

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

**IN THE MATTER OF:**



Reg. No.: 14-010310  
Issue No.: 4009  
Case No.: [REDACTED]  
Hearing Date: November 5, 2014  
County: Wayne (18)

**ADMINISTRATIVE LAW JUDGE:** Christian Gardocki

**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; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, an in-person hearing was held on November 5, 2014, from Taylor, Michigan. Participants included the above-named Claimant. Participants on behalf of the Department of Human Services (DHS) included [REDACTED], Medical Contact Worker.

**ISSUE**

The issue is whether DHS properly terminated Claimant's State Disability Assistance (SDA) eligibility for the reason that Claimant is not a disabled individual.

**FINDINGS OF FACT**

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

1. On [REDACTED], Claimant applied for SDA benefits.
2. Claimant's only basis for SDA benefits was as a disabled individual.
3. On [REDACTED], the Medical Review Team (MRT) determined that Claimant was not a disabled individual (see Exhibits 1-2).
4. On [REDACTED] DHS denied Claimant's application for SDA benefits and mailed a Notice of Case Action informing Claimant of the denial.
5. On [REDACTED], Claimant requested a hearing disputing the denial of SDA benefits.

6. As of the date of the administrative hearing, Claimant was a 51 year old female with a height of 5'10" and weight of 125 pounds.
7. Claimant has no known relevant history of alcohol or illegal substance abuse.
8. Claimant's highest education year completed was the 12<sup>th</sup> grade.
9. Claimant alleged disability based on restrictions related to diagnoses of migraine headaches, psoriasis, and depression.

### **CONCLUSIONS OF LAW**

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. DHS administers the SDA program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3151-400.3180. DHS policies for SDA are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Reference Tables Manual (RFT).

SDA provides financial assistance to disabled adults who are not eligible for Family Independence Program (FIP) benefits. BEM 100 (1/2013), p. 4. The goal of the SDA program is to provide financial assistance to meet a disabled person's basic personal and shelter needs. *Id.* To receive SDA, a person must be disabled, caring for a disabled person, or age 65 or older. BEM 261 (1/2012), p. 1.

A person is disabled for SDA purposes if he/she:

- receives other specified disability-related benefits or services, see Other Benefits or Services below, or
- resides in a qualified Special Living Arrangement facility, or
- is certified as unable to work due to mental or physical disability for at least 90 days from the onset of the disability; or
- is diagnosed as having Acquired Immunodeficiency Syndrome (AIDS).

*Id.*

There was no evidence that any of the above circumstances apply to Claimant. Accordingly, Claimant may not be considered for SDA eligibility without undergoing a medical review process (see BAM 815) which determines whether Claimant is a disabled individual. *Id.*, p. 3.

Generally, state agencies such as DHS must use the same definition of SSI disability as found in the federal regulations. 42 CFR 435.540(a). Disability is federally defined as the inability to do any substantial gainful activity (SGA) 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. As noted above, SDA eligibility is based on a 90 days period of disability.

Substantial gainful activity means a person does the following:

- Performs significant duties, and
- Does them for a reasonable length of time, and
- Does a job normally done for pay or profit. *Id.*, p. 9.

Significant duties are duties used to do a job or run a business. *Id.* They must also have a degree of economic value. *Id.* The ability to run a household or take care of oneself does not, on its own, constitute substantial gainful activity. *Id.*

The person claiming a physical or mental disability has the burden to establish a disability through the use of competent medical evidence from qualified medical sources such as his or her medical history, clinical/laboratory findings, diagnosis/prescribed treatment, prognosis for recovery and/or medical assessment of ability to do work-related activities or ability to reason and make appropriate mental adjustments, if a mental disability is alleged. 20 CFR 413.913. An individual's subjective pain complaints are not, in and of themselves, sufficient to establish disability. 20 CFR 416.908; 20 CFR 416.929(a).

Federal regulations describe a sequential five step process that is to be followed in determining whether a person is disabled. 20 CFR 416.920. If there is no finding of disability or lack of disability at each step, the process moves to the next step. 20 CFR 416.920 (a)(4).

The first step in the process considers a person's current work activity. 20 CFR 416.920 (a)(4)(i). A person who is earning more than a certain monthly amount is ordinarily considered to be engaging in SGA. The monthly amount depends on whether a person is statutorily blind or not. "Current" work activity is interpreted to include all time since the date of application. The 2014 monthly income limit considered SGA for non-blind individuals is \$1,070.

Claimant credibly denied performing any employment since the date of the MA application; no evidence was submitted to contradict Claimant's testimony. Based on the presented evidence, it is found that Claimant is not performing SGA and has not performed SGA since the date of application. Accordingly, the disability analysis may proceed to step two.

The second step in the disability evaluation is to determine whether a severe medically determinable physical or mental impairment exists to meet the 12 month duration requirement. 20 CFR 416.920 (a)(4)(ii). The impairments may be combined to meet the severity requirement. If a severe impairment is not found, then a person is deemed not disabled. *Id.* The 12 month durational period is applicable to SSA and MA benefits; as noted above, SDA eligibility requires only a 90 day duration of disability.

The impairments must significantly limit a person's basic work activities. 20 CFR 416.920 (a)(5)(c). "Basic work activities" refers to the abilities and aptitudes necessary to do most jobs. *Id.* Examples of basic work activities include:

- physical functions (e.g. walking, standing, sitting, lifting, pushing, pulling, reaching, carrying, or handling)
- capacities for seeing, hearing, and speaking, understanding; carrying out, and remembering simple instructions
- use of judgment
- responding appropriately to supervision, co-workers and usual work situations; and/or
- dealing with changes in a routine work setting.

Generally, federal courts have imposed a de minimus standard upon claimants to establish the existence of a severe impairment. *Grogan v. Barnhart*, 399 F.3d 1257, 1263 (10<sup>th</sup> Cir. 2005); *Hinkle v. Apfel*, 132 F.3d 1349, 1352 (10<sup>th</sup> Cir. 1997). *Higgs v Bowen*, 880 F.2d 860, 862 (6<sup>th</sup> Cir. 1988). Similarly, Social Security Ruling 85-28 has been interpreted so that a claim may be denied at step two for lack of a severe impairment only when the medical evidence establishes a slight abnormality or combination of slight abnormalities that would have no more than a minimal effect on an individual's ability to work even if the individual's age, education, or work experience were specifically considered. *Barrientos v. Secretary of Health and Human Servs.*, 820 F.2d 1, 2 (1<sup>st</sup> Cir. 1987). Social Security Ruling 85-28 has been clarified so that the step two severity requirement is intended "to do no more than screen out groundless claims." *McDonald v. Secretary of Health and Human Servs.*, 795 F.2d 1118, 1124 (1<sup>st</sup> Cir. 1986).

SSA specifically notes that age, education, and work experience are not considered at the second step of the disability analysis. 20 CFR 416.920 (5)(c). In determining whether Claimant's impairments amount to a severe impairment, all other relevant evidence may be considered. The analysis will begin with a summary of the relevant submitted medical documentation.

A physician office visit note (Exhibit 16) dated [REDACTED] was presented. It was noted that Claimant complained of a neck lesion.

Hospital documents (Exhibits 12-13) from an admission dated [REDACTED] were presented. It was noted that Claimant presented with complaints of chronic inflammation of an epidermal neck cyst. An operative report noted that the cyst was removed.

A physician office visit note (Exhibit 16) dated [REDACTED] was presented. It was noted that Claimant's neck lesion was improving and healing very satisfactorily.

A physician office visit document (Exhibit 29) dated [REDACTED] were presented. It was noted that Claimant underwent a mammogram. An impression of no evidence of malignancy was noted.

A physician office visit note (Exhibit 15) dated [REDACTED] was presented. It was noted that Claimant received a prescription for Enbrel syringes, presumably to combat psoriasis.

A physician office visit note (Exhibit 14) dated [REDACTED] was presented. It was noted that Claimant's psoriasis was progressing well, though she had active psoriasis on her elbows, legs, buttocks, and back.

A physician office visit note (Exhibit 14) dated [REDACTED] was presented. It was noted that Claimant had ongoing difficulty with body lesions.

A physician office visit note (Exhibit 24) dated [REDACTED] was presented. It was noted that Claimant complained of anhedonia, stress, and chronic tiredness. A plan to begin Mirapex and increase Celexa dosage was noted.

A physician office visit note (Exhibit 23) dated [REDACTED] was presented. It was noted that Claimant complained upper right back pain; it was noted that Norco did not alleviate pain.

A physician office visit note (Exhibit 22) dated [REDACTED] was presented. It was noted that Claimant complained of dry mouth. A recommendation of drinking more water was noted.

A physician office visit note (Exhibit 21) dated [REDACTED] was presented. It was noted that Claimant complained of psoriasis flare-ups, suicidal ideation, and agitation. A flat affect was noted. A plan to increase Celexa was noted.

A physician office visit note (Exhibit 20) dated [REDACTED] was presented. It was noted that Claimant reported sleeping 18 hours per day, hopelessness, and difficulty with concentration. Improved psoriasis was noted.

A physician office visit note (Exhibit 19) dated [REDACTED] was presented. It was noted that Claimant complained of ongoing depression.

A physician office visit note (Exhibit 18) dated [REDACTED] was presented. It was noted that Claimant reported ongoing depression. A history of Stephen Johnson's disease was noted.

A Psychiatric/Psychological Examination Report (Exhibits 8-10) dated [REDACTED] was presented. The form was completed by a treating primary care physician with an approximate 17 month history of treating Claimant. A reported history of depression since 1987 was noted. It was noted that Claimant reported that Claimant's daughter helped with daily activities. Notable observations of Claimant included a poor memory. An Axis I diagnosis of depression was noted.

Hospital documents (Exhibits 36-42; 44-81) from an admission dated [REDACTED] were presented. It was noted that Claimant presented with complaints of abdominal pain, ongoing for 1 day. An impression of suspected early bowel obstruction was noted following pelvic x-rays. It was noted that Claimant's condition improved and that she was discharged on 6/4/14. Various discharge medications were prescribed.

Hospital documents (Exhibits 31-35) from an encounter dated [REDACTED] were presented. It was noted that Claimant presented with complaints of abdominal pain following a recent hospital discharge. It was noted that Claimant underwent a CT which demonstrated no evidence of bowel obstruction though fecal debris was noted throughout the colon. An impression of constipation was noted.

Presented documents verified Claimant was treated once for upper back pain. It was established that Claimant took Norco, a relatively strong narcotic pain medication. No diagnosis was provided. Radiology was not provided. Follow-up treatment was not verified. The evidence was insufficient to justify inference of a chronic problem with upper back pain.

Presented documents verified previous treatment for breast cancer, a neck abscess, and a bowel obstruction. Claimant testified that her bowel obstruction has resolved. Presented documents verified that her neck lesion appears resolved and that breast cancer is not a present problem.

Claimant alleged disability, in part, due to depression, psoriasis, and migraine headaches. Presented documents verified some degree of physical and psychological restrictions related to the problems. Presented documents also verified that the problems began no later than 5/2014 and that related work restrictions have lasted at least 90 days. It is found that Claimant has a severe impairment and the analysis may proceed to step three.

The third step of the sequential analysis requires a determination whether the Claimant's impairment, or combination of impairments, is listed in Appendix 1 of Subpart P of 20 CFR, Part 404. 20 CFR 416.920 (a)(4)(iii). If Claimant's impairments are listed and deemed to meet the 12 month requirement, then the claimant is deemed disabled. If the impairment is unlisted, then the analysis proceeds to the next step.

A listing for chronic skin infections (Listing 8.04) was considered based on Claimant's psoriasis. The listing was rejected due to a failure to establish extensive fungating or extensive ulcerating skin lesions that persist for at least 3 months despite continuing prescribed treatment.

A listing for affective disorder (Listing 12.04) was considered based on diagnoses of depression. This listing was rejected due to a failure to establish marked restrictions in social functioning, completion of daily activities or concentration. It was also not established that Claimant required a highly supportive living arrangement, suffered

repeated episodes of decompensation or that the residual disease process resulted in a marginal adjustment so that even a slight increase in mental demands would cause decompensation.

It is found that Claimant failed to establish meeting a SSA listing. Accordingly, the analysis moves to step four.

The fourth step in analyzing a disability claim requires an assessment of the Claimant's residual functional capacity (RFC) and past relevant employment. 20 CFR 416.920(a)(4)(iv). An individual is not disabled if it is determined that a claimant can perform past relevant work. *Id.*

Past relevant work is work that has been performed within the past 15 years that was a substantial gainful activity and that lasted long enough for the individual to learn the position. 20 CFR 416.960(b)(1). Vocational factors of age, education, and work experience, and whether the past relevant employment exists in significant numbers in the national economy is not considered. 20 CFR 416.960(b)(3). RFC is assessed based on impairment(s), and any related symptoms, such as pain, which may cause physical and mental limitations that affect what can be done in a work setting. RFC is the most that can be done, despite the limitations.

Claimant testified that she has not held full-time employment in the last 15 years. Claimant testified that she previously held part-time employment as a hotel housekeeper, certified nursing assistant, and as a site inspector assistant. Claimant testified that she quit her hotel job in 2013 after 3 months due to depression and pain. Claimant's testimony implied that body pain caused by psoriasis and depression renders her unable to perform past jobs. For purposes of this decision, Claimant's testimony will be accepted. It is found that Claimant cannot perform past employment and the analysis may proceed to step five.

In the fifth step in the process, the individual's RFC in conjunction with his or her age, education, and work experience, are considered to determine whether the individual can engage in any other substantial gainful work which exists in the national economy. SSR 83-10. While a vocational expert is not required, a finding supported by substantial evidence that the individual has the vocational qualifications to perform specific jobs is needed to meet the burden. *O'Banner v Sec of Health and Human Services*, 587 F2d 321, 323 (CA 6, 1978). Medical-Vocational guidelines found at 20 CFR Subpart P, Appendix II, may be used to satisfy the burden of proving that the individual can perform specific jobs in the national economy. *Heckler v Campbell*, 461 US 458, 467 (1983); *Kirk v Secretary*, 667 F2d 524, 529 (CA 6, 1981) *cert den* 461 US 957 (1983).

To determine the physical demands (i.e. exertional requirements) of work in the national economy, jobs are classified as sedentary, light, medium, heavy, and very heavy. 20 CFR 416.967. The definitions for each are listed below.

Sedentary work involves lifting of no more than 10 pounds at a time and occasionally lifting or carrying articles like docket files, ledgers, and small tools. 20 CFR 416.967(a). 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. *Id.* Jobs are sedentary if walking and standing are required occasionally and other sedentary criteria are met.

Light work involves lifting no more than 20 pounds at a time with frequent lifting or carrying objects weighing up to 10 pounds. 20 CFR 416.967(b) Even though 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. *Id.* To be considered capable of performing a full or wide range of light work, an individual must have the ability to do substantially all of these activities. *Id.* An individual capable of light work is also capable of sedentary work, unless there are additionally limiting factors such as loss of fine dexterity or inability to sit for long periods of time. *Id.*

Medium work involves lifting no more than 50 pounds at a time with frequent lifting or carrying of objects weighing up to 25 pounds. 20 CFR 416.967(c). An individual capable of performing medium work is also capable of light and sedentary work. *Id.*

Heavy work involves lifting no more than 100 pounds at a time with frequent lifting or carrying of objects weighing up to 50 pounds. 20 CFR 416.967(d). An individual capable of heavy work is also capable of medium, light, and sedentary work. *Id.*

Finally, very heavy work involves lifting objects weighing more than 100 pounds at a time with frequent lifting or carrying objects weighing 50 pounds or more. 20 CFR 416.967(e). An individual capable of very heavy work is able to perform work under all categories. *Id.*

Limitations or restrictions which affect the ability to meet the demands of jobs other than strength demands are considered nonexertional. 20 CFR 416.969a(a). Examples of non-exertional limitations include difficulty functioning due to nervousness, anxiousness, or depression; difficulty maintaining attention or concentration; difficulty understanding or remembering detailed instructions; difficulty in seeing or hearing; difficulty tolerating some physical feature(s) of certain work settings (i.e. can't tolerate dust or fumes); or difficulty performing the manipulative or postural functions of some work such as reaching, handling, stooping, climbing, crawling, or crouching. 20 CFR 416.969a(c)(1)(i)-(vi) If the impairment(s) and related symptoms, such as pain, only affect the ability to perform the non-exertional aspects of work-related activities, the rules in Appendix 2 do not direct factual conclusions of disabled or not disabled. 20 CFR 416.969a(c)(2)

The determination of whether disability exists is based upon the principles in the appropriate sections of the regulations, giving consideration to the rules for specific



case situations in Appendix 2. *Id.* In using the rules of Appendix 2, an individual's circumstances, as indicated by the findings with respect to RFC, age, education, and work experience, is compared to the pertinent rule(s).

Given Claimant's age, education and employment history a determination of disability is dependent on Claimant's ability to perform light employment. Social Security Rule 83-10 states that the full range of light work requires standing or walking, off and on, for a total of approximately 6 hours of an 8-hour workday.

Physician statements of Claimant restrictions were not presented. Restrictions can be inferred based on presented documents.

Treatment for chronic psoriasis was verified. For good measure, Claimant displayed patches of psoriasis on her elbow and leg during the hearing. Though Claimant certainly has psoriasis and some degree of discomfort, there was an absence of evidence suggesting that psoriasis prevented the performance of light employment.

Claimant conceded that she has no problems with sitting, standing, or lifting. Claimant also testified that she is able to perform daily activities of bathing, dressing, grooming, cleaning, laundry, shopping, and driving. Claimant's testimony was consistent with an exertional ability to perform, at minimum, light employment.

Claimant testified that she sleeps "all the time". As an example, Claimant testified that she recently missed a doctor appointment because of sleeping too late. Presented documents also verified that Claimant presented with an appearance of depression symptoms. The physician observations were consistent with Claimant's hearing appearance where Claimant appeared tearful and hopeless. Presented documents verified that Claimant takes anti-depressant medication. A finding of restrictions caused by depression requires more evidence than Claimant presented.

It is reasonable to presume that if Claimant's depression is as severe as Claimant contends, Claimant would pursue psychiatric treatment and/or counseling. Claimant failed to present any psychological or psychiatric treatment. Claimant's absence of such treatment is particularly problematic given that Claimant testified that she suffered depression since 1987.

Presented evidence was sufficient to infer some degree of social restrictions. The evidence was not sufficient to infer that such restrictions would preclude Claimant from performing light or sedentary employment not requiring significant social interactions.

Based on Claimant's exertional work level (light), age (approaching advanced age), education (high school), employment history (semi-skilled with no known transferrable skills), Medical-Vocational Rule 202.14 is found to apply. This rule dictates a finding that Claimant is not disabled. Accordingly, it is found that DHS properly found Claimant to be not disabled for purposes of SDA benefits.

It should be emphasized that the non-disability finding is primarily based on Claimant's failure to verify restrictions, rather than a belief that Claimant does not have work restrictions. Claimant is highly encouraged to pursue psychiatric or psychological treatment and to pursue disability benefits if her psyche does not improve.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly denied Claimant's SDA benefit application dated [REDACTED] based on a determination that Claimant is not disabled. The actions taken by DHS are **AFFIRMED**.



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**Christian Gardocki**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: **11/26/2014**

Date Mailed: **11/26/2014**

CG / hw

**NOTICE OF APPEAL:** A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, 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

cc:

