



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: May 23, 2018  
MAHS Docket No.: 18-002441  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Aaron McClintic

**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; 42 CFR 431.200 to 431.250. After due notice, a telephone hearing was held on April 24, 2018, from Lansing, Michigan. Petitioner was represented by herself. [REDACTED] appeared and testified for Petitioner. The Department of Health and Human Services (Department), Respondent, was represented by [REDACTED], FIS. Department Exhibit 1, pp. 1-729 was received and admitted.

**ISSUE**

Whether the Department properly determined that Petitioner was not disabled for purposes of the State Disability Assistance (SDA) benefit program?

**FINDINGS OF FACT**

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

1. Petitioner applied for SDA on [REDACTED].
2. The Medical Review Team denied the application on [REDACTED].
3. Petitioner filed a request for hearing on [REDACTED], regarding the SDA denial.
4. A telephone hearing was held on [REDACTED].
5. Petitioner is [REDACTED]" tall and weighs [REDACTED] pounds.

6. Petitioner is [REDACTED] years old.
7. Petitioner's impairments have been medically diagnosed as fibromyalgia, back pain, COPD, thyroid problems, depression, anxiety, bipolar disorder and PTSD.
8. Petitioner has the following symptoms: pain, fatigue, shortness of breath, insomnia, panic attacks, flashbacks, memory and concentration problems.
9. Petitioner completed high school, some college and training as a medical transcriptionist.
10. Petitioner is able to read, write, and perform basic math skills.
11. Petitioner is not working. Petitioner last worked in [REDACTED] as a dog groomer.
12. Petitioner lives with alone.
13. Petitioner testified that she cannot perform some household chores.
14. Petitioner takes the following prescribed medications:

- a. [REDACTED]
- b. [REDACTED]
- c. [REDACTED]
- d. [REDACTED]
- e. [REDACTED]
- f. [REDACTED]
- g. [REDACTED]
- h. [REDACTED]
- i. [REDACTED]
- j. [REDACTED]
- k. [REDACTED]
- l. [REDACTED]
- m. [REDACTED]
- n. [REDACTED]
- o. [REDACTED]
- p. [REDACTED]
- q. [REDACTED]
- r. [REDACTED]
- s. [REDACTED]

15. Petitioner testified to the following physical limitations:

- a. Sitting: 20 minutes
- b. Standing: 3-5 minutes
- c. Walking: 1 block

- d. Bend/stoop: difficulty
  - e. Lifting: 10 pounds
  - f. Grip/grasp: difficulty
16. Petitioner testified to experiencing pain, at a high level of 8, on an everyday basis with some pain always present at a low level of 3.
17. In a psychological medical report completed on [REDACTED], the examining psychologist gave Petitioner a diagnosis of Bipolar II disorder with reported history for hypomanic episodes with current major depressive disorder moderate to severe in severity. This report also has the following Medical Source Statement: "In this writer's opinion, based upon the current mental status examination, this individual appears to be functioning within the low average range of intellectual abilities and therefore cognitively potentially able to carry out job tasks that are simple, routine, and repetitive in nature. She does present with a history for a bipolar disorder with her current presentation supporting a major depressive episode. The severity of her depressive symptoms, in this writer's opinion, would impede or thwart her ability to carry out her cognitive potential." (Ex.1, pp. 66-74)
18. In a Medical Needs form completed by Petitioner's treating nurse practitioner [REDACTED] on [REDACTED], Petitioner was found to not be able to work her usual occupation or any job. Petitioner was also found to need help with housework and shopping.
19. On [REDACTED], Petitioner was found to have a GAF score of 46. (Ex. 1, p. 387)
20. On [REDACTED], Petitioner was found to have a GAF score of 49 (Ex. 1, p. 703)

### **CONCLUSIONS OF LAW**

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), and Department of Health and 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.

Pursuant to Federal Rule 42 CFR 435.540, the Department uses the Federal Supplemental Security Income (SSI) policy in determining eligibility for disability under the MA-P program. Under SSI, 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.

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

"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.

In determining whether an individual is disabled, 20 CFR 416.920 requires the trier of fact to follow a sequential evaluation process by which current work activity, the severity of the impairment(s), residual functional capacity, and vocational factors (i.e., age, education, and work experience) are assessed in that order. When a determination that an individual is, or is not, disabled can be made at any step in the sequential evaluation, evaluation under a subsequent step is not necessary.

First, the trier of fact must determine if the individual is working and if the work is substantial gainful activity. 20 CFR 416.920(b). In this case, Petitioner is not working. Therefore, Petitioner is not disqualified at this step in the evaluation.

The second step to be determined in considering whether Petitioner is considered disabled is the severity of the impairment. In order to qualify the impairment must be considered severe, which is defined as an impairment which significantly limits an individual's physical or mental ability to perform basic work activities. Examples of these include:

1. Physical functions such as walking, standing, sitting, lifting, pushing, 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).

In this case, Petitioner's medical evidence of record supports a finding that Petitioner has significant physical and mental limitations upon Petitioner's ability to perform basic work activities such as walking, standing, sitting, lifting, pushing, pulling, reaching, carrying, or handling. Medical evidence has clearly established that Petitioner has an impairment (or combination of impairments) that has more than a minimal effect on Petitioner's work activities. See Social Security Rulings: 85-28, 88-13, and 82-63.

In this case, this Administrative Law Judge finds that Petitioner may be considered presently disabled at the third step. Petitioner meets listing 12.04 or its equivalent. The testimony of Petitioner's treating therapist supports this position. This Administrative Law Judge will not continue through the remaining steps of the assessment. Petitioner's testimony and the medical documentation support the finding that Petitioner meets the requirements of the listing. Petitioner has other significant health problems that were not fully addressed in this decision because Petitioner is found to meet a listing for a different impairment.

Therefore, Petitioner is found to be disabled.


### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that Petitioner is medically disabled as of [REDACTED].

Accordingly, the Department's decision is hereby **REVERSED** and the Department is ORDERED to:

1. Initiate a review of the application for SDA dated [REDACTED], if not done previously, to determine Petitioner's non-medical eligibility.
2. The Department shall inform Petitioner of the determination in writing. A review of this case shall be set for [REDACTED].

AM/bb

  
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**Aaron McClintic**  
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) 763-0155; 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**

[REDACTED]

**Petitioner**

[REDACTED]