

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No: 201325298  
Issue No: 2009; 4031  
Case No: [REDACTED]  
Hearing Date: May 1, 2013  
Oakland County DHS (04)

**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. The department was represented at the hearing by [REDACTED], an eligibility specialist.

**ISSUE**

Did the Department of Human Services (the department) properly 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 September 12, 2012, claimant filed an application for Medical Assistance, Retroactive Medical Assistance and State Disability Assistance benefits alleging disability.
2. On December 4, 2012, the Medical Review Team denied claimant's application stating that claimant's impairments were non-exertional.
3. On December 6, 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 15, 2013, the State Hearing Review Team again denied claimant's application stating in its analysis and recommendation: the claimant has a history of hearing loss since he was a child and he has

bilateral hearing aids. At the physical examination, he had no problem hearing with his hearing aids. He had some hearing difficulties at the mental status examination, but it was not noted if he was wearing his hearing aids or not. He reported a history of a heart attack and bypass surgery in 2002. His physical examination was basically otherwise unremarkable. There was no evidence of heart failure or stroke. A mental status showed he was independent in housework and self-care. His speech was fluent and spontaneous. There was no evidence of psychosis. His diagnosis was major depressive disorder. His past work as a collections agent has an SVP of 4 and is performed at the light exertional level according to the [REDACTED]. The claimant is not currently engaging in substantial gainful activity (SGA) based on the information that is available in the file. The claimant's impairments do not meet/equal the intent or severity of a Social Security listing. The medical evidence of record indicates that the claimant retains the capacity to perform light, semi-skilled work. The claimant's past work as a collections agent was performed at the semi-skilled, sedentary level per claimant's description. Therefore, the claimant retains the capacity to perform his past relevant work as he performed it. MA-P is denied per 20CFR416.920 (e). Retroactive MA-P was considered in this case and is also denied. SDA is denied per BEM 261 due to the capacity to perform past relevant work.

6. Claimant is a 59-year-old man whose birth date is [REDACTED]. Claimant is 5'10" tall and weighs 161 pounds. Claimant attended the 11<sup>th</sup> grade and has a GED. Claimant is able to read and write, add, subtract and count money.
7. Claimant last worked in 2010 delivering flowers. Claimant has also worked as a debt collector for 25-30 years.
8. Claimant alleges as disabling impairments: hearing loss, depression, coronary artery disease, hypertension, a quadruple bypass in 2002, shortness of breath, anxiety, bipolar disorder, occasional chest pain and current suicidal ideations.

### **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 Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

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 has not worked since 2010. Claimant is not disqualified from receiving disability at Step 1.

The subjective and objective medical evidence on the record indicates that claimant testified that he lives alone in an apartment and that [REDACTED] pays for his housing. Claimant testified that he is divorced with no children under 18 who live with him and no income. He does receive Food Assistance Program benefits. Claimant testified that his driver's license is expired and he has to beg someone for a ride if he needs to go somewhere. Claimant testified that he cooks 1-2 times per week and usually cooks things like a can of soup, burgers or noodles. Claimant testified he grocery shops one time per month and he needs a ride to get there. Claimant testified that he does some laundry and watches television 2-3 hours per day. Claimant testified that he can stand for 15-30 minutes at a time and he can sit for 2 hours at a time. Claimant stated that he can walk 1 mile and can squat, shower and dress himself, bend at the waist and tie his shoes while sitting, but he cannot touch his toes. Claimant stated that his knees and back are fine, and that he does have occasional chest pain. His level of pain on a scale from one to ten without medication is a 9 and with medication is a 5. Claimant testified that he is left handed and his hands and arms are fine, but that his calf muscles and feet hurt if he walks a considerable distance. Claimant testified that the heaviest weight he can carry is 10 lbs. and that he smokes a pack of cigarettes every 3 days. His doctors told him to quit, but he is not currently in a smoking cessation program. Claimant testified that in a typical day he sits around and looks out the window and that he has not been hospitalized in the last year.

An examination dated June 16, 2012 showed the claimant has had decreased hearing since he was a child and he wears bilateral hearing aids. He reported he had a history of a heart attack and bypass surgery in 2002. (pg. 12) He was cooperative throughout the examination. His hearing appeared normal and his speech was clear. His gait was normal. His blood pressure was 130/80. His chest and heart examinations were unremarkable. (pg. 13) He had full dexterity in the hands. Strength was 5/5 throughout. Sensation was intact. He had no evidence of heart failure or stroke on examination. (pg. 14) His pulse was 80 and regular, his respiration was 12, his weight was 150 lbs. and his height was 69 in. without shoes. He did not use an assistive device for ambulation. He was able to understand the doctor throughout the examination and had no difficulty due to his wearing of bilateral hearing aids. The head was normocephalic and atraumatic with no evidence of lymphadenopathy. In the skin there were no lesions appreciated, no cyanosis or clubbing. Visual acuity in the right eye was 20/25 and in the left eye 20/30 with glasses. The sclera was not ecteric, nor was there any conjunctival pallor. The pupils were equal and reactive to light and accommodation. The neck was supple with no thyroid masses or goiter. No bruits were appreciated over the carotid arteries. There was no lymphadenopathy. The chest AP diameter was grossly normal. The lungs were clear to auscultation without any adventitious sounds. In the heart, normal S1 and S2 were heard. No murmurs or gallops were appreciated. The heart did not appear to be enlarged clinically. The PMI was not displaced. He had no jugular or venous distention. The abdomen was soft and non-tender without distention and with positive bowel sounds x4. There were no masses felt, nor was there

enlargement of the spleen or liver. (pg. 13) In the examination of the extremities and the musculoskeletal system there were no obvious bony deformities. Peripheral pulses were easily palpated and symmetrical. There was no edema. Range of motion of all joints check was full. There was no tenderness, erythema, or effusion of any joint. Grip strength was normal as tested grossly. The hands had full dexterity. Patient had no difficulty with orthopedic maneuvers, on and off the table, heel and toe, squatting and hopping. Strength was 5/5 throughout. Sensation was intact. Cranial nerves II through XII were grossly intact. The patient was awake, alert and oriented to person, place and time. Reflexes were present and symmetrical. The conclusion was a history of hearing loss. He has had decreased hearing since childhood and wears bilateral hearing aids because of this. His hearing aids help. There is a history of heart disease as evidenced by a myocardial infarction in 2002 and a heart catheterization at that time. He alleges that he also underwent a quadruple bypass at that time. He has no history of heart failure or stroke. He did not complain of any chest pain at the time of the examination. (pg. 14) A mental status evaluation dated June 13, 2012 states that claimant does house work, laundry and self-care. He is able to take care of himself independently. (pg. 17) His speech was fluent and spontaneous with no pressured speech. He denied hallucinations, delusions, homicidal or suicidal ideations, intents or plans. He was quite dysphonic and he had a hard time hearing due to his hearing loss. Diagnosis indicated major depressive disorder-recurrent, severe. (pg. 19) He had a current Axis V GAF score of 46 and he should be able to manage his own benefit file. His current mental status indicated that he is quite depressed, but his immediate memory was intact. His past and recent memory is impaired. His judgment is fair as is his insight, yet his global awareness of knowledge is impacted most likely due to his current dysphonic mood state. He was appropriately dressed and groomed. (pg. 20) The claimant did testify on the record that he was currently suicidal, but did not state that he had any plans to harm himself. A psychiatric evaluation dated June 21, 2012 indicates that claimant's Axis V GAF was 35 and that he was having economic and occupational problems. He was diagnosed with major depressive disorder and psychotic disorder NOS. (pg. 25) A mental residual functional capacity assessment in the record, filled out by claimant's social worker, indicates that claimant would be markedly limited in learning areas and moderately limited in all remaining areas. (pg. 27-28)

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: suicidal ideation, depression, anxiety, and bipolar disorder.

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.

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'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. BEM, Item 261, p. 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

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 and/or State Disability 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, retroactive Medical Assistance and 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.

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 9, 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:

