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

#### IN THE MATTER OF:



Reg. No.: 201428639 Issue No(s).: 2009;4009

Case No.:

Hearing Date: May 7, 2014 County: Wayne (17)

**ADMINISTRATIVE LAW JUDGE:** Robert J. Chavez

### **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 May 7, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Participants on behalf of the Department of Human Services (Department) included Medical Contact Worker.

### **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) Claimant applied for MA-P and SDA on May 1, 2013
- (2) Claimant is old.
- (3) Claimant is not currently working.
- (4) Claimant alleged disability due to lower back pain and depression
- (5) Claimant submitted no medical records, with the exception of two independent examinations.

- (6) One treating source report was provided that noted that Claimant had difficulty in the home; however, no medical records were submitted to support this opinion.
- (7) An independent mental status examination conducted on July 22, 2013 noted no psychotic symptoms, and self-diagnosed panic attacks.
- (8) This examination noted that Claimant was cooperative, polite, fully orientated, had proper affect, pleasant, logical, goal directed, spontaneous, and further opined that while Claimant had symptoms the symptoms would not interfere with Claimant's ability to follow complex instructions or appropriately interact in a structured work environment.
- (9) A physical independent examination conducted on July 22, 2013 noted full range of motion of the spine, almost full range of motion of the upper extremities, full motor strength, no difficulty in standing, no postural limitations, a steady unassisted gait, and a negative straight leg raise.
- (10) Pain was reported in this examination, but was unverified and noted potential self-diagnoses.
- (11) An MRI of the lumbar spine and knees obtained at the exam noted minimal degenerative changes of the left knee and lumbar spine, with minimal narrowing.
- (12) No medical records were submitted that showed any reduction of residual functional capacity.
- (13) On January 8, 2014, the Medical Review Team denied MA-P, stating that Claimant could perform other work.
- (14) On January 16, 2014, Claimant was sent a notice of case action.
- (15) On February 14, 2014, Claimant filed for hearing.
- (16) On April 10, 2014, the State Hearing Review Team denied MA-P, citing a Social Security decision.
- (17) On May 7, 2014, a hearing was held before the Administrative Law Judge.
- (18) The record was extended in order to allow for the submission of additional records to support Claimant's allegations; however, no records were ever returned.

## **CONCLUSIONS OF LAW**

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

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 MCL 400.10 *et seq.* and Mich Admin Code, Rules 400.3151 – 400.3180. Department policies are found in BAM, BEM, and RFT. 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.

Federal regulations require that the Department use the same operative definition of the term "disabled" as is used by the Social Security Administration for Supplemental Security Income (SSI) under Title XVI of the Social Security Act. 42 CFR 435.540(a). 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

This is determined by a five step sequential evaluation process where current work activity, the severity and duration of the impairment(s), statutory listings of medical impairments, residual functional capacity, and vocational factors (i.e., age, education, and work experience) are considered. These factors are always considered in order according to the five step sequential evaluation, and when a determination can be made at any step as to the Claimant's disability status, no analysis of subsequent steps are necessary. 20 CFR 416.920

The first step that must be considered is whether the Claimant is still partaking in Substantial Gainful Activity (SGA). 20 CFR 416.920(b). To be considered disabled, a person must be unable to engage in SGA. A person who is earning more than a certain monthly amount (net of impairment-related work expenses) is ordinarily considered to be engaging in SGA. The amount of monthly earnings considered as SGA depends on the nature of a person's disability; the Social Security Act specifies a higher SGA amount for statutorily blind individuals and a lower SGA amount for non-blind individuals. Both SGA amounts increase with increases in the national average wage index. The monthly SGA amount for statutorily blind individuals for 2013 is \$1,740. For non-blind individuals, the monthly SGA amount for 2013 is \$1040.

In the current case, Claimant testified that Claimant was not working, and the Department has presented no evidence or allegations that Claimant is engaging in SGA. Claimant has not been engaging in SGA during any of the time this application and hearing have been pending. Therefore, the undersigned holds that the Claimant is not performing SGA, and passes step one of the five step process.

The second step that must be considered is whether or not the Claimant has a severe impairment. A severe impairment is an impairment expected to last 12 months or more (or result in death), which significantly limits an individual's physical or mental ability to perform basic work activities. The term "basic work activities" means 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).

The purpose of the second step in the sequential evaluation process is to screen out claims lacking in medical merit. *Higgs v. Bowen* 880 F2d 860, 862 (6<sup>th</sup> Cir, 1988). As a result, the Department may only screen out claims at this level which are "totally groundless" solely from a medical standpoint. This is a *de minimus* standard in the disability determination that the court may use only to disregard trifling matters. As a rule, any impairment that can reasonably be expected to significantly impair basic activities is enough to meet this standard.

In the current case, Claimant has not presented evidence of a severe impairment that has lasted or is expected to last the durational requirement of 12 months.

Claimant has alleged an impairment stemming from back pain and depression. However, the only medical records in the packet are two independent examinations. No records were submitted that showed that the problem was still on going.

An independent physical exam was submitted that showed mostly normal range of motion. While there was some decreased range of motion noted in limited areas, there was no indication that these minor reductions would affect work related activities in any manner. While the exam noted that Claimant complained of pain, no objective

supporting evidence was given for why Claimant might have pain, and suggested follow up appointments with a treating source to gain more insight into the condition. However, at no point did this exam suggest that Claimant had any reduction in physical work related functions or activities. An MRI conducted at this examination suggested minimal degeneration of the areas for which Claimant alleged pain, and thus cannot be used to support Claimant's allegations of pain.

While Claimant did submit a medical report from a treating source, indicating restrictions and a need for help in the home, the medical report referenced conditions for which there were no objective medical records. Furthermore, there was no indication that these restrictions would be in place for a time period exceeding 12 months. As such, the undersigned cannot give the report in question weight, as it leaves several key questions regarding Claimant's condition unanswered.

With regards to the mental health issues, while Claimant appears to have had some severe underlying issues, no current mental health medical records were submitted. The only records available cover a one-time examination that provides no insight into Claimant's ongoing state. Additionally, the mental status exam noted unremarkable thought processes, good insight and judgment, and full orientation. It further noted that nothing in Claimant's mental status would prevent following complex instructions, or interacting properly in a work related environment. No medical records were submitted that showed that Claimant's condition persisted, or would persist, over a period of 12 months or more.

While the undersigned may truly believe that Claimant has severe issues, without hard evidence, the undersigned's hands are proverbially tied by the requirements of the applicable law. Claimant was given a chance to provide additional medical evidence; no evidence was forthcoming, and thus the undersigned must use the evidence in the packet, of which there is very little.

Claimant has not presented the required competent, material, and substantial evidence which would support a finding that the Claimant has an impairment or combination of impairments which would significantly limit the physical or mental ability to do basic work activities for a period of 12 months or more. 20 CFR 416.920(c).

The medical record as a whole does not establish any impairment that would impact Claimant's basic work activities for a period of 12 months or 90 days (for the purposes of the SDA program). There are no current medical records in the case that establish that Claimant continues to have a serious medical impairment. There is no objective medical evidence to substantiate the Claimant's claim that the impairment or impairments are severe enough to reach the criteria and definition of disabled. Accordingly, after careful review of Claimant's medical records, this Administrative Law Judge finds that Claimant is not disabled for the purposes of the Medical Assistance disability (MA-P) or SDA program.

As a finding of not disabled can be made at the step two of the five step process, no further analysis is required. 20 CFR 416.920

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds Claimant not disabled for purposes of the MA and/or SDA benefit program.

# **DECISION AND ORDER**

Accordingly, the Department's determination is AFFIRMED.

Robert J. Chavez Administrative Law Judge

for Nick Lyon, Interim Director Department of Human Services

Date Signed: February 23, 2015

Date Mailed: February 23, 2015

**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

# 2014-28639/RJC

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

# RJC/tm cc: