RICK SNYDER GOVERNOR

# STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON



Date Mailed: April 3, 2018 MAHS Docket No.: 17-017090

Agency No.: Petitioner:

**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 March 8, 2018, from Detroit, Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by specialist.

## **ISSUE**

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 March 10, 2017, Petitioner applied for SDA benefits.
- 2. Petitioner's only basis for SDA benefits was as a disabled individual.
- 3. On September 26, 2017, the Disability Determination Service determined that Petitioner was not a disabled individual (see Exhibit A, pp. 237-257).
- On October 18, 2017, MDHHS denied Petitioner's application for SDA benefits.
- 5. On October 25, 2017, Petitioner requested a hearing disputing the denial of SDA benefits.

- 6. As of the date of the administrative hearing, Petitioner did not have employment earnings amounting to substantial gainful activity.
- 7. As of the date of the administrative hearing, Petitioner was a **■**-year-old male.
- 8. Petitioner's highest education year completed was the 12<sup>th</sup> grade.
- 9. Petitioner has a history of unskilled employment, including work as a handyman and press operator.
- 10. Petitioner has restrictions which preclude the performance of light employment.

### **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 (April 2017), p. 5. The goal of the SDA program is to provide financial assistance to meet a disabled person's basic personal and shelter needs. *Id*.

Petitioner requested a hearing to dispute the denial of a SDA application. Petitioner claimed an inability to work for 90 days due to mental and/or physical disabilities. MDHHS presented a Notice of Case Action (Exhibit A, pp. 2-6) dated October 18, 2017, verifying Petitioner's application was denied based on a determination that Petitioner was not disabled.

To receive SDA, a person must be disabled, caring for a disabled person, or age 65 or older. BEM 261 (April 2017), p. 1. A person is disabled for SDA purposes if he or she meets any of the following criteria:

- Receives other specified disability-related benefits or services....
- Resides in a qualified Special Living Arrangement (SLA) facility.
- Is certified as unable to work due to mental or physical disability for at least 90 days from the onset of the disability.
- Is diagnosed as having Acquired Immunodeficiency Syndrome (AIDS)... *Id.*, pp. 1-2.

When the person does not meet one of the [above] criteria, [MDHHS is to] follow the instructions in BAM 815, Medical Determination and Disability Determination Service (DDS), Steps for Medical Determination Applications. *Id.*, p. 4. The DDS will gather and review the medical evidence and either certify or deny the disability claim based on the medical evidence. *Id.* The review of medical evidence is primarily outlined by federal law.

Petitioner alleged being unable to work for at least 90 days. Petitioner alleged no other basis for SDA eligibility.

Generally, state agencies must use the same definition of disability as used for Supplemental Security Income (SSI) (see 42 C.F.R. § 435.540(a)). [Federal] law defines disability 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 C.F.R. § 416.905(a). MDHHS adopted a functionally identical definition of disability (see BEM 260 (July 2015), p. 10). The same definition applies to SDA, though SDA eligibility factors only a 90-day period of disability. The remainder of the analysis considers the specific disability evaluation set forth by federal SSI regulations.

In general, you have to prove... that you are blind or disabled. 20 C.F.R. § 416.912(a). You must inform us about or submit all evidence known... that relates to whether or not you are blind or disabled. *Id.* Evidence includes, but is not limited to, objective medical evidence (e.g., medical signs and laboratory findings), evidence from other medical sources (e.g., medical history and opinions), and non-medical statements about symptoms (e.g., testimony) (see *Id.*).

Federal regulations describe a sequential five-step process that is to be followed in determining whether a person is disabled (see 20 C.F.R. § 416.920). If there is no finding of disability or lack of disability at each step, the process moves to the next step (see *Id*.)

The first step in the process considers a person's current work activity (see 20 C.F.R. § 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 2017 monthly income limit considered SGA for non-blind individuals is \$1,170.00.

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.* 

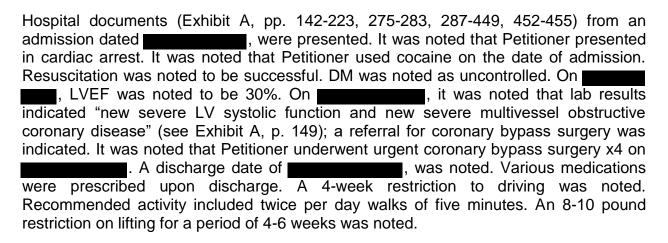
Petitioner credibly denied performing current employment; no evidence was submitted to contradict Petitioner's testimony. Based on the presented evidence, it is found that Petitioner is not performing SGA. Accordingly, the disability analysis may proceed to the second step.

At the second step, we consider the medical severity of your impairment(s). 20 C.F.R. §416.920 (a)(4)(ii). If you do not have a severe medically determinable physical or mental impairment that meets the duration requirement in §416.909, or a combination

of impairments that is severe and meets the duration requirement, we will find that you are not disabled. *Id.* 

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, SSR 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).

If you do not have any impairment or combination of impairments which significantly limits your physical or mental ability to do basic work activities, we will find that you do not have a severe impairment and are, therefore, not disabled. 20 C.F.R. § 416.920 (5)(c). We will not consider your age, education, and work experience. *Id.* The second step analysis will begin with a summary of presented medical documentation and Petitioner's testimony.



Physician office visit notes (Exhibit A, pp. 284-286) dated presented. It was noted Petitioner was doing well following surgery. It was noted Petitioner stopped wearing a life vest. Petitioner denied chest pain, dyspnea, and dizziness. Smoking cessation was recommended. Petitioner was deemed "clinically stable" and without symptoms of heart failure, palpitations, or chest pain. An echocardiogram in two months was planned. It was noted if "significant" LVEF function (identified as over 35%) then prophylactic AICD would not necessarily be indicated. Follow-up in three months was planned.

A mental status examination report (Exhibit A, pp. 123-128) dated was presented. The report was noted as completed by a consultative licensed psychologist. It was noted Petitioner reported low mood related to physical and financial limits. Noted observations of Petitioner made by the consultative examiner include the following: good contact with reality, no unusual motor activity, normal speech, mild depression, and orientation x3. It was noted that Petitioner's mental examination demonstrated no abnormalities. Petitioner was deemed as "not... [to] appear to be significantly impaired". No mental health diagnosis was assessed.

A medical examination report (Exhibit A, pp. 129-133) dated presented. The report was noted as completed by a consultative physician. Petitioner reported heart problems and HTN. A daily smoking habit of a half pack was noted. Petitioner reported being "good for about two hours" before becoming fatigued. Petitioner reported an ejection fraction of 60% and denied chest pain. No reduced ranges of motion were noted. No abnormal physical examination findings were noted. Petitioner was noted as showing no difficulty with dexterity, getting on and off the examination table, heel walking, toe walking, squatting, or standing on a foot for three seconds. A normal gait was noted. Normal tone and muscle strength was noted. It was noted that continued risk factor modification and cardio aerobic activity would be indicated.

Petitioner alleged disability, in part, due to cardiac restrictions and restrictions related to cardiac surgery. Petitioner testified that the quadruple bypass undergone in resulted in a loss of 10 pounds of muscle. Petitioner testified his cardiologist gave him a positive prognosis. Petitioner testified he has not undergone any stress testing.

Petitioner testified he was diagnosed with diabetes. Petitioner testified his diabetes is currently controlled. Petitioner testified he takes five insulin shots daily.

A mental health evaluation was the only evidence related to mental health restrictions. The examiner found no diagnosis to justify any restrictions. The finding was consistent with Petitioner's testimony which did not allege any psychological restrictions. The evidence supports a finding that Petitioner has no severe psychological impairments.

Presented medical records generally verified a medical treatment history consistent with exertional restrictions related to heart problems and surgery recovery. Petitioner's treatment history was established to have lasted at least 90 days and at least since Petitioner's date of SDA application. Accordingly, it is found that Petitioner established having a severe impairment and the disability analysis may proceed to Step 3.

At the third step, we also consider the medical severity of your impairment(s). 20 C.F.R. § 416.920 (4)(iii). If you have an impairment(s) that meets or equal one of our listings in appendix 1 to subpart P of part 404 of this chapter and meets the duration requirement, we will find that you are disabled. *Id.* If you have an impairment(s) which meets the duration requirement and is listed in appendix 1 or is equal to a listed impairment(s), we

will find you disabled without considering your age, education, and work experience. *Id.* 20 C.F.R. § 416.920 (d).

Petitioner's primary basis for disability was heart problems. the most relevant SSA listing reads as follows:

- **4.02** *Chronic heart failure* while on a regimen of prescribed treatment, with symptoms and signs described in 4.00D2. The required level of severity for this impairment is met when the requirements in *both A and B* are satisfied.
- **A.** Medically documented presence of one of the following:
- 1. Systolic failure (see 4.00D1a(i)), with left ventricular end diastolic dimensions greater than 6.0 cm or ejection fraction of 30 percent or less during a period of stability (not during an episode of acute heart failure); or
- 2. Diastolic failure (see 4.00D1a(ii)), with left ventricular posterior wall plus septal thickness totaling 2.5 cm or greater on imaging, with an enlarged left atrium greater than or equal to 4.5 cm, with normal or elevated ejection fraction during a period of stability (not during an episode of acute heart failure);

#### **AND**

- **B.** Resulting in one of the following:
- 1. Persistent symptoms of heart failure which very seriously limit the ability to independently initiate, sustain, or complete activities of daily living in an individual for whom an MC, preferably one experienced in the care of patients with cardiovascular disease, has concluded that the performance of an exercise test would present a significant risk to the individual; or
- 2. Three or more separate episodes of acute congestive heart failure within a consecutive 12-month period (see 4.00A3e), with evidence of fluid retention (see 4.00D2b(ii)) from clinical and imaging assessments at the time of the episodes, requiring acute extended physician intervention such as hospitalization or emergency room treatment for 12 hours or more, separated by periods of stabilization (see 4.00D4c); or
- 3. Inability to perform on an exercise tolerance test at a workload equivalent to 5 METs or less due to:
- a. Dyspnea, fatigue, palpitations, or chest discomfort; or

- b. Three or more consecutive premature ventricular contractions (ventricular tachycardia), or increasing frequency of ventricular ectopy with at least 6 premature ventricular contractions per minute; or
- c. Decrease of 10 mm Hg or more in systolic pressure below the baseline systolic blood pressure or the preceding systolic pressure measured during exercise (see 4.00D4d) due to left ventricular dysfunction, despite an increase in workload; or
- d. Signs attributable to inadequate cerebral perfusion, such as ataxic gait or mental confusion.

Consideration was given to finding that Petitioner met listing requirements based on a LVEF of 30% at the time of his hospitalization in Petitioner's LVEF at the time of hospitalization should be considered at an unstable period, in part due to Petitioner's cocaine usage before hospitalization. As of six months later, Petitioner's reported LVEF was 60%. The evidence was not indicative of meeting listing requirements.

It is found Petitioner does not meets any SSA listings. Accordingly, the disability analysis may proceed.

If your impairment(s) does not meet or equal a listed impairment, we will assess and make a finding about your residual functional capacity based on all the relevant medical and other evidence in your case record.... 20 C.F.R. § 416.920 (e). We use our residual functional capacity assessment at the fourth step of the sequential evaluation process to determine if you can do your past relevant work... and at the fifth step of the sequential evaluation process (if the evaluation proceeds to this step) to determine if you can adjust to other work... *Id*.

Your impairment(s), and any related symptoms, such as pain, may cause physical and mental limitations that affect what you can do in a work setting. 20 C.F.R. § 416.945 (a)(1). Your residual functional capacity is the most you can still do despite your limitations. *Id.* We will assess your residual functional capacity based on all the relevant evidence in your case record. *Id.* We will consider all of your medically determinable impairments of which we are aware, including your medically determinable impairments that are not "severe,"... when we assess your residual functional capacity. 20 C.F.R. § 416.945 (a)(2). We will assess your residual functional capacity based on all of the relevant medical and other evidence. 20 C.F.R. § 416.945(a)(3). We will first use our residual functional capacity assessment at step four of the sequential evaluation process to decide if you can do your past relevant work. 20 C.F.R. § 416.945(a)(5).

For purposes of this decision, a fully developed RFC assessment will not be undertaken at this point in the analysis. Instead an RFC assessment will be performed, as necessary, in the final steps of analysis.

At the fourth step, we consider our assessment of your residual functional capacity and your past relevant work. 20 C.F.R. § 416.920(a)(4)(iv). If you can still do your past relevant work, we will find that you are not disabled. *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 C.F.R. § 416.960(b)(1). We will not consider your vocational factors of age, education, and work experience or whether your past relevant work exists in significant numbers in the national economy. 20 C.F.R. § 416.960(b)(3).

Petitioner's reported past employment involved repairing homes. For purposes of this step, it will be assumed favorably for Petitioner that Petitioner's employment required regular lifting and carrying of 50 pounds and more. Given Petitioner's cardiac history in combination with diabetes, continuation of past employment could be problematic or dangerous. The evidence sufficiently established that Petitioner cannot or should not perform past employment. Accordingly, the disability analysis may proceed to the final step.

If we find that your residual functional capacity does not enable you to do any of your past relevant work or if we use the procedures in § 416.920(h), we will use the same residual functional capacity assessment when we decide if you can adjust to any other work. We will look at your ability to adjust to other work by considering your residual functional capacity and the vocational factors of age, education, and work experience, as appropriate in your case. (See § 416.920(h) for an exception to this rule.) Any other work (jobs) that you can adjust to must exist in significant numbers in the national economy (either in the region where you live or in several regions in the country).

At the fifth and last step, we consider our assessment of your residual functional capacity and your age, education, and work experience to see if you can make an adjustment to other work. 20 C.F.R. § 416.920(a)(4)(v). If you can make an adjustment to other work, we will find that you are not disabled. *Id.* If you cannot make an adjustment to other work, we will find that you are disabled. *Id.* 

Your impairment(s) and related symptoms, such as pain, may cause limitations of function or restrictions which limit your ability to meet certain demands of jobs. 20 C.F.R. § 416.969a(a). These limitations may be exertional, nonexertional, or a combination of both. *Id*.

When the limitations and restrictions imposed by your impairment(s) and related symptoms, such as pain, affect only your ability to meet the strength demands of jobs (sitting, standing, walking, lifting, carrying, pushing, and pulling), we consider that you have only exertional limitations. 20 C.F.R. § 416.969a(b). When your impairment(s) and related symptoms only impose exertional limitations and your specific vocational profile is listed in a rule contained in appendix 2, we will directly apply that rule to decide whether you are disabled. *Id*.

When the limitations and restrictions imposed by your impairment(s) and related symptoms, such as pain, affect only your ability to meet the demands of jobs other than the strength demands, we consider that you have only nonexertional limitations or restrictions. 20 C.F.R. § 416.969a(c)(1). Some examples of nonexertional limitations or restrictions include the following... nervousness, anxiousness, depression, attention or concentration deficits, difficulty remembering instructions, vision loss, hearing loss, difficulty with environment (e.g. fumes), hand manipulation, bending, crouching, kneeling, or other body maneuvers (see *Id*.).

If your impairment(s) and related symptoms, such as pain, only affect your ability to perform the nonexertional aspects of work-related activities, the rules in appendix 2 do not direct factual conclusions of disabled or not disabled. 20 C.F.R. § 416.969a(c)(2)

Limitations are classified as exertional if they affect your ability to meet the strength demands of jobs. *Id.* To determine the physical exertion requirements of work in the national economy, we classify jobs as *sedentary*, *light*, *medium*, *heavy*, and *very heavy*. 20 C.F.R. § 416.967.

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. 20 C.F.R. § 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. *Id.* 

Light work involves lifting no more than 20 pounds at a time with frequent lifting or carrying of objects weighing up to 10 pounds. 20 C.F.R. § 416.967(b). 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. *Id.* To be considered capable of performing a full or wide range of light work, you must have the ability to do substantially all of these activities. *Id.* If someone can do light work, we determine that he or she can also do sedentary work, unless there are additional 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 C.F.R. § 416.967(c). If someone can do medium work, we determine that he or she can also do sedentary and light 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 C.F.R. § 416.967(d). If someone can do heavy work, we determine that he or she can also do medium, light, and sedentary work. *Id.* 

Very heavy work involves lifting objects weighing more than 100 pounds at a time with frequent lifting or carrying of objects weighing 50 pounds or more. 20 C.F.R. §

416.967(e). If someone can do very heavy work, we determine that he or she can also do heavy, medium, light, and sedentary work. *Id*.

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 he does not require use of a cane or walker. Petitioner testified he can perform an hour of standing and walking before breathing heavily. Petitioner testified that ascending five flights of stairs would cause him to have feelings of having a heart attack. Petitioner testified he has no sitting restrictions as long as he has a sit/stand option. Petitioner testified he is limited to lifting and carrying of less than 40 pounds.

Petitioner testified he can perform bathing, dressing, laundry, shopping, and driving without problems. Petitioner testified he is limited in housework to only performing two hours over an 8-hour period.

Petitioner testified that he walked for approximately 15-30 minutes on the day before hearing. A MDHHS specialist testified that Petitioner appeared out of breath when he appeared for the hearing.

During the hearing, Petitioner was asked about performing full-time employment as a stockperson. Petitioner testified that he would require a break no less than every 15 minutes if attempting to perform such employment. Petitioner also testified that he would require hourly breaks due to fatigue if attempting work as a cashier (typically, a job of light employment) would requires breaks every hour.

Petitioner's testimony concerning lifting/carrying limits, standing limits, and dyspnea suggest he is incapable of performing medium employment. The analysis will proceed to consider whether Petitioner's statements were supported by medical evidence.

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

Petitioner's hospitalization from resulting in emergency quadruple bypass surgery was indicative of cardiac restrictions that could preclude medium employment. The surgery was performed before Petitioner's SDA application. Thus, Petitioner's post-surgery recovery is more insightful of Petitioner's restrictions.

Only one treating physician appointment was verified after Petitioner's surgery. The corresponding documentation provided no update on Petitioner's LVEF. Documentation noted that Petitioner denied all symptoms including dyspnea, chest pain, and dizziness;

this is consistent with a full recovery. Petitioner was deemed stable and no signs of recovery delay were indicated; this also consistent with a full recovery. The evidence was suggestive of an absence of post-surgery cardiac-related symptoms.

Petitioner's reported LVEF of 60% at a consultative examination was further support for limited restrictions. Petitioner's reported LVEF is considered normal, and therefore, not indicative of lifting/carrying restrictions or dyspnea.

Generally, a period of 90 days is required for bypass surgery recovery. Petitioner testified he feels better than he did six months earlier but expects to have to wait one year before being capable of returning to work. Petitioner's absence of recovery setbacks and symptoms are not indicative of a lengthier than usual recovery time.

Petitioner's primary complaint appeared to be dyspnea. Respiratory testing was not presented. Petitioner's improvement since surgery and lack of documented complaints with treating physicians do not support finding that cardiac problems are causing dyspnea. The absence of comorbidities other than DM is suggestive that any dyspnea experienced by Petitioner is not medically based. Given the evidence, Petitioner's smoking is the most likely explanation for reported dyspnea. Given the evidence, Petitioner does not have a medically-based restriction to performing medium employment.

Based on Petitioner's exertional work level (medium), age (approaching retirement age), education (high school graduate), employment history (semi-skilled with no transferrable skills), Medical-Vocational Rule 203.07 is found to apply. This rule dictates a finding that Petitioner is not disabled. Accordingly, it is found that MDHHS properly found Petitioner to be not disabled for purposes of SDA benefits.

#### **DECISION AND ORDER**

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly denied Petitioner's SDA benefit application dated March 10, 2017, based on a determination that Petitioner is not disabled. The actions taken by MDHHS are **AFFIRMED**.

CG/

Christian Gardocki

Administrative Law Judge for Nick Lyon, Director

Department of Health and Human Services

**NOTICE OF APPEAL**: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088; 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 **DHHS** 

**Petitioner** 

