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

### IN THE MATTER OF:

Reg. No.: 2014-9781

Issue No.: 2009 Case No.:

Hearing Date: April 10, 2014
County: Bay County

**ADMINISTRATIVE LAW JUDGE:** Jonathan W. Owens

# **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 on April 10, 2014, from Essexville, Michigan. Participants on behalf of Claimant included Claimant.

Participants on behalf of the Department of Human Services (Department) included

The record was extended to allow additional relevant medical evidence to be submitted. Claimant waived timeliness. The additional medical evidence was received and submitted to the State Hearing Review Team (SHRT) for review prior to this decision being issued.

As a preliminary matter, Claimant alleged he had applied for State Disability Assistance (SDA) benefits as well as Medical Assistance (MA) benefits. The records submitted demonstrate a potential application for SDA benefits filed after the application which is before this Administrative Law Judge. The only Medical Review Team decision at issue is the one completed on August 28, 2013, in regard to a March 20, 2013, application. Therefore, the only issue to be addressed will be the application for MA and not a subsequent request for SDA benefits.

### <u>ISSUE</u>

Whether the Department properly determined that Claimant is not "disabled" for purposes of the Medical Assistance (MA-P) program?

## 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 March 20, 2013, Claimant applied for MA-P and retro MA-P to February 2013.
- 2. On August 28, 2013, the Medical Review Team denied Claimant's request.
- 3. On October 28, 2013, Claimant submitted to the Department a request for hearing protesting the denial of MA and SDA benefits. Claimant did not apply for SDA on the March 20, 2013, application. No MRT decision was made on SDA benefits.
- 4. SHRT denied Claimant's request.
- 5. Claimant is 39 years old.
- 6. Claimant completed education through an Associate's Degree in Criminal Justice.
- 7. Claimant has employment experience (last worked April 2008) as a dealer in a casino which required him to stand/walk the entire shift and lift no weight. He previously worked in casino observation security which required him to sit most of the time and lift up to 20 pounds. He also worked as a process server, bail bonds person and notary which required an even split between standing/walking and sitting and lifting up to 10 pounds. He also worked as a shift manager in a casino which required him to stand/walk the entire shift and lift 10 pounds. Claimant also worked as a fugitive recovery agent with walking/standing the majority of his shift and lifting over 100 pounds.
- 8. Claimant's limitations have lasted for 12 months or more.
- 9. Claimant suffers from shoulder pain, chronic obstructive pulmonary disease, emphysema, hypertension, migraines, left degenerative hip, depression and anxiety.
- 10. Claimant has some limitations on physical activities involving sitting, standing, walking, bending, lifting, and stooping.

### **CONCLUSIONS OF LAW**

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), and Department of Human Services Reference Tables Manual (RFT).

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the

collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

Pursuant to Federal Rule 42 CFR 435.540, the Department uses the Federal Supplemental Security Income (SSI) policy in determining eligibility for disability under MA-P. 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 are 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.

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 symptoms, diagnosis and prognosis, what an individual can do despite impairment(s), and the physical or mental restrictions. 20 CFR 416.927(a)(2).

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).

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.

Pursuant to 20 CFR 416.920, a five-step sequential evaluation process is used to determine disability. An individual's current work activity, the severity of the impairment, the residual functional capacity, past work, age, education and work experience are evaluated. If an individual is found disabled or not disabled at any point, no further review is made.

The first step is to determine if an individual is working and if that work is "substantial gainful activity" (SGA). If the work is SGA, an individual is not considered disabled regardless of medical condition, age or other vocational factors. 20 CFR 416.920(b).

Secondly, the individual must have a medically determinable impairment that is "severe" or a combination of impairments that is "severe." 20 CFR 404.1520(c). An impairment or combination of impairments is "severe" within the meaning of 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; Social Security Rulings (SSRs) 85-28, 96-3p, and 96-4p. If the claimant does not have a severe medically determinable impairment or combination of impairments, he/she is not disabled. If the claimant has a severe impairment or combination of impairments, the analysis proceeds to the third step.

The third step in the process is to assess whether the impairment or combination of impairments meets a Social Security listing. If the impairment or combination of impairments meets or is the medically equivalent of a listed impairment as set forth in Appendix 1 and meets the durational requirements of 20 CFR 404.1509, the individual is considered disabled. If it does not, the analysis proceeds to the next step.

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

The fourth step of the process is whether the claimant has the residual functional capacity to perform the requirements of his/her past relevant work. 20 CFR 404.1520(f). The term past relevant work means work performed (either as the claimant actually performed it or as is it generally performed in the national economy) within the last 15 years or 15 years prior to the date that disability must be established. If the claimant has the residual functional capacity to do his/her past relevant work, then 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 step.

In the fifth step, an individual's residual functional capacity is considered in determining whether disability exists. An individual's age, education, work experience and skills are used to evaluate whether an individual has the residual functional capacity to perform work despite limitations. 20 CFR 416.920(e).

Here, Claimant has satisfied requirements as set forth in steps one, two and three of the sequential evaluation. However, Claimant's impairments do not meet a listing as set forth in Appendix 1, 20 CFR 416.926. Therefore, vocational factors will be considered to determine Claimant's residual functional capacity to do relevant work.

In the present case, Claimant has been diagnosed with shoulder pain, chronic obstructive pulmonary disease, emphysema, hypertension, migraines, left degenerative hip, depression and anxiety. Claimant has a number of symptoms and limitations, as cited above, as a result of these conditions. Claimant's treating physician noted that Claimant would be unable to work for an indefinite time frame. This physician noted moderate to advanced left hip degenerative joint disease.

stress test revealed mild-moderate COPD with significant improvement seen after administration of a bronchodilator. echo was performed and indicated that Claimant was within normal limits and his ejection fraction was 60-65%. radiology revealed normal x-ray revealed arthritic changes in left findings except for a goiter. hip, while an x-ray revealed a normal right shoulder and chest. exam results again revealed normal findings. Claimant was seen and was treated after falling down the stairs. A CT scan revealed normal head and cervical a consulting examiner found a normal range of motion, normal neurological examination and pulmonary function test results were found to be normal. This examiner noted that Claimant had no difficulty getting on/off the exam table or standing on either foot. His grip strength and dexterity were intact. Claimant was noted to have difficulty with heel/toe walk and squat. I revealed arthritic changes in the left hip. I Claimant had a normal stress test, normal chest x-ray and an ejection fraction of 69%. On this same date, a radiograph of Claimant's pelvis revealed severe arthrosis involving the left hip. a finding of mild chronic right L4-5 was made.

Claimant testified to the following symptoms and abilities: feelings of hopelessness, difficulty concentrating, no interest in activities, avoids family and friends, suicidal thoughts once or twice every 3 months or so, lack of organization, difficulty with articulation, poor memory, easily agitated, mood swings, lack of motivation, loss of thought, shortness of breath, wheezing, fatigue, poor sleep, coughing and hacking to the point of vomiting, a simple cold causes major health issues, inability to do simple activities like play with his son, chest pain, left hip hurts, struggles going up stairs, poor balance, needs help getting in and out of bathtub, uses a shower chair, hard to sit and stand, problems with loss of bowel control, poor mobility and balance, arthritis in right shoulder, migraines occurring about seven times a month, constant headache since his

auto accident has had three seizures since can walk a half a block, can stand 15-20 minutes, can sit 15-25 minutes, limited to lifting 15 pounds, loss of feeling in both hands at times, has issues with legs going numb and tingling, needs help with household chores, very difficult to bend or twist, not able to grocery shop, not able to drive due to seizure concerns, last seizure isolates himself from others, needs reminders for appointments and medications, low energy, crying spells occurring daily and has outbursts.

Claimant's witness testified that Claimant is unable to help with anything around the house. When he gets headaches, he is down for days if not a week and he is missing family gatherings.

Claimant alleged a great deal of psychiatric symptoms that the medical evidence as submitted fails to support. This Administrative Law Judge finds the objective medical evidence fails to establish any mental limitation that would impact Claimant's ability to perform basic activities. Further, the symptoms and degree of restriction on Claimant's physical abilities are found to be less than credible. The medical evidence as submitted fails to support the severity of restriction or all of the symptoms alleged.

The fourth step of the analysis to be considered is whether the claimant has the ability to perform work previously performed by the claimant within the past 15 years. The trier of fact must determine whether the impairment(s) presented prevent the claimant from doing past relevant work. In the present case, Claimant's past employment was as a dealer in a casino which required him to stand/walk the majority of the shift and lift no weight. He previously worked in casino observation security which required him to sit most of the time and lift up to 20 pounds. He also worked as a process server, bail bonds person and notary which required an even split between standing/walking and sitting, and lifting up to 10 pounds. He also worked as a shift manager in a casino which required him to stand/walk the entire shift and lift 10 pounds. Claimant also worked as a fugitive recovery agent where the majority of the shift required walking/standing as well as lifting over 100 pounds. This Administrative Law Judge finds, based on the medical evidence and objective, physical, and psychological findings, that Claimant is not capable of the physical or mental activities required to perform the majority of his past positions due to his hip condition. However, Claimant's past employment in casino observation security would require no prolonged standing and a greater degree of sitting. 20 CFR 416.920(e).

In the final step of the analysis, the trier of fact must determine if the claimant's impairment(s) prevent the claimant from doing other work. 20 CFR 416.920(f). This determination is based upon the claimant's:

- 1. residual functional capacity defined simply as "what can you still do despite your limitations?" 20 CFR 416.945;
- 2. age, education, and work experience, 20 CFR 416.963-965; and

3. the kinds of work which exist in significant numbers in the national economy which the claimant could perform despite her limitations. 20 CFR 416.966.

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).

Medium work. Medium work involves lifting no more than 50 pounds at a time with frequent lifting or carrying of objects weighing up to 25 pounds. If someone can do medium work, we determine that he or she can also do sedentary and light work. 20 CFR 416.967(c).

Heavy work. Heavy work involves lifting no more than 100 pounds at a time with frequent lifting or carrying of objects weighing up to 50 pounds. If someone can do heavy work, we determine that he or she can also do medium, light, and sedentary work. 20 CFR 416.967(d).

See Felton v DSS 161 Mich App 690, 696 (1987). Once the claimant makes it to the final step of the analysis, the claimant has already established a *prima facie* case of disability. Richardson v Secretary of Health and Human Services, 732 F2d 962 (6<sup>th</sup> Cir,

1984). Moving forward, the burden of proof rests with the State to prove by substantial evidence that the claimant has the residual function capacity for SGA.

This Administrative Law Judge finds that Claimant has the residual functional capacity to perform work at least on a sedentary level. Claimant has not demonstrated a marked mental impairment that would prevent basic work activities.

Claimant is an individual of younger age. 20 CFR 416.963. Claimant has an Associate's Degree level education. 20 CFR 416.964. Claimant's previous work was unskilled to semi-skilled. Federal Rule 20 CFR 404, Subpart P, Appendix 2, contains specific profiles for determining disability based on residual functional capacity and vocational profiles. Under Table I, Rule 201.27, Claimant is not disabled for purposes of the Medical Assistance program.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that Claimant is not medically disabled.

Accordingly, the Department's decision is hereby UPHELD.

/ Jonathan W. Owens Administrative Law Judge for Maura Corrigan, Director

Department of Human Services

Date Signed: September 15, 2014

Date Mailed: September 16, 2014

**NOTICE OF APPEAL:** A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides or has its principal place of business in the State, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS may order a rehearing or reconsideration on its own motion.

MAHS may grant a party's Request for Rehearing or Reconsideration 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 party requesting a rehearing or reconsideration 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 this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, 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

JWO/pf

cc: