking marijuana in January 2013. Claimant testified that he does not sleep well and he stays in his car so he gets 1-2 hours of sleep at a time. Claimant testified that he is constantly in pain and that he usually sits in his car all day and listens to his radio. Claimant testified that he was hospitalized possibly 9 times in the last year and that he spent 6-7 days in the hospital in May 2012 for gastroparesis and also has had a suicide attempt.

A mental status evaluation dated February 26, 2013 indicates that he was very thin. He at one time weighed 360lbs. and is now down to 165 lbs. and is still losing weight. He has very little muscle tone. He has a lot of excess skin. His height was 6'1" and his weight was 165 lbs. He was hunched over at the table. He walked slowly and as if in pain. (pg. 86) His attentiveness was normal and his manners were not overly good. He had minimal appetite, stating that if he eats he will have diarrhea 6 to 8 times a day. His contact with reality was normal; his self esteem was very low. His motor activity was within normal limits. He was tense, blunt and irritable with minimal eye contact. He was unpleasant. He denies separation anxiety and problems with anger or irritability. (pg. 87) His stream of mental activity was normal. His quality of verbal expression was normal and he had no blocked thoughts. He was logical and seemed vague about his substance abuse history. He had no pressure of speech, no slowed speech and no circumstantial or tangential speech. He denied distractibility and his organization of thought was normal. He denied having hallucinations, delusions or obsessions, but did admit to having had feelings of worthlessness. He did have suicidal ideation, stating that he wants to die but does not have the "balls" to kill himself because he is Catholic in upbringing. He thinks about an overdose on insulin. He stated that he attempted suicide once and that was in 2012. He was very depressed and angry and has anxiety. (pg. 88) Attention and concentration were normal. (pg. 89) He was diagnosed with major depressive disorder-recurrent, adjustment disorder with anxiety, nicotine dependence, cocaine abuse- course uncertain, but self-reported to be in sustained remission with an intentional overdose within the past 12 months, and alcohol dependence- course uncertain, but self-reported to be in full remission. His Axis V GAF score was 46. (pg. 93) A mental status evaluation dated September 29, 2012 indicates that claimant was diagnosed with adjustment disorder with depressed mood, cannabis dependence and alcohol dependence – not in complete remission. His Axis V GAF score was 55. (pg. 8) A June 14, 2012 medical examination report indicates that

claimant was 5'10" tall, weighed 142 pounds, and had a blood pressure reading of 130/82. The clinical impression was that claimant was stable, but he did have some nausea, parasthesia, and neuropathy bilaterally in his feet. (pg. 21-22) An April 23, 2012 medical examination report indicates that claimant's blood pressure was 123/85, his pulse was 87, respirations 24, temperature 97.6, height 6'1" and he was 170 lbs. He was in no acute distress, and noted as being a nontoxic appearing male who looked his stated age. HEENT: Head atraumatic, normocephalic. Pupils were equal, round, reactive to light and accommodation. Extraocular movements were intact. Tympanic membranes were clear bilaterally. The neck was supple with no lymphadenopathy, thyromegaly or bruits heard. Oropharynx had poor dentition upper and lower. Obvious cavities. No abscess seen. The heart had a regular rhythm. No rubs, murmurs, or gallops. Lungs were clear to auscultation bilaterally, no wheezing, rales, or rhonchi. The abdomen was soft, nontender and nondistended. Positive bowel sounds x4. No rebound, guarding, mass or hepatosplenomegaly noted. The skin had no apparent skin lesions or rashes seen. No suspicious lesions seen. The extremities had no clubbing, cyanosis, or edema. Capillary refill less than 2 seconds. The impression was depression. (pg. 34)

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 physically. 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: depression, suicidal ideation and anxiety.

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 no 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 43), with a high school education and an unskilled work history who is limited to light work is not considered disabled.

The Federal Regulations at 20 CFR 404.1535 speak to the determination of whether Drug Addiction and Alcoholism (DAA) is material to a person's disability and when benefits will or will not be approved. The regulations require the disability analysis be completed prior to a determination of whether a person's drug and alcohol use is material. It is only when a person meets the disability criterion, as set forth in the regulations, that the issue of materiality becomes relevant. In such cases, the regulations require a sixth step to determine the materiality of DAA to a person's disability.

When the record contains evidence of DAA, a determination must be made whether or not the person would continue to be disabled if the individual stopped using drugs or alcohol. The trier of fact must determine what, if any, of the physical or mental limitations would remain if the person were to stop the use of the drugs or alcohol and whether any of these remaining limitations would be disabling.

Claimant's testimony and the information contained in the file indicate that claimant has a history of tobacco, drug, and alcohol abuse. Applicable hearing is the Drug Abuse and Alcohol (DA&A) Legislation, Public Law 104-121, Section 105(b)(1), 110 STAT. 853, 42 USC 423(d)(2)(C), 1382(c)(a)(3)(J) Supplement Five 1999. The law indicates that individuals are not eligible and/or are not disabled where drug addiction or alcoholism is a contributing factor material to the determination of disability. After a careful review of the credible and substantial evidence on the whole record, this Administrative Law Judge finds that claimant does not meet the statutory disability definition under the authority of the DA&A Legislation because his substance abuse is material to his alleged impairment and alleged disability.

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).

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**.

/s/

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

Date Signed: May 8, 2013

Date Mailed: May 8, 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/aca

cc:

