

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-015524  
Issue No.: 4009  
Case No.: [REDACTED]  
Hearing Date: December 17, 2014  
County: Alger

**ADMINISTRATIVE LAW JUDGE:** Vicki Armstrong (for ALJ William Sundquist)

**HEARING DECISION**

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 42 CFR 431.200 to 431.250; and 45 CFR 205.10. After due notice, a telephone hearing was held on December 17, 2014, from Lansing, Michigan. Claimant personally appeared and testified. Participants on behalf of the Department of Human Services (Department) included Eligibility Specialist [REDACTED]. Although ALJ William Sundquist presided over the hearing in this matter, the undersigned ALJ has reviewed the entire hearing record including the digital audio recording(s), all documents and admitted exhibits in this hearing, generates the instant Hearing Decision in the absence of the presiding ALJ.

**ISSUE**

Whether the Department properly determined that Claimant was not disabled for purposes of the Medical Assistance (MA) and/or State Disability Assistance (SDA) benefit programs?

**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 July 23, 2014, Claimant applied for SDA.
- (2) On September 30, 2014, the Medical Review Team (MRT) denied Claimant's SDA application.
- (3) On October 1, 2014, the Department sent Claimant notice that her application was denied.
- (4) On October 31, 2014, Claimant filed a hearing request to contest the Department's negative action.

- (5) Claimant has a history of spondylosis, herniated and bulging lumbar discs, degenerative joint disease, osteoarthritis, neck pain, hydronephrosis, hypertension, depression, anxiety and posttraumatic stress disorder.
- (6) Claimant is a 42 year old woman born on [REDACTED]
- (7) Claimant is 5'5" tall and weighs 180 lbs.
- (8) Claimant has a high school equivalent education.
- (9) Claimant last worked in December, 2013.
- (10) Claimant was appealing the denial of Social Security disability at the time of the hearing.

### **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 State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, was established by 2004 PA 344. The Department administers the SDA program pursuant to 42 CFR 435, MCL 400.10 *et seq.* and Mich Admin Code, Rules 400.3151 – 400.3180. A person is considered disabled for SDA purposes if the person has a physical or mental impairment which meets federal Supplemental Security Income (SSI) disability standards for at least ninety days. Receipt of SSI benefits based on disability or blindness, or the receipt of MA benefits based on disability or blindness, automatically qualifies an individual as disabled for purposes of the SDA program.

Current legislative amendments to the Act delineate eligibility criteria as implemented by department policy set forth in program manuals. 2004 PA 344, Sec. 604, establishes the State Disability Assistance program. It reads in part:

Sec. 604 (1) The department shall operate a state disability assistance program. Except as provided in subsection (3), persons eligible for this program shall include needy citizens of the United States or aliens exempt from the Supplemental Security Income citizenship requirement who are at least 18 years of age or emancipated minors meeting one or more of the following requirements:

(b) A person with a physical or mental impairment which meets federal SSI disability standards, except that the minimum duration of the disability shall be 90 days. Substance abuse alone is not defined as a basis for eligibility.

Specifically, this Act provides minimal cash assistance to individuals with some type of severe, temporary disability which prevents him or her from engaging in substantial gainful work activity for at least ninety (90) days.

"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. [SDA = 90 day duration].

[As Judge] We are responsible for making the determination or decision about whether you meet the statutory definition of disability. In so doing, we review all of the medical findings and other evidence that support a medical source's statement that you are disabled. 20 CFR 416.927(e).

On [REDACTED], Claimant's treating physician completed a Medical Needs form on behalf of the Department. The physician opine that Claimant is unable to work at any job based on her difficulties with heavy lifting, repetitive movements, no prolonged standing, and additional limitations based on degenerative joint disease of cervical and lumbar spine.

Claimant's MRI lumbar spine results from [REDACTED], reveal she has mild degenerative disc changes at L3-L4, L4-L5, and L5-S1; moderate degenerative facet joint changes in the lower lumbar spine contributing to mild-to-moderate bilateral foraminal stenosis at L4-L5 and mild bilateral foraminal narrowing at L5-S1; mild disc bulge at the L4-L5 level contributing to mild narrowing of the central canal at this level; and a partially visualized cystic area in the left adnexal region measuring 4.8 x 2.7cm possibly reflecting an ovarian cyst which can be further assessed with a pelvic ultrasound. The thoracic spine MRI showed minimal disc bulges throughout the thoracic spine, which efface the ventral thecal sac; a partial visualized degenerative change in the cervical spine; and a 1mm T1 hypointense lesion within the posterior mid left kidney which may reflect a cyst, however further evaluation with renal ultrasound is suggested. The MRI of the cervical spine revealed mild central canal stenosis with mild compression of the ventral cord by the broad-based disc annular bulges and mild osteophytic ridging of the endplates at C5-C6, C6-C7, and C7-T1 levels; moderate biforaminal stenosis, greater on the right, at C5-C6 and C6-C7 levels, mild foraminal narrowing at C7-T1, and mild right foraminal narrowing at C3-C4.

Claimant's treating physician completed a Medical Examination Report on behalf of the Department on [REDACTED]. Claimant is diagnosed with neck and back pain. The musculoskeletal examination showed pain and decreased range of motion with neck forward flexion and extension and pain and decreased range of motion with back flexion and extension. She has mild degenerative joint disease and a disc bulge at L4-L5. She is limited to occasionally lifting 10 pounds and standing or walking for less than 2 hours in an 8-hour workday. Claimant cannot grasp, reach, push, pull or perform fine

manipulations. The physician opined Claimant's condition is stable and her limitations are expected to last more than 90 days.

On [REDACTED], Claimant's treating physician completed a Medical Examination Report on behalf of the Department. Claimant is diagnosed with depression, spondylosis, bulging discs, anxiety, posttraumatic stress disorder, degenerative joint disease, neck pain and anxiety. The physician noted Claimant is stooped and moves slowly and she appeared to be in pain while sitting for the examination. Range of motion in her neck is restricted to 25%. Her grip is weak. She has poor reflexes, reduced strength and mobility issues. She also has a fine motor tremor in her hands. The physician opined Claimant's condition is stable and her physical restrictions are expected to last more than 90 days. These restrictions include occasionally lifting less than 10 pounds, no reaching, pushing, pulling, or fine manipulation. The physician indicated Claimant can stand/walk less than 2 hours in an 8-hour workday and is unable to sit 6 hours in an 8-hour workday. The physician noted Claimant's cervical stenosis limits the use of her arms and hands and also limits lifting and carrying, whereas standing and movement cause pain. The physician also added that her posttraumatic stress disorder affects her ability to form bonds, maintain concentration, social interaction and her memory.

Claimant's treating physician submitted multiple statements indicating Claimant has physical limitations due to her spondylosis, herniated and bulging discs. Because Claimant's treating physician's opinion is well supported by medically acceptable clinical and laboratory diagnostic techniques, it has controlling weight. 20 CFR 404.1527(d)(2).

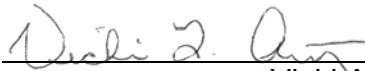
Claimant's credible testimony and medical records verify Claimant was legally disabled for ninety (90) days. As such, the Department's denial of SDA pursuant to Claimant's July 23, 2014, SDA application cannot be upheld.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department erred in determining that Claimant was not disabled by SDA eligibility standards.

Accordingly, the Department's decision is **REVERSED**, and this case is returned to the local office to determine whether Claimant met all the other financial and non-financial eligibility factors necessary to qualify for SDA.

**It is SO ORDERED.**

  
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Vicki Armstrong  
Administrative Law Judge  
for Nick Lyon, Interim Director  
Department of Human Services

Date Signed: **2/17/2015**

Date Mailed: **2/17/2015**

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**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 48909-8139

cc:

