

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

IN THE MATTER OF:



Reg. No.: 201362435
Issue No.: 2009
Case No.: [REDACTED]
Hearing Date: December 18, 2013
County: Newaygo County DHS

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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 December 18, 2013, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED]. During the hearing, Claimant waived the time period for the issuance of this decision in order to allow for the submission of additional medical evidence.

ISSUE

Did the Department of Human Services (Department) properly determine that the Claimant did not meet the disability standard for Medical Assistance (MA-P) based on disability?

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 5, 2013, the Claimant submitted an application for Medical Assistance (MA) benefits alleging disability.
2. On June 13, 2013, the Medical Review Team (MRT) determined that the Claimant did not meet the disability standard for Medical Assistance (MA-P) because it determined that she is capable of other work despite her non-exertional impairments.
3. On June 19, 2013, the Department sent the Claimant notice that it had denied the application for assistance.

4. On August 7, 2013, the Department received the Claimant's hearing request, protesting the denial of disability benefits.
5. On October 7, 2013, the State Hearing Review Team (SHRT) upheld the Medical Review Team's (MRT) denial of Medical Assistance (MA-P) benefits.
6. On March 24, 2014, after reviewing the additional medical records, the State Hearing Review Team (SHRT) again upheld the determination of the Medical Review Team (MRT) that the Claimant does not meet the disability standard.
7. The Claimant applied for federal Supplemental Security Income (SSI) benefits at the Social Security Administration (SSA).
8. The Social Security Administration (SSA) denied the Claimant's federal Supplemental Security Income (SSI) application and the Claimant reported that a SSI appeal is pending.
9. The Claimant is a 46-year-old woman whose birth date is [REDACTED].
10. Claimant is 5' 3" tall and weighs 260 pounds.
11. The Claimant attended college. The Claimant is able to read and write and does have basic math skills.
12. The Claimant was not engaged in substantial gainful activity at any time relevant to this matter.
13. The Claimant has past relevant work experience working in retail businesses where she was required to stock merchandise, operate a cash register, and clean floors.
14. The Claimant's disability claim is based on attention deficit hyperactive disorder, bi-polar disorder, depression, asthma, tendonitis, a torn anterior cruciate ligament, edema, and hip/knee problems.

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, Rule 400.901 - 400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because her claim for assistance has been denied. Mich Admin Code, R 400.903. 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. Department of Human Services Bridges Administrative Manual (BAM) 600 (July 1, 2013), pp 1-44.

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

Pursuant to Federal Rule 42 CFR 435.540, the Department uses the federal Supplemental Security Income (SSI) policy in determining eligibility for disability under the Medical Assistance programs. Under SSI, disability is defined as:

...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.

When determining disability, the federal regulations require that several considerations be analyzed in sequential order.

STEP 1

Does the client perform Substantial Gainful Activity (SGA)? If yes, the client is not disabled.

At step 1, a determination is made on whether the Claimant is engaging in substantial gainful activity (20 CFR 404.1520(b) and 416.920(b)). Substantial gainful activity (SGA) is defined as work activity that is both substantial and gainful. "Substantial work activity" is work activity that involves doing significant physical or mental activities (20 CFR 404.1572(a) and 416.972(a)). "Gainful work activity" is work that is usually done for pay or profit, whether or not a profit is realized (20 CFR 404.1572(b) and 416.972(b)). Generally, if an individual has earnings from employment or self-employment above a specific level set out in the regulations, it is presumed that she has demonstrated the ability to engage in SGA (20 CFR 404.1574, 404.1575, 416.974, and 416.975). If an individual engages in SGA, she is not disabled regardless of how severe her physical or mental impairments are and regardless of her age, education, and work experience. If the individual is not engaging in SGA, the analysis proceeds to the second step.

The Claimant testified that has not been employed since February of 2010, and is not currently engaged in substantial gainful activity, which was not disputed by the Department during the hearing. Therefore this Administrative Law Judge finds that the Claimant is not engaged in substantial gainful activity and is not disqualified from receiving disability at Step 1.

STEP 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 not disabled.

At step two, a determination is made whether the Claimant has a medically determinable impairment that is "severe" or a combination of impairments that is "severe" (20 CFR 404.1520(c) and 416.920(c)). An impairment or combination of impairments is "severe" within the meaning of the regulations if it significantly limits an individual's ability to perform basic work activities. An impairment or combination of impairments is "not severe" when medical and other evidence establish only a slight abnormality or a combination of slight abnormalities that would have no more than a minimal effect on an individual's ability to work (20 CFR 404.1521 and 416.921). If the Claimant does not have a severe medically determinable impairment or combination of impairments, she is not disabled. If the Claimant has a severe impairment or combination of impairments, the analysis proceeds to the third step.

The Claimant has the burden of proof 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, or result in death.

The Claimant is a 56-year-old woman that is 5' 3" tall and weighs 260 pounds. The Claimant alleges disability due to attention deficit hyperactive disorder, bi-polar disorder, depression, asthma, tendonitis, a torn anterior cruciate ligament, edema, and hip/knee problems.

The objective medical evidence indicates the following:

A treating physician diagnosed the Claimant bi-polar disorder, attention deficit hyperactive disorder, depression, anxiety, and mood swings.

On February 6, 2012, a treating physician found the Claimant to the Claimant have moderate symptoms and has moderate difficulty in social and occupational functioning.

On December 18, 2012, the Claimant was evaluated using a Patient Health Questionnaire (PHQ-9), and was found to require immediate initiation of pharmacotherapy. The Claimant scored 13/13 on the Mood Disorder Questionnaire (MDQ). The Claimant scored 19/21 on the Generalized Anxiety Disorder 7 questionnaire.

The Claimant's treating physician conducted a psychological evaluation on January 8, 2013. The Claimant's treating physician found the Claimant to have marked limitations of her ability to behave in an emotionally stable manner, to relate predictably in social situations, to maintain social functioning, to deal with the public, to deal with work stresses, and to carry out detailed but not complex job instructions. The Claimant's treating physician found her to have extreme difficulties maintaining concentration,

persistence, and pace, and her ability to carry out complex job instructions. The Claimant's treating physician found her to have one or two episode of decompensation of an extended duration.

A social worker observed the Claimant to suffer from mood swings, a failure to maintain personal hygiene, failure to maintain compliance with medication, and that she required crisis residential care on March 13, 2013.

The Claimant's treating physician found the Claimant to have mood swings, insufficient capability to adequately attend to basic self-care tasks, that she has thoughts of self-harm, that she expressed thoughts of harming others, and that she required stabilization in residential treatment, and continued adherence to prescribed medications. The Claimant was discharged from Crisis Residential Care on March 18, 2013.

On November 1, 2013, a social worker found the Claimant to have moderately severe impairments of her ability to manage her health, maintain housing, communicate with people, remain safe around dangerous objects, manage her time, manager her money, regulate her nutrition, to solve problems, maintain a social network, and regulate her productivity. The social worker found the Claimant to have severely impaired coping skills and ability to make use of community resources.

An x-ray scan of the Claimant's chest did not reveal any evidence of an active intra-thoracic disease.

The Claimant has a history of a torn anterior cruciate ligament. A treating physician diagnosed the Claimant with osteoarthritis, knee pain, and a foreign body in her right mid tibia. The Claimant underwent arthroscopy on her right anterior cruciate ligament and her treating physician opined that her condition would be 50-75% better as a result of the procedure.

A treating physician found the Claimant to be capable of sitting for up to 8 hours, standing for up to 8 hours, lifting 10 pounds frequently, and lifting 25 pounds rarely.

The Claimant is capable of preparing meals, shopping for groceries, and washing dishes.

The evidence on the record indicates that the Claimant's was been diagnosed by her treating physician with bi-polar disorder, attention hyperactive disorder, depression, anxiety, mood disorders, and a torn anterior cruciate ligament. The Claimant's condition has resulted in significant impairments to her ability to interact socially and to concentrate on work related tasks. The Claimant's ongoing leg pain is a significant impairment of her ability to perform work related tasks. Therefore, this Administrative Law Judge finds severe physical and mental impairments that have more than a de

minimus effect on the Claimant's ability to perform work activities. The Claimant's impairments have lasted continuously, or are expected to last for twelve months.

STEP 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.

At step three, a determination is made whether the Claimant's impairment or combination of impairments is of a severity to meet or medically equal the criteria of an impairment listed in 20 CFR Part 404, Subpart P, Appendix 1 (20 CFR 404.1520(d), 404.1525, 404.1526, 416.920(d), 416.925, and 416.926). If the Claimant's impairment or combination of impairments is of a severity to meet or medically equal the criteria of a listing and meets the duration requirement (20 CFR 404.1509 and 416.909), the Claimant is disabled. If it does not, the analysis proceeds to the next step.

The Claimant's impairment failed to meet the listing for bi-polar disorder or depression under section 12.04 Affective disorders, because the objective medical evidence does not demonstrate that the Claimant suffers from marked restrictions of her activities of daily living or social functioning. The objective medical evidence does not demonstrate that the Claimant suffers from repeated episodes of decompensation or that she is unable to function outside a highly supportive living arrangement. The term repeated episodes of decompensation, each of extended duration in these listings means three episodes within 1 year, or an average of once every 4 months, each lasting for at least 2 weeks. The Claimant endured a period where she suffered from marked impairments in her social and occupational abilities as well as one or two periods of decompensation leading up to treatment at Crisis Residential Care. Following this inpatient treatment her condition improved to the point where the impairments were considered only moderately severe.

The Claimant's impairment failed to meet the listing for anxiety under section 12.06 Anxiety-related disorders, because the objective medical evidence does not demonstrate that the Claimant suffers from marked restrictions of her activities of daily living or social functioning. The objective medical evidence does not demonstrate that the Claimant suffers from repeated episodes of decompensation. The objective medical evidence does not demonstrate that the Claimant is completely unable to function outside her home. The term repeated episodes of decompensation, each of extended duration in these listings means three episodes within 1 year, or an average of once every 4 months, each lasting for at least 2 weeks. The Claimant endured a period where she suffered from marked impairments in her social and occupational abilities as well as one or two periods of decompensation leading up to treatment at Crisis Residential Care. Following this inpatient treatment her condition improved to the point where the impairments were considered only moderately severe.

The Claimant's impairment failed to meet the listing for tendonitis, a torn anterior cruciate ligament, edema, hip problems, and knee problems under section 1.02 Major dysfunction of a joint because the objective medical evidence does not demonstrate that the Claimant's impairment involves a weight bearing joint resulting in inability to ambulate effectively, or an impairment of an upper extremity resulting in inability to perform fine and gross movements effectively. The Claimant was found by a treating physician to be capable of sitting and standing for up to 8 hours, and lifting 10 pounds frequently, and lifting up to 25 pounds rarely. Following arthroscopy on her right anterior cruciate ligament her treating physician opined that her condition would be 50-75% better as a result of the procedure.

The Claimant's impairment failed to meet the listing for asthma under section 3.03 Asthma because the objective medical evidence does not demonstrate that she suffers from chronic asthmatic bronchitis, or asthma attacks requiring physician intervention in spite of treatment at least once every 2 months or hospitalization for longer than 24 hours twice yearly. The evidence on the record does not support a finding that the Claimant suffers from repeated episodes of bronchitis or pneumonia requiring physician intervention or hospitalization. The evidence on the record does not support a finding that the Claimant suffers from persistent pulmonary infection accompanied by superimposed symptomatic episodes of bacterial infection at least once every 6 months and requiring intravenous or nebulization antimicrobial therapy.

The medical evidence of the Claimant's condition does not give rise to a finding that she would meet a statutory listing in federal code of regulations 20 CFR Part 404, Subpart P, Appendix 1.

STEP 4

Can the client do the former work that she performed within the last 15 years? If yes, the client is not disabled.

Before considering step four of the sequential evaluation process, a determination is made of the Claimant's residual functional capacity (20 CFR 404.1520(e) and 416.920(c)). An individual's residual functional capacity is her ability to do physical and mental work activities on a sustained basis despite limitations from her impairments. In making this finding, the undersigned must consider all of the Claimant's impairments, including impairments that are not severe (20 CFR 404.1520(e), 404.1545, 416.920(e), and 416.945; SSR 96-8p).

Next, a determination is made on whether the Claimant has the residual functional capacity to perform the requirements of her past relevant work (20 CFR 404.1520(f) and 416.920(f)). The term past relevant work means work performed (either as the Claimant actually performed it or as it is generally performed in the national economy) within the last 15 years or 15 years prior to the date that disability must be established. In addition, the work must have lasted long enough for the Claimant to learn to do the job and have been SGA (20 CFR 404.1560(b), 404.1565, 416.960(b), and 416.965). If the Claimant has the residual functional capacity to do her past relevant work, the Claimant is not

disabled. If the Claimant is unable to do any past relevant work or does not have any past relevant work, the analysis proceeds to the fifth and last step.

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.

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).

To determine the skills required in the national economy of work you are able to do, occupations are classified as unskilled, semi-skilled, and skilled. These terms have the same meaning as defined in. 20 CFR 416.968.

Unskilled work. Unskilled work is work which needs little or no judgment to do simple duties that can be learned on the job in a short period of time. The job may or may not require considerable strength. For example, we consider jobs unskilled if the primary work duties are handling, feeding and offbearing (that is, placing or removing materials from machines which are automatic or operated by others), or machine tending, and a person can usually learn to do the job in 30 days, and little specific vocational preparation and judgment are needed. A person does not gain work skills by doing unskilled jobs. 20 CFR 416.968(a).

The Claimant has a history of a torn anterior cruciate ligament and was treated by arthroscopy that was expected to improve her condition by 50-75%. The Claimant's treating physician determined that she is capable of lifting 10 pounds frequently and lifting 25 pounds rarely. The Claimant was found to be capable of sitting and standing for an 8 hour workday. The Claimant's suffered from severe mental impairments leading to Crisis Residential Care, but since then here impairments are considered to be moderately severe with respect to social and occupational capabilities. After careful consideration of the entire record, this Administrative Law Judge finds that the Claimant has the residual functional capacity to perform light work as defined in 20 CFR 404.1567 and 416.967.

The Claimant has past relevant work experience that did not require significant technical training or judgment to perform. The Claimant attended college. The evidence on the record supports a finding that the Claimant is capable of performing work of a simple and repetitive nature that fits the definition of unskilled work despite her moderately severe mental impairments. The Claimant's prior work fits the description of unskilled work.

The Claimant has past relevant work experience working in retail businesses where she was required to stock merchandise, operate a cash register, and clean floors. The Claimant's prior work fits the description of light-unskilled work.

There is no evidence upon which this Administrative Law Judge could base a finding that the Claimant is unable to perform work substantially similar to work performed in the past.

STEP 5

At Step 5, the burden of proof shifts to the Department to establish that the Claimant has the Residual Functional Capacity (RFC) for Substantial Gainful Activity.

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, client is not disabled.

At the last step of the sequential evaluation process (20 CFR 404.1520(g) and 416.920(g)), a determination is made whether the Claimant is able to do any other work considering her residual functional capacity, age, education, and work experience. If the Claimant is able to do other work, she is not disabled. If the Claimant is not able to do other work and meets the duration requirement, she is disabled.

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).

The objective medical evidence indicates that the Claimant has the residual functional capacity to perform some other less strenuous tasks than in her prior employment and that she is physically able to do less strenuous tasks if demanded of her. The Claimant's testimony as to her limitations indicates that she should be able to perform light.

The Claimant was able to answer all the questions at the hearing and was responsive to the questions. The Claimant was oriented to time, person and place during the hearing. The Claimant has a history of significant mental impairments of her ability to perform work, but these impairments are not a barrier to the performing all work related activities following her inpatient treatment.

The 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 the Claimant's ability to perform work. The Claimant has significant physical impairments that interfere with her ability to perform work, but has experienced significant improvement following her surgery.

Medical vocational guidelines have been developed and can be found in 20 CFR, Subpart P, Appendix 2, Section 200.00. When the facts coincide with a particular guideline, the guideline directs a conclusion as to disability. 20 CFR 416.969.

Claimant is 46-years-old, a younger person, under age 50, with a high school education and above, and a history of unskilled work. Based on the objective medical evidence of record Claimant has the residual functional capacity to perform light work. Medical Assistance (M.A.) is denied using Vocational Rule 202.20 as a guideline.

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds Claimant disabled not disabled for purposes of the Medical Assistance (M.A.) benefits.

DECISION AND ORDER

Accordingly, the Department's determination is AFFIRMED REVERSED.



Kevin Scully
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: April 22, 2014

Date Mailed: April 22, 2014

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

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

KS/hj

cc:

