



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS  
DIRECTOR

[REDACTED], MI [REDACTED]

Date Mailed: May 31, 2019  
MOAHR Docket No.: 19-002809  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Carmen G. Fahie

### **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, 2019, from Lansing, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by Brenda Drownicki, Hearing Facilitator.

### **ISSUE**

Whether the Department properly determined that Petitioner was not disabled for purposes of the 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 [REDACTED], 2018, Petitioner applied for SDA.
2. On December 11, 2018, the Medical Review Team (MRT) denied Petitioner's application for SDA per BEM 261 because Petitioner is capable of performing her past relevant work per 20 CFR 416.920(E).
3. On March 14, 2019, the Department Caseworker sent the Petitioner a notice that her application was denied.
4. On March 22, 2019, the Department received a hearing request from Petitioner, contesting the Department's negative action.

5. Petitioner is a 61 year-old woman whose date of birth is [REDACTED], 1957. Petitioner is 5'1" tall and weighs 172 pounds. Petitioner completed High School and has a beauty school certification. Petitioner can read and write and do basic math. Petitioner was last employed as a sales associate in February 2018, at the medium level. She has also been employed as a bank teller at the medium to heavy level, cashier, and hall monitor.
6. The Petitioner's alleged impairments are trigger finger in right index finger, degenerative disc disease, and left bicep tendinosis.
7. The Petitioner was seen by her treating physician on December 6, 2018. Her chief complaint was medication refill. Her reviewed problems were diabetes mellitus, hyperlipidemia, neuropathic Paris field, varicose veins of lower extremity, pharyngitis, muscle spasms, pain in left arm onset December 5, 2017, and fatigue. Petitioner was a pleasant 60-year-old female who presented to the clinic for medication refills. The patient has a history of insomnia where she takes Ambien. She admits she does not take the medication on a nightly basis and states sometimes she tends to wake up in the middle of the night where she takes ½ dose of the 5 mg Ambien. She denies depression and anxiety. She states she is generally well but sees a pain management specialist recently for left arm pain. She denies chest pain, shortness of breath, and any other complaints at this time. She had a normal physical examination. Department Exhibit 1, pgs. 135-138.
8. On November 9, 2018, Petitioner's treating specialist submitted a progress note on her behalf. She had an ultrasound guided by sip tendon sheath cortisone injection on October 30. She is starting to see some improvements with what she is able to do with this arm. Due to some limitation with her insurance, we agreed to wait and see how this does over the next several weeks following injection. She is hoping to avoid surgery. Department Exhibit 1, pgs. 81, 88-89.
9. On October 18, 2018, Petitioner was seen by her treating specialist for a trigger finger of the right little finger, interphalangeal distal osteoarthritis, and bilateral primary osteoarthritis of the first carpal metacarpal joints. Her chief complaint was first postop to no lysis of flexor tendons of the right small finger. This was a follow-up of a trigger finger release of the right small finger that was performed on October 12, 2018. It is too early to assess any results. She is doing well for the first postop. Department Exhibit, pgs. 52-54.
10. On September 11, 2018, Petitioner underwent an MRI of the lumbar spine without contrast. The radiologist's clinical impression was central disc protrusion with annular tear superimposed on a circumferential disc bulge and facet joint ligamentum flavum hypertrophy causing moderate bilateral neural foraminal narrowing and moderate central canal stenosis at L3- L4. There was central disc protrusion superimposed on a circumferential disc bulge and facet joint ligamentum flavuru hypertrophy causing mild central canal stenosis and mild-to-

moderate neural foraminal narrowing, left greater than right at L4-L5. This protrusion abuts the left L5 nerve root and lateral recess. At L2 – L3, there is a circumferential disc bulge and facet joint ligamentum flavum hypertrophy causing mild bilateral neural foraminal narrowing without significant central canal stenosis. Department Exhibit, pgs. 72-77.

### **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.

The Department conforms to State statute in administering the SDA program.

2000 PA 294, Sec. 604, of the statute states:

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 exempted from the supplemental security income citizenship requirement who are at least 18 years of age or emancipated minors meeting 1 or more of the following requirements:

- (a) A recipient of supplemental security income, social security, or medical assistance due to disability or 65 years of age or older.
- (b) A person with a physical or mental impairment which meets federal supplemental security income 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.

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

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.

A set order is used to determine disability. Current work activity, severity of impairments, residual functional capacity, past work, age, or education and work experience are reviewed. If there is a finding that an individual is disabled or not disabled at any point in the review, there will be no further evaluation. 20 CFR 416.920.

Medical evidence may contain medical opinions. Medical opinions are statements from physicians and psychologists or other acceptable medical sources that reflect judgments about the nature and severity of the impairment(s), including symptoms, diagnosis and prognosis, what an individual can do despite impairment(s), and the physical or mental restrictions. 20 CFR 416.927(a)(2).

The Administrative Law Judge is responsible for making the determination or decision about whether the statutory definition of disability is met. The Administrative Law Judge reviews all medical findings and other evidence that support a medical source's statement of disability. 20 CFR 416.927(e).

For mental disorders, severity is assessed in terms of the functional limitations imposed by the impairment. Functional limitations are assessed using the criteria in paragraph (B) of the listings for mental disorders (descriptions of restrictions of activities of daily living, social functioning; concentration, persistence or pace; and ability to tolerate increased mental demands associated with competitive work). 20 CFR, Part 404, Subpart P, Appendix 1, 12.00(C).

The residual functional capacity is what an individual can do despite limitations. All impairments will be considered in addition to ability to meet certain demands of jobs in the national economy. Physical demands, mental demands, sensory requirements and other functions will be evaluated. 20 CFR 416.945(a).

To determine the physical demands (exertional requirements) of work in the national economy, we classify jobs as sedentary, light, medium and heavy. These terms have the same meaning as they have in the Dictionary of Occupational Titles, published by the Department of Labor. 20 CFR 416.967.

Pursuant to 20 CFR 416.920, a five-step sequential evaluation process is used to determine disability. An individual's current work activity, the severity of the impairment, the residual functional capacity, past work, age, education and work experience are evaluated. If an individual is found disabled or not disabled at any point, no further review is made.

The first step is to determine if an individual is working and if that work is “substantial gainful activity” (SGA). If the work is SGA, an individual is not considered disabled regardless of medical condition, age or other vocational factors. 20 CFR 416.920(b).

Secondly, the individual must have a medically determinable impairment that is “severe” or a combination of impairments that is “severe.” 20 CFR 404.1520(c). An impairment or combination of impairments is “severe” within the meaning of regulations if it significantly limits an individual’s ability to perform basic work activities. An impairment or combination of impairments is “not severe” when medical and other evidence establish only a slight abnormality or a combination of slight abnormalities that would have no more than a minimal effect on an individual’s ability to work. 20 CFR 404.1521; Social Security Rulings (SSRs) 85-28, 96-3p, and 96-4p. If the Petitioner does not have a severe medically determinable impairment or combination of impairments, the Petitioner is not disabled. If the Petitioner has a severe impairment or combination of impairments, the analysis proceeds to the third step.

The third step in the process is to assess whether the impairment or combination of impairments meets a Social Security listing. If the impairment or combination of impairments meets or is the medically equivalent of a listed impairment as set forth in Appendix 1 and meets the durational requirements of 20 CFR 404.1509, the individual is considered disabled. If it does not, the analysis proceeds to the next step.

Before considering step four of the sequential evaluation process, the trier must determine the Petitioner’s residual functional capacity. 20 CFR 404.1520(e). An individual’s residual functional capacity is her ability to do physical and mental work activities on a sustained basis despite limitations from her impairments. In making this finding, the trier must consider all of the Petitioner’s impairments, including impairments that are not severe. 20 CFR 404.1520(e) and 404.1545; SSR 96-8p.

The fourth step of the process is whether the Petitioner has the residual functional capacity to perform the requirements of her past relevant work. 20 CFR 404.1520(f). The term past relevant work means work performed (either as the Petitioner actually performed it or as is it generally performed in the national economy) within the last 15 years or 15 years prior to the date that disability must be established. If the Petitioner has the residual functional capacity to do past relevant work, then the Petitioner is not disabled. If the Petitioner is unable to do any past relevant work or does not have any past relevant work, the analysis proceeds to the fifth step.

In the fifth step, an individual’s residual functional capacity is considered in determining whether disability exists. An individual’s age, education, work experience and skills are used to evaluate whether an individual has the residual functional capacity to perform work despite limitations. 20 CFR 416.920(e).

Here, Petitioner has satisfied requirements as set forth in steps one and two of the sequential evaluation. However, Petitioner’s impairments do not meet a listing as set forth in Appendix 1, 20 CFR 416.926 for step 3. Therefore, vocational factors will be

considered to determine Petitioner's residual functional capacity to do relevant work and past relevant work.

In the present case, Petitioner was seen by her treating physician on December 6, 2018. Her chief complaint was medication refill. Her reviewed problems were diabetes mellitus, hyperlipidemia, neuropathic Paris field, varicose veins of lower extremity, pharyngitis, muscle spasms, pain in left arm onset December 5, 2017 left arm, and fatigue. Petitioner was a pleasant 60-year-old female who presented to the clinic for medication refills. The patient has a history of insomnia where she takes Ambien. She admits she does not take the medication on a nightly basis and states sometimes she tends to wake up in the middle of the night where she takes ½ dose of the 5 mg Ambien. She denies depression and anxiety. She states she is generally well but sees a pain management specialist recently for left arm pain. She denies chest pain, shortness of breath, and any other complaints at this time. She had a normal physical examination. Department Exhibit 1, pgs. 135-138.

On November 9, 2018, Petitioner's treating specialist submitted a progress note on her behalf. She had an ultrasound guided by sip tendon sheath cortisone injection on October 30. She is starting to see some improvements with what she is able to do with this arm. Due to some limitation with her insurance, we agreed to wait and see how this does over the next several weeks following injection. She is hoping to avoid surgery. Department Exhibit 1, pgs. 81, 88-89.

On October 18, 2018, Petitioner was seen by her treating specialist for a trigger finger of the right little finger, interphalangeal distal osteoarthritis, and bilateral primary osteoarthritis of the first carpal metacarpal joints. Her chief complaint was first postop to no lysis of flexor tendons of the right small finger. This was a follow-up of a trigger finger release of the right small finger that was performed on October 12, 2018. It is too early to assess any results. She is doing well for the first postop. Department Exhibit 1, pgs. 52-54.

On September 11, 2018, Petitioner underwent an MRI of the lumbar spine without contrast. The radiologist's clinical impression was central disc protrusion with annular tear superimposed on a circumferential disc bulge and facet joint ligamentum flavum hypertrophy causing moderate bilateral neural foraminal narrowing and moderate central canal stenosis at L3- L4. There was central disc protrusion superimposed on a circumferential disc bulge and facet joint ligamentum flavuru hypertrophy causing mild central canal stenosis and mild-to-moderate neural foraminal narrowing, left greater than right at L4-L5. This protrusion abuts the left L5 nerve root and lateral recess. At L2 – L3, there is a circumferential disc bulge and facet joint ligamentum flavum hypertrophy causing mild bilateral neural foraminal narrowing without significant central canal stenosis. Department Exhibit 1, pgs. 72-77.

This Administrative Law Judge finds that Petitioner is physically limited with her bicep tendon but should be able to perform at least light work. She is in current treatment and

is improving. Petitioner does have limitations with her back, should still be able to perform light work.

It is the finding of this Administrative Law Judge, based upon the medical evidence and objective, physical and psychological findings that Petitioner testified that she does perform most of her daily living activities. Petitioner does feel that her condition has worsened due to the increase in back pain and left arm pain. Petitioner stated that she does not have any mental impairments. Petitioner does or has ever smoked cigarettes. She drinks alcohol seldomly. She does not or has ever used illegal and illicit drugs. Petitioner did not feel there was any work she could do.

At Step 4, this Administrative Law Judge finds that Petitioner has not established that she cannot perform any of her prior work. She was previously employed as a sales associate in February 2018, at the medium level. She has also been employed as a bank teller at the medium to heavy level, cashier, and hall monitor. Petitioner should be capable of performing at least light work. Therefore, Petitioner is disqualified from receiving disability at Step 4. Petitioner is capable of performing her past work at the light level.

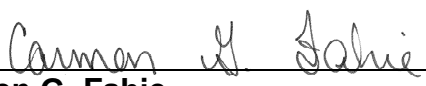
The Administrative Law Judge finds that the Petitioner could perform light work of her past relevant work and that Petitioner does not meet the definition of disabled under the SDA program.

### **DECISION AND ORDER**

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 Petitioner not disabled for purposes of the SDA benefit program. Petitioner could perform light work of her past relevant work and that Petitioner does not meet the definition of disabled under the SDA program.

Accordingly, the Department's determination is **AFFIRMED**.

CF/hb

  
\_\_\_\_\_  
**Carmen G. Fahie**  
Administrative Law Judge  
for Robert Gordon, 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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR 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**

Vivian Worden  
21885 Dunham Road  
Clinton Twp., MI 48036

Macomb County (District 12), DHHS

BSC4 via electronic mail

L. Karadsheh via electronic mail

**Petitioner**

[REDACTED], MI [REDACTED]