

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

IN THE MATTER OF:



Reg. No.: 2013-64218
Issue No.: 2009
Case No.: [REDACTED]
Hearing Date: January 22, 2014
County: Saginaw

ADMINISTRATIVE LAW JUDGE: Vicki L. Armstrong

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, an in-person hearing was commenced on January 22, 2014, at the Saginaw County DHS office. Claimant, represented by [REDACTED] of [REDACTED] personally appeared and testified. Participants on behalf of the Department of Human Services (Department) included Eligibility Specialist [REDACTED]

ISSUE

Whether the Department properly denied Claimant's Medical Assistance (MA) and Retro-MA application?

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 April 18, 2013, Claimant filed an application for MA/Retro-MA benefits alleging disability.
2. On May 15, 2013, Claimant applied for State Disability Assistance (SDA), alleging disability.
3. On June 21, 2013, the Medical Review Team (MRT) denied Claimant's application for MA/Retro-MA indicating for lack of duration. (Depart Ex. A, pp 3-4).
4. On June 27, 2013, the department case worker sent Claimant notice that his application for MA/Retro-MA had been denied.
5. On August 8, 2013, the Medical Review Team (MRT) approved Claimant's application for SDA. (Depart Ex. A, pp 1-2).

6. On August 15, 2013, Claimant filed a request for a hearing to contest the department's negative action.
5. On October 18, 2013, the State Hearing Review Team (SHRT) found Claimant was not disabled and retained the capacity to perform unskilled work. (Depart Ex. B, pp 1-2).
6. Claimant was appealing the denial of Social Security disability benefits at the time of the hearing.
7. Claimant is a 33 year old man whose birthday is [REDACTED]. Claimant is 5'7" tall and weighs 159 lbs.
8. Claimant does not have an alcohol or drug history. Claimant smokes a 7-8 of cigarettes a day.
9. Claimant has never had a driver's license.
10. Claimant has a high school equivalent education.
11. Claimant is not currently working. Claimant last worked in 2010.
12. Claimant alleges disability on the basis of multiple gunshot wounds in the back, buttocks and legs, posttraumatic stress disorder, seizures, panic disorder with agoraphobia and bipolar disorder.
13. Claimant's impairments have lasted, or are expected to last, continuously for a period of twelve months or longer.
14. Claimant's complaints and allegations concerning his impairments and limitations, when considered in light of all objective medical evidence, as well as the record as a whole, reflect an individual who is so impaired as to be incapable of engaging in any substantial gainful activity on a regular and continuing basis.

CONCLUSIONS OF LAW

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 Bridges Reference Manual (RFT).

In order to receive MA benefits based upon disability or blindness, claimant must be disabled or blind as defined in Title XVI of the Social Security Act (20 CFR 416.901). DHS, being authorized to make such disability determinations, utilizes the SSI definition of disability when making medical decisions on MA applications. MA-P (disability), also

is known as Medicaid, which is a program designated to help public assistance claimants pay their medical expenses. Michigan administers the federal Medicaid program. In assessing eligibility, Michigan utilizes the federal regulations.

Relevant federal guidelines provide in pertinent part:

"Disability" is:

. . . 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.

The federal regulations require that several considerations be analyzed in sequential order:

. . . We follow a set order to determine whether you are disabled. We review any current work activity, the severity of your impairment(s), your residual functional capacity, your past work, and your age, education and work experience. If we can find that you are disabled or not disabled at any point in the review, we do not review your claim further. 20 CFR 416.920.

The regulations require that if disability can be ruled out at any step, analysis of the next step is not required. These steps are:

1. If you are working and the work you are doing is substantial gainful activity, we will find that you are not disabled regardless of your medical condition or your age, education, and work experience. 20 CFR 416.920(b). If no, the analysis continues to Step 2.
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 416.909(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 that meets the duration requirement? If no, the analysis continues to Step 4. If yes, MA is approved. 20 CFR 416.920(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. Sections 200.00-204.00(f)?
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? This step considers the residual functional capacity, age, education, and past work experience to see if the client can do other work. If yes, the analysis ends and the client is ineligible for MA. If no, MA is approved. 20 CFR 416.920(g).

At application Claimant has the burden of proof pursuant to:

. . . You must provide medical evidence showing that you have an impairment(s) and how severe it is during the time you say that you are disabled. 20 CFR 416.912(c).

Federal regulations are very specific regarding the type of medical evidence required by claimant to establish statutory disability. The regulations essentially require laboratory or clinical medical reports that corroborate claimant's claims or claimant's physicians' statements regarding disability. These regulations state in part:

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 ultrasounds, X-rays);
- (4) Diagnosis (statement of disease or injury based on its signs and symptoms). 20 CFR 416.913(b).

Statements about your pain or other symptoms will not alone establish that you are disabled; there must be medical signs and laboratory findings which show that you have a medical impairment. 20 CFR 416.929(a). The medical evidence must be complete and detailed enough to allow us to make a determination about whether you are disabled or blind. 20 CFR 416.913(d).

Information from other sources may also help us to understand how your impairment(s) affects your ability to work. 20 CFR 416.913(e). You can only be found disabled if you are unable 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.

See 20 CFR 416.905. Your impairment must result from anatomical, physiological, or psychological abnormalities which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques. 20 CFR 416.927(a)(1).

Applying the sequential analysis herein, Claimant is not eligible at the first step as Claimant is not currently working. 20 CFR 416.920(b). The analysis continues.

The second step of the analysis looks at a two-fold assessment of duration and severity. 20 CFR 416.920(c). This second step is a *de minimus* standard. Ruling any ambiguities in Claimant's favor, this Administrative Law Judge (ALJ) finds that Claimant meets both. The analysis continues.

The third step of the analysis looks at whether an individual meets or equals one of the Listings of Impairments. 20 CFR 416.920(d). Claimant does not. The analysis continues.

The fourth step of the analysis looks at the ability of the applicant to return to past relevant work. This step examines the physical and mental demands of the work done by Claimant in the past. 20 CFR 416.920(f). In this case, Claimant has a history of less than gainful employment. As such, there is no past work for Claimant to perform, nor are there past work skills to transfer to other work occupations. Accordingly, Step 5 of the sequential analysis is required.

The fifth and final step of the analysis applies the biographical data of the applicant to the Medical Vocational Grids to determine the residual functional capacity of the applicant to do other work. 20 CFR 416.920(g). See *Felton v DSS* 161 Mich. App 690, 696 (1987). Once Claimant reaches Step 5 in the sequential review process, Claimant has already established a *prima facie* case of disability. *Richardson v Secretary of Health and Human Services*, 735 F2d 962 (6th Cir, 1984). At that point, the burden of proof is on the state to prove by substantial evidence that Claimant has the residual functional capacity for substantial gainful activity.

The medical information indicates that Claimant suffered multiple gunshot wounds in the back, buttocks and legs, posttraumatic stress disorder, seizures, panic disorder with agoraphobia and bipolar disorder.

Claimant was admitted to the hospital on April 11, 2013. Claimant stated he was shot from behind. He stated that he heard approximately 6 shots. He did not lose consciousness. He sustained gunshot wounds to his right arm, left hand, right hip, right buttock with wound in intergluteal cleft of right buttock as well, right lateral thigh with through and through to medial thigh and left lateral thigh. His main complaint was abdominal pain. A pelvis x-ray revealed fractures involving the right iliac bone. There was subcutaneous emphysema in the left thigh. The right forearm x-ray showed an obvious comminuted and displaced fracture of the right radius. He was intubated. He was taken for exploratory laparotomy where he had a ileocectomy and was found to have retroperitoneal hematoma, comminuted fracture of the right radius for which he had open reduction, internal fixation. He also had wound care on his left hand thenar eminence. He had an episode of chest pain, dyspnea, and diaphoresis, after picc line removal with non-specific ST and T-wave changes, evaluation not suggestive of cardiac

origin, pulmonary embolism and aortic dissection ruled out on CT . He was subsequently transfused although he was not very anemic during the admission. He was about to be discharged, but that day when his central line was pulled out, he started to have some twitching and shakiness of his left arm and left leg. Also, he was having some pressure in his chest and increased troponin. A neurologic consult was called. The CT scan showed some air in his brain, in his head basically. He complained of his left arm feeling "dead." He stated it feels numb. His gross sensation was intact on exam, but he exhibited weakness to the left arm and left lower extremity. He denied any headache or loss of consciousness, but continued to have jerkiness in his left upper and lower extremity, mainly the left lower extremity. An EEG was mildly abnormal due to low amplitude activities which suggested a possibility of mild diffuse problem which could be due to medication effect. Also on a few occasions there was some focal slowing over the left frontal area which suggests a possibility of underlying structural abnormality, but no convincing epileptiform activities were noted.

Claimant was seen by a neurologist in May, 2013. He suffered from multiple gunshots to his back, buttocks and legs. He denied any injury to his head. He was about to be discharged, but when his central line was pulled he started twitching and shaking his left arm and left leg. He states he is having numbness and tingling of his left leg and arm. He states that if he stands too long his left leg and arm will stiffen up. He denied any gait or balance abnormality. He does have occasional dizziness. He was diagnosed with a partial seizure disorder. Head injury was a concern though he did not give any history. He was scheduled for an EEG brain wave test and an EMG nerve conduction study.

Claimant credibly testified that he has limited tolerance for physical activities and is unable to walk or stand for lengthy periods of time. He continues to have abdominal pain. He has a plate in his right arm and no flexibility. He stays in the house. He is afraid to go out in public anymore. He is paranoid and always watching his back.

Claimant underwent a psychiatric evaluation on behalf of the [REDACTED] in August, 2013. Results of the mental status evaluation revealed abnormalities in concentration, memory and abstract reasoning. His ability to relate and interact with others, including coworkers and supervisors, is impaired. His depression and distress could affect his interpersonal relationships in the workplace. His ability to understand, recall and complete tasks and expectations does not appear to be significantly impaired. He is able to perform simple tasks with no major limitations. He should not struggle with familiar routines and tasks, but he may struggle with those that have multiple steps and increased complexity. His ability to maintain concentration does seem somewhat impaired. As a result of his emotional state he may often be distracted and his effectiveness and performance will likely be limited and slow. His ability to withstand the normal stressors associated with a workplace setting is somewhat impaired. Diagnosis: Axis I: Bipolar Disorder; Posttraumatic stress disorder; Panic Disorder with Agoraphobia; Axis III: Gunshot wounds; Axis IV: Financial problems, unemployment, social isolation; Axis V: GAF=60. Prognosis is poor.

On August 8, 2013, Claimant's treating physician indicated Claimant was depressed, had a flat affect, intermittent eye contact and suicidal ideations.

On August 14, 2013, Claimant's case worker from [REDACTED] completed a Mental Residual Functional Capacity Assessment. According to his Assessment, Claimant is markedly limited in his ability to complete a normal workday and worksheet without interruptions from psychologically based symptoms and to perform at a consistent pace without an unreasonable number and length of rest periods, accept instructions and respond appropriately to criticism from supervisors, or travel in unfamiliar places or use public transportation and to set realistic goals or make plans independently of others. Claimant's caseworker indicated Claimant has severe social phobias and anxiety and has a difficult time leaving his home. Diagnosis: Axis I: Major depression; Posttraumatic Stress Disorder; Axis V: GAF=40.

Claimant is 33 years old, with a high school equivalent education. Claimant's medical records are consistent with his testimony that he is unable to engage in even a full range of sedentary work on a regular and continuing basis. 20 CFR 404, Subpart P, Appendix 11, Section 201.00(h). See Social Security Ruling 83-10; *Wilson v Heckler*, 743 F.2d 216 (1986).

The Department has failed to provide vocational evidence which establishes that Claimant has the residual functional capacity for substantial gainful activity and that given Claimant's age, education, and work experience, there are significant numbers of jobs in the national economy which Claimant could perform despite Claimant's limitations. Accordingly, this Administrative Law Judge concludes Claimant is disabled for purposes of the MA program.

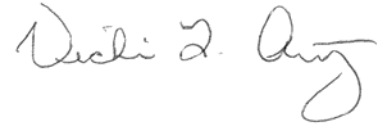
DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the department erred in determining Claimant is not currently disabled for MA/Retro-MA eligibility purposes.

Accordingly, the department's decision is **REVERSED**, and it is ORDERED that:

1. The department shall process Claimant's April 18, 2013, MA/Retro-MA application, and shall award him all the benefits he may be entitled to receive, as long as he meets the remaining financial and non-financial eligibility factors.
2. The department shall review Claimant's medical condition for improvement in February, 2015, unless his Social Security Administration disability status is approved by that time.
3. The department shall obtain updated medical evidence from Claimant's treating physicians, physical therapists, pain clinic notes, etc. regarding his continued treatment, progress and prognosis at review.

It is SO ORDERED.



Vicki L. Armstrong
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: February 10, 2014

Date Mailed: February 10, 2014

NOTICE OF AP PEAL: 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.

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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

VLA/las

cc:

