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

#### IN THE MATTER OF:



MAHS Reg. No.: 15-022752

Issue No.: 4009

February 1, 2016 Washtenaw

Agency Case No.: Hearing Date: County:

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

### **HEARING DECISION**

Following Petitioner'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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on February 1, 2016, from Ypsilanti, Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by specialist.

## <u>ISSUE</u>

The issue is whether MDHHS properly denied Petitioner's State Disability Assistance (SDA) eligibility for the reason that Petitioner 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 Petitioner applied for SDA benefits.
- 2. Petitioner's only basis for SDA benefits was as a disabled individual.
- 3. On Petitioner was not a disabled individual (see Exhibit 1, pp. 81-84).
- 4. On MDHHS denied Petitioner's application for SDA benefits and mailed a Notice of Case Action (Exhibit 1, pp. 85-86) informing Petitioner of the denial.

- 5. On SDA benefits (see Exhibit 1, pp. 3-4).
- 6. As of the date of the administrative hearing, Petitioner was a 61-year-old male.
- 7. As of the date of the administrative hearing, Petitioner had no employment earnings.
- 8. Petitioner's highest education year completed was the 12<sup>th</sup> grade (via general equivalency degree).
- 9. Petitioner has a history of unskilled employment, with no known transferrable job skills.
- 10. Petitioner alleged disability based on restrictions related to congestive heart failure and spinal stenosis.

### **CONCLUSIONS OF LAW**

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. MDHHS administers the SDA program pursuant to MCL 400.10, et seq., and MAC R 400.3151-400.3180. MDHHS 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 Petitioner. Accordingly, Petitioner may not be considered for SDA eligibility without undergoing a medical review process (see BAM 815) which determines whether Petitioner is a disabled individual. *Id.*, p. 3.

Generally, state agencies such as MDHHS 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. SDA differs in that a 90 day period is required to establish disability.

SGA means a person does the following: performs significant duties, 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 SGA. *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. The 2016 monthly income limit considered SGA for non-blind individuals is \$1,130.00.

Petitioner credibly denied performing current employment; no evidence was submitted to contradict Petitioner's testimony. Based on the presented evidence, it is found that Petitioner is not performing SGA. Accordingly, the disability analysis may proceed to the second step.

The second step in the disability evaluation is to determine whether a severe medically determinable physical or mental impairment exists to meet the durational 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 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 petitioners 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 F2d 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 requirements are 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 Petitioner's impairments amount to a severe impairment, all other relevant evidence may be considered. The analysis will begin with a summary of presented medical documentation.

Cardiologist office visit documents from May 2013 (Exhibit 1, p. 68, 72-73, 75) were presented. Petitioner's ejection fraction (EF) was noted to be 32%.

Cardiologist office visit documents from July 2013 (Exhibit 1, p. 69, 70-71, 74, 76, 80) were presented. Petitioner's EF was noted to be 33%.

Cardiologist office visit documents dated presented. It was noted Petitioner abused tobacco. It was noted an echocardiogram demonstrated "moderately severe" left ventricle dysfunction. A NYHA classification of II-III was noted. A plan of increasing carvedilol and a follow-up in a few months was noted.

A Medical Examination Report (Exhibit 1, pp.43-45) dated \_\_\_\_\_, was presented. The form was completed by a cardiologist with an unknown history of treating Petitioner.

Petitioner's physician listed diagnoses of non-ischemic cardiomyopathy. An impression was given that Petitioner's condition was stable. It was noted that Petitioner can meet household needs. A need for a walking-assistance device was not indicated.

Cardiologist office visit notes dated (Exhibit 1, pp. 52-55) were presented. It was noted Petitioner underwent cardiac catheterization in 2013. His ejection fraction was noted to improve from 32% in 2013 to 50% as of (With a Class III heart classification) was noted.

A Medical Examination Report (Exhibit 1, pp. 40-42) dated presented. The form was completed by an internal medicine physician with an approximate 3 month history of treating Petitioner. Petitioner's physician listed diagnoses of non-ischemic cardiomyopathy, dyspnea, and deconditioning. A normal gait and normal sensory function were noted. An impression was given that Petitioner's condition was stable. A need for a walking-assistance device was not indicated. It was noted that Petitioner can meet household needs.

An MRI report of Petitioner's lumber spine dated was presented. Mild disc bulging was noted at L2-L3, L3-L4, and L5-S1. Mild spinal stenosis with mild bilateral foraminal stenosis was noted at L4-L5.

Echocardiogram results (Exhibit 1, pp. 35-37) dated \_\_\_\_\_\_, was presented. A conclusion of normal LV chamber size and an ejection fraction of 55% was noted. Mild concentric hypertrophy was also noted.

A Medical Examination Report (Exhibit 1, pp.15-16) dated presented. The form was completed by an internal medicine physician with an approximate one year history of treating Petitioner. Petitioner's physician listed diagnoses of spinal stenosis and non-ischemic cardiomyopathy. Active medications included Flexeril, Tylenol-Codeine, baby aspirin, and others. It was noted that Petitioner can meet household needs. The report appeared not to include a page of restrictions. Though restrictions were not provided, it was noted that spinal stenosis was a basis for physical restrictions.

An internal medicine examination report (Exhibit 1, pp. 8-13) dated was presented. The report was noted as completed by a consultative physician. Petitioner reported complaints of non-ischemic cardiomyopathy, dyspnea, CHF, and back pain. It was noted Petitioner brought a cane which he stated was "absolutely required", and a back brace. Petitioner reported he would be out of breath if he tried walking more than a block. It was noted Petitioner reported he quit a 45 year smoking habit in 2013. Notable physical examination findings included the following: normal gait, decreased lumbar motion, positive right-sided straight-leg-raising test. It was noted Petitioner had mild to moderate difficulty getting on and off the examination table. Heel

walk, toe walk, and squatting were also noted as performed with mild to moderate difficulties.

Petitioner alleged disability, in part, due to lumbar pain. Petitioner testified he tried physical therapy approximately 6 months before the hearing, but it helped "just a little bit." Petitioner testified he tries some of the therapies he learned at home. Petitioner testified he declined spinal injections because he worried about the adverse effects. Petitioner testified he wears a back brace to reduce pain. Petitioner testified he takes Tramadol for pain and Flexeril as a muscle relaxer. Petitioner testified his physicians have not offered surgical treatments.

Petitioner alleged disability, in part, due to CHF. Petitioner testified he has not seen his cardiologist "in a while." Petitioner testified he tries to take daily walks on a treadmill; Petitioner claimed his longest time was 10 minutes. Petitioner testified he tries to eat healthily (e.g. low-salt foods). Petitioner testified he gets tired from "moving around too much."

Presented testimony implied severe impairments to his ability to stand, walk, and lift/carry. Petitioner's testimony was sufficiently supported by medical records.

It is found that Petitioner established significant impairment to basic work activities for a period longer than 90 days. Accordingly, it is found that Petitioner established having a severe impairment and the disability analysis may proceed to Step 3.

The third step of the sequential analysis requires determining whether the Petitioner's impairment, or combination of impairments, is listed in 20 CFR Part 404, Subpart P, appendix 1. 20 CFR 416.920 (a)(4)(iii). If a petitioner's impairments are listed and deemed to meet the durational requirement, then the petitioner is deemed disabled. If the impairment is unlisted or impairments do not meet listing level requirements, then the analysis proceeds to the next step.

A listing for spinal disorders (Listing 1.04) was considered based on Petitioner's lumbar complaints. This listing was rejected due to a failure to establish a spinal disorder resulting in a compromised nerve root.

A listing for chronic heart failure (Listing 4.02) was considered based on Petitioner's low ejection fraction testing. The listing was rejected because of the absence of evidence of the following: inability to perform an exercise test, three or more episodes of acute congestive heart failure or a conclusion that an exercise test poses a significant risk to Petitioner's health.

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

The fourth step in analyzing a disability claim requires an assessment of the Petitioner'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 petitioner 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.

Petitioner testified he was most recently a janitor for a university. Petitioner testified his job duties included vacuuming and loading trash. Petitioner testified he could no longer perform those duties.

Petitioner testified he worked for approximately 12 years as a janitor for a senior residential home. Petitioner testified his job was to clean the offices and common area. Petitioner testified his job duties including setting-up for events (typically three times per week). Petitioner testified he was expected to lift tables which weighed approximately 35-40 pounds.

Petitioner's past employment is comparable to a "medium" exertional level of employment. The analysis will consider whether Petitioner can perform such a level of employment at the following step.

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.

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 non-exertional. 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 (e.g. can't tolerate dust or fumes); or difficulty performing the manipulative or postural functions of some work such as stooping. climbing, crawling. crouchina. handling. or 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 Petitioner's age, education and employment history a determination of disability is dependent on Petitioner's ability to perform medium 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. Medium employment requires comparable standing and walking standards, but with a heavier lifting requirement than light employment.

Petitioner testified back pain restricts his standing and walking to 10 minute periods. Petitioner testified he has "some discomfort" when sitting. Petitioner testified he utilizes a cane for walking stability.

Petitioner testified he bathes/showers independently, but it takes him "more time" (presumably relative to how long he took before experiencing back pain). Petitioner testified bending is painful and renders it difficult for him to dress himself. Petitioner testified he shops, but tries to do it quickly. Petitioner testified he can drive.

Petitioner's testimony was indicative of an inability to perform medium employment. The analysis will proceed to determine if Petitioner's testimony was supported by presented medical evidence.

Physician statements of restrictions were provided. SSR 96-2p states that if a treating source's medical opinion is well-supported and not inconsistent with the other substantial evidence in the case record, it must be given controlling weight (i.e. it must be adopted). Treating source opinions cannot be discounted unless the Administrative Law Judge provides good reasons for discounting the opinion. *Rogers v. Commissioner*, 486 F. 3d 234 (6<sup>th</sup> Cir. 2007); *Bowen v Commissioner*.

Various questionnaires (Exhibit 1, pp. 59-63) were presented. The questionnaires were completed by a nurse practitioner on easily fatigued and experienced dyspnea; symptoms were noted to have lasted only for that month. Petitioner's fatigue was described as moderate; "moderate" was defined as not precluding an ability to function. Fatigue was noted to "occasionally" (10%-33% of the time) interfere with Petitioner's ability to maintain attention and concentration in finishing tasks. It was noted Petitioner's symptoms would likely make him absent more than 2 days per month. It was noted Petitioner would require more than 20 minute rests per hour for employment allowing a sit/stand option. It was noted Petitioner had a Class III functional capacity and a C-level objective assessment.

On a Medical Examination Report dated Petitioner's cardiologist stated Petitioner had various limitation(s) expected to last 90 days. The physician opined that Petitioner was restricted as follows over an eight-hour workday, less than 2 hours of standing and/or walking, and less than 6 hours of sitting. Petitioner was restricted to occasional lifting/carrying of 20 pounds, never 25 pounds or more. Petitioner's physician opined that Petitioner was restricted from performing repetitive pushing/pulling. In

response to a question asking for the stated basis for restrictions, Petitioner's physician wrote "see enclosed"; presumably the reference was to office visit documents also dated ...

On a Medical Examination Report dated Petitioner had various limitation(s) expected to last 90 days. The physician opined that Petitioner was restricted to less than 2 hours of standing and/or walking over an 8 hour workday. Petitioner was indicated capable of occasional lifting/carrying of 10 pounds; restrictions of heavier weights was not indicated. The basis for restrictions was dyspnea upon exertion.

In 2013, Petitioner was assessed to have a Class III cardiac functional capacity. Petitioner's functional capacity is representative of a patient with cardiac disease resulting in marked limitations of physical activity. It is also consistent with someone comfortable at rest while less than ordinary physical activity causes fatigue, palpitation, dyspnea or anginal pain.

The above assessments are highly indicative of an inability to perform even a light exertional level of employment. It is notable that Petitioner's heart condition has substantially improved since 2014.

As of 2014, Petitioner EF improved to over 50%. An ejection fraction of 50% is understood to be within a normal range of left ventricle function. It is also notable Petitioner appears to have little need for a cardiologist as no appointments in 2015 were verified. Despite the improvement, it is reasonable that Petitioner would still have some degree of restrictions. This is indicative by his therapeutic classification level of C. Petitioner's therapeutic classification is representative of a patient with cardiac disease whose ordinary physical activity should be moderately restricted and whose more strenuous efforts should be discontinued. Moderate restrictions in activity would preclude the performance of medium level of employment.

Mild spinal stenosis was also verified. Stenosis is understood to cause pain and restrict back movement. *Mild* stenosis, by itself, is not disabling, though it would reasonably preclude Petitioner from repetitive lifting of more than 20 pounds.

It is found Petitioner is incapable of performing medium employment. This finding also justifies finding Petitioner is not capable of performing past employment. For purposes of this decision, it is found Petitioner can perform light employment.

Based on Petitioner's exertional work level (light), age (advanced age), education level (high school with no direct entry into skilled employment), employment history (unskilled), Medical-Vocational Rule 202.04 is found to apply. This rule dictates a finding that Petitioner is disabled. Accordingly, MDHHS improperly Denied Petitioner's SDA application.

## **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law finds that MDHHS improperly denied Petitioner's application for SDA benefits. It is ordered that MDHHS perform the following actions within 10 days of the date of mailing of this decision:

- (1) reinstate Petitioner's SDA benefit application dated
- (2) evaluate Petitioner's eligibility subject to the finding that Petitioner is a disabled individual:
- (3) initiate a supplement for any benefits not issued as a result of the improper application denial; and
- (4) schedule a review of benefits in one year from the date of this administrative decision, if Petitioner is found eligible for future benefits.

The actions taken by MDHHS are **REVERSED**.

Christian Gardocki

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Administrative Law Judge for Nick Lyon, Director Department of Health and Human Services

Date Signed: 2/10/2016

Date Mailed: 2/10/2016

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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 copy of the claim or application for appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Hearing Decision from 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

