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

IN THE MATTER OF:

Reg. No: 2014 – 32559 Issue No: 2009; 4009

Case No:

Hearing Date: December 18, 2012

Lenawee County DHS



ADMINISTRATIVE LAW JUDGE: Landis Y. Lain

RECONSIDERATION 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, an in-person hearing was held on December 18, 2012. Claimant personally appeared and testified. Claimant was represented at hearing by . This is a Reconsideration Decision and Order of an original decision.

<u>ISSUE</u>

Did the Department of Human Services (the Department) properly deny Claimant's application for Medical Assistance (MA-P) and State Disability Assistance (SDA)?

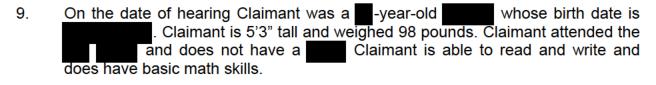
FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

- On June 21, 2012, Claimant filed an application for Medical Assistance, State Disability Assistance and retroactive Medical Assistance benefits alleging disability.
- 2. On August 10, 2012, the Medical Review Team denied Claimant's application stating that Claimant could perform other work.
- On August 21, 2012, the Department caseworker sent Claimant notice that her application was denied.
- 4. On August 28, 2012, Claimant filed a request for a hearing to contest the Department's negative action.
- 5. On October 4, 2012, the State Hearing Review Team again denied Claimant's application stating in its analysis and recommended decision: the Claimant was able to maintain weight at 117 lbs. There was no organomegaly or masses of the

abdomen area. The medical evidence shows that she may be depressed at times. She is still able to remember, understand and communicate with others. As a result of the Claimant combination of severe physical and mental condition, she is restricted to performing light unskilled work. She retains the capacity to lift up to 20 lbs occasionally, 10 lbs frequently and stand and walk for up to 6 or 8 hours. Claimant is not engaging in substantial gainful activity at this time. Claimant's severe impairments do not meet or equal any listing. Despite the impairments, she retains the capacity to perform light unskilled work. Therefore, based on the Claimant's vocational profile (Claimant approaching advance age, 11th grade education, and light work history); MA-P is denied using Vocational Rule 202.11 as a guide. SDA is denied per PEM 261 because the information in file is inadequate to ascertain whether the Claimant is or would be disabled for 90 days. Retroactive MA-P benefits are denied at step 5 of the sequential evaluation; Claimant retains the capacity to perform light unskilled work.

- 6. The hearing was held on December 18, 2012. At the hearing, Claimant waived the time periods and requested to submit additional medical information.
- 7. Additional medical information was submitted and sent to the State Hearing Review Team on December 19, 2012.
- 8. On February 4, 2013, the State Hearing Review Team again denied Claimant's application stating in its analysis and recommended decision: the Claimant has a history of hospitalizations due to abdominal pain. Her condition appears to be currently stable. A colonoscopy showed multiple small and large mouthed diverticula. The renal mass is stable in size. There is no new medical evidence regarding the anxiety. As a result of the Claimant combination of severe physical and mental condition, she is restricted to performing light unskilled work. She retains the capacity to lift up to 20 lbs occasionally, 10 lbs frequently and stand and walk for up to 6 of 8 hours. Claimant is not engaging in substantial gainful activity at this time. Claimant's severe impairments do not meet or equal any listing. Despite the impairments, she retains the capacity to perform light unskilled work. Therefore, based on the Claimant's vocational profile (Claimant approaching advance age, 11th grade education, and light work history); MA-P is denied using Vocational Rule 202.11 as a guide. SDA is denied per PEM 261 because the information in file is inadequate to ascertain whether the Claimant is or would be disabled for 90 days. Retroactive MA-P benefits are denied at step 5 of the sequential evaluation; Claimant retains the capacity to perform light unskilled work.



10.	Claimant last worked	. Claim	<u>ıa</u> nt has
	also worked as a		-

- 11. Claimant alleges as disabling impairments: diverticulitis, hernia surgery, severe anxiety, colon surgery, rotor cuff injury, and agoraphobia.
- 12. On the February 11, 2013, Administrative Law Judge Landis Y. Lain issued a DECISION AND ORDER affirming the Department's decision to deny Claimant's application.
- 13. On March 12, 2013, filed a request for a **Rehearing** stating that there was a misapplication of law or policy that led to an erroneous Decision and Order.
- 14. On March 27, 2014, Supervisor Administrative Law Judge granted Claimant's request for **Reconsideration**.
- 15. On June 2, 2014, this case was assigned to Administrative Law Judge Landis Y. Lain to complete the Reconsideration Decision.

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). Claimants 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.

A **reconsideration** is a paper review of the facts, law and any new evidence or legal arguments. It is granted when the original hearing record is adequate for purposes of judicial review and a rehearing is **not** necessary, but one of the parties believes the ALJ failed to accurately address all the relevant issues **raised in the hearing request**.

Rehearing/ Reconsideration Requests All Programs

The Department, Claimant or authorized hearing representative may file a written request for rehearing/reconsideration. Request a rehearing/ reconsideration when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing, and 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 Claimant.

 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.

A written request made by the AHR or, if none, by the Claimant, must be faxed to:

- (517) 335-6088- Attention: SOAHR Claimant Requested Rehearing/Reconsideration
- SOAHR (now MAHS) will not review any response filed to any rehearing/reconsideration requests.

A request must be received within 30 days of the date the hearing decision is mailed. The request must be received as follows:

- Department request -- received in SOAHR (MAHS).
- Claimant or authorized hearing representative request -- received anywhere in DHS.

Granting a Rehearing/ Reconsideration All Programs

SOAHR (MAHS) will either grant or deny a rehearing/reconsideration request and will send written notice of the decision to all parties to the original hearing. SOAHR (MAHS) grants a rehearing/reconsideration request if:

- The information in the request justifies it; and
- There is time to rehear/reconsider the case and implement the resulting decision within the standard of promptness; see STAN-DARDS OF PROMPTNESS in this item.
- If the Claimant or authorized hearing representative made the request and it is impossible to meet the standard of promptness, the Claimant or authorized hearing representative may waive the timeliness requirement in writing to allow the rehearing/reconsideration.

All Programs

Pending a rehearing or reconsideration request, implement the original Decision and Order unless a circuit court or other court with jurisdiction issues an Order which requires a delay or stay.

If such an order is received by the Claimant, SOAHR, the court or the Legal Affairs, or if there are questions about implementing the order; see Administrative Handbook manual Legal & FOIA Issues (AHN) item 1100, How to Obtain Legal Services. BEM, Item 600.

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Services (DHS or Department) administers the SDA program pursuant to MCL 400.10, et seq., and MAC R 400.3151-400.3180. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

The 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 <u>not</u> required. These steps are:

- Does the Claimant perform Substantial Gainful Activity (SGA)? If yes, the Claimant is ineligible for MA. If no, the analysis continues to Step 2. 20 CFR 416.920(b).
- Does the Claimant have a severe impairment that has lasted or is expected to last 12 months or more or result in death? If no, the Claimant is ineligible for MA. If yes, the analysis continues to Step 3. 20 CFR 416.920(c).
- Does the impairment appear on a special listing of impairments or are the Claimant'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).
- Can the Claimant do the former work that he/she performed within the last 15 years? If yes, the Claimant is ineligible for MA. If no, the analysis continues to Step 5. 20 CFR 416.920(e).
- Does the Claimant 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 Claimant 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 Claimant testified on the record that she lives in a house and that she is single with no children under 18. Claimant has no income and does receive Food Assistance Program benefits. Claimant does have a and drives one time per week and usually drives to the or to the grocery store; her drive is usually an hour and fifteen minutes. Claimant does cook one time per day and cooks things like chili or beef roast. Claimant does grocery shop two times per month with no help needed. Claimant testified she does sweep, dust, do dishes and laundry and her daughter helps her sometimes. Claimant testified that she watches television 4 hours per day. Claimant testified that

she can stand for 5-10 minutes at a time, sit for 30 minutes at a time and walk 1 block. Claimant testified that she can squat, bend at the waist, shower and dress herself, tie her shoes and touch her toes. Claimant does have some neck problems and her knees are fine. Claimant testified that her level of pain, on a scale of 1-10, without medication is a 10, and with medication is a 7. Claimant testified that she is right handed and her hands/arms are fine and her legs/feet are fine and the heaviest weight she can carry is a gallon of milk. Claimant testified that she doesn't smoke, drink or do any drugs. Claimant testified that on a typical day she gets up, makes coffee, reads the newspaper, takes a shower, does laundry, lets the dog out, feeds the cats,

The Claimant was due to abdominal pain associated with diverticulitis. She underwent a percutaneous drain placement and discharged in improved condition. On specific part of the placement and discharged in ejection fraction of 60%. The bilateral lower extremity venous on specific part of the physical reported lungs were clear and heart within normal limits. The abdomen was soft, non-distended and non-tender. There was no swelling of the lower extremities. She had normal electrocardiogram.

The Claimant had a that showed multiple small and large-mouthed diverticula found in recto-sigmoid colon. There was no evidence of diverticular bleeding A-98). The physical examination report (p. reported the abdomen was soft and non-tender. The renal mass is stable in size (p. 119). The Claimant has a history of two right inguinal repairs, two left inguinal repairs as well as one peri-umbilical repair from (DDS medical records). The Claimant was hospitalized on for abdominal pain. She was medically treated with no improvement. It was noted the Claimant discharged against medical advice (p. 22).

The reported the Claimant weighed 117 lbs and height 5'4". The abdomen area had no organomegaly or masses. There was mild tenderness in the left inguinal canal but no hernia (DDS medical records). The noted she was in contact with reality. Insight and judgment was intact. Thought process was not goal oriented. Her speech was clear, logical, and spontaneous. Her affect was depressed and mood labile. She was fully oriented (p. 32-35).

At Step 2, 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. 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 her body; however, there are no corresponding clinical findings that support the reports of symptoms and limitations made by the Claimant. There are insufficient 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 herself from tasks associated with occupational functioning based upon her 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 which meets the durational requirement of 12 months. Though Claimant's abdominal condition was severe, her condition(s) did not remain severe for the 12 month durational period. On Claimant weighed 117 pounds. She did lose weight because of her illness but had gained some weight after her at page A119 and page A66 when she had a low BMI. Her condition stabilized soon thereafter. She testified she weighed 98 pounds on the date of hearing. On page 22. She was not in compliance with her treatment plan.

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).

Claimant alleges the following disabling mental impairments: anxiety, depression and agoraphobia.

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 her burden of proof at Step 2. Claimant must be denied benefits at this step based upon her 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 she would meet a statutory listing in the code of federal regulations. Claimant's impairments do not meet duration. Although she may have had a severe impairment and met a listing because of her BMI of less than 17.50 in

weighed 98 pounds on the date of hearing and her condition had improved within 12 months. Claimant does not meet Listing 5.08.

If Claimant had not already been denied at Step 2, this Administrative Law Judge would have to deny her again at Step 4 based upon her ability to perform her 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 she 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 her 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 she lacks the residual functional capacity to perform some other less strenuous tasks than in her prior employment or that she is physically unable to do light or sedentary tasks if demanded of her. Claimant's activities of daily living do not appear to be very limited and she should be able to perform light or sedentary work even with her impairments. Claimant has failed to provide the necessary objective medical evidence to establish that she has a severe impairment or combination of impairments which prevent her from performing

any level of work for a period of 12 months. The Claimant's testimony as to her limitations indicates that she 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 she has not established by objective medical evidence that she cannot perform light or sedentary work even with her impairments. Under the Medical-Vocational guidelines, a person closely approaching advanced age (age 52), with a less than high school education and an unskilled work history who is limited to light work is not considered disabled.

The Claimant has a history of appears to be currently stable. A showed multiple small and large mouth diverticula. The renal mass is stable in size. There is no new medical evidence regarding the anxiety. As a result of the Claimant's combination severe physical and mental condition, she is restricted to performing light unskilled work. She retains the capacity lift up to 20 pounds occasionally, 10 pounds frequently and stand and walk for up to six of eight hours based upon the medical documentation contained in the file.

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.

RECONSIDERATION 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 her impairments. The Department has established its case by a preponderance of the evidence.

Accordingly, the Department's decision is **AFFIRMED**.

Landis Y. Lain
Administrative Law Judge
for Maura D. Corrigan, Director

Department of Human Services

Kandir Y Lain

Date Signed: 6/24/14 Date Mailed: 6/26/14

<u>NOTICE</u>: 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 receipt 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)

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 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 <u>MAY</u> 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/tb

CC:

