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

### IN THE MATTER OF:



Reg. No.: 2014-24474

Issue No.: 2009

Case No.: Hearing Date:

County:

June 12, 2014 Livingston

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 held at the Genesee County Department of Human Services (Department) office. Claimant, represented by Participants on behalf of the Department of Human Services (Department) included General Services Program Manager

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. Claimant submitted additional medical evidence and this matter is now before the undersigned for a final decision.

### <u>ISSUE</u>

Did the Department properly deny 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:

- On August 30, 2013, Claimant filed an application for MA/Retro-MA benefits alleging disability.
- 2. On October 17, 2013, the Medical Review Team (MRT) denied Claimant's application for MA/Retro-MA for lack of duration. (Dept Ex. A, pp 4-5).
- 3. On November 7, 2013, the Department sent Claimant notice that her application for MA/Retro-MA had been denied.

- 4. On January 22, 2014, Claimant filed a request for a hearing to contest the Department's negative action.
- 5. On March 24, 2014, the State Hearing Review Team (SHRT) found Claimant was not disabled. (Depart Ex. B, p 1).
- 6. Claimant was appealing the denial of Social Security disability benefits at the time of the hearing.
- 7. Claimant is a 36 year old woman born on
- 8. Claimant is 5'4" tall and weighs 315 lbs.
- 9. Claimant has not had an alcohol, drug or nicotine problem.
- 10. Claimant has a driver's license and is able.
- 11. Claimant has a high school education.
- 12. Claimant last worked in 2006.
- 13. Claimant alleges disability on the basis of interstitial cystitis, diabetes, fibromyalgia, inflammatory arthritis, irritable bowel syndrome, asthma, depression, cervical migraine syndrome, cellulitis, methicillin sensitive staphylococcus aureus (MSSA), obesity, chronic pain syndrome, premature atrial contractions, palpitations, hyperlipidemia, occipital neuralgia, somatization disorder, chronic nausea and vomiting.
- 14. Claimant's impairments have lasted, or are expected to last, continuously for a period of twelve months or longer.
- 15. Claimant's complaints and allegations concerning her 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).

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.
- 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).

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).

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, Appendix 1, 12.00(C).

Applying the sequential analysis herein, Claimant is not ineligible 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). 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 (6<sup>th</sup> 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 suffers from interstitial cystitis, diabetes, fibromyalgia, inflammatory arthritis, irritable bowel syndrome, asthma, depression, cervical migraine syndrome, cellulitis, methicillin sensitive staphylococcus aureus (MSSA), obesity, chronic pain syndrome, premature atrial contractions, palpitations, hyperlipidemia, occipital neuralgia, somatization disorder, chronic nausea and vomiting.

Claimant credibly testified that she has a limited tolerance for physical activities and is unable to stand or sit for lengthy periods of time. She reported chronic nausea and vomiting, which used to be daily and is now several times a week. Claimant admitted to daily suicidal ideations of which her psychiatrist is aware of. Claimant stated she is on eight different medications to control her migraines. She testified that the medications do not work most of the time and she ends up in the emergency room. Claimant reported that she rarely drives because the medications she is taking make her sleepy. She stated that she can go for days without sleeping, and other days when she sleeps 20 hours a day. Claimant said she had three surgeries on her left ankle after breaking it in January, 2013, and two surgeries for infection after the ankle was operated on. Claimant reported that she is also receiving methotrexate injections.

According to Claimant's medical records, Claimant has a past medical history significant for type 2 diabetes non-insulin dependent, obesity, migraines, fibromyalgia, who sustained a trimalleolar fracture on the left on and underwent an ORIF with plate and 12 screws placed. Three weeks later, the case was removed and cellulitis was noted. Claimant was placed on doxycycline and sent home. Increased drainage was noted and Claimant underwent an I&D on with cultures demonstrating MSSA. She required a second I&D and PICC placement was started on IV vancomycin, which she was on for approximately 6 weeks. The PICC was subsequently pulled out. Claimant presented to the emergency department on with increased redness and swelling of the lower left ankle. Claimant was admitted for observation and a PICC line was placed and she was started on doxycycline.

Claimant was admitted to the hospital after being found down in her home. She was unresponsive and EMS was called. When EMS arrived they were able to rouse her, but she was not responding appropriately and she was subsequently taken by EMS to the emergency department. Claimant woke up on the floor in significant chronic lower extremity pain. Claimant received 2 doses of Narcan in the emergency department with improvement in alertness, although somnolent shortly thereafter. Four hours later she was alert and oriented and cooperative. She also complained of a migraine secondary to missing her prophylactic medication while in the emergency department. She responded well to morphine and resumed her home medications. She was diagnosed with a narcotic overdose when she was recently switched from oxycodone SR to morphine SR. Her tolerance to this drug was not quite as high and when combined with her other medications caused her to become somnolent.

Claimant's treating physician indicated Claimant needs in home assistance with basic activities of daily living.

Claimant is 36 years old, with a high school education. Claimant's medical records are consistent with her testimony that she 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 F2d 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 August 30, 2013, MA/Retro-MA application, and shall award her all the benefits she may be entitled to receive, as long as she meets the remaining financial and non-financial eligibility factors.
- 2. The Department shall review Claimant's medical condition for improvement in September, 2015, unless her 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 her 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: September 16, 2014

Date Mailed: September 16, 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

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