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GOVERNOR

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

ORLENE HAWKS  
DIRECTOR

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██████████, MI ██████████

Date Mailed: February 7, 2020  
MOAHR Docket No.: 19-013768  
Agency No.: ██████████  
Petitioner: ██████████ ██████████

**ADMINISTRATIVE LAW JUDGE:** Landis Lain

**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 February 4, 2020, from Lansing, Michigan. The Petitioner was represented by Petitioner, ██████████ ██████████. The Department of Health and Human Services (Department or Respondent) was represented by Zelia Cobb, Medical Contact Worker and Hearings Facilitator.

Respondent's Exhibit A pages 1-796 were admitted as evidence.

**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 ██████████ ██████████ 2019, Petitioner filed an application for SDA benefits alleging disability.
- (2) Petitioner receives Medical Assistance (MA) benefits and Food Assistance Program (FAP) benefits.
- (3) On December 17, 2019, the Medical Review Team denied Petitioner's application stating that Petitioner could perform prior work.
- (4) On December 20, 2019, the Department caseworker sent Petitioner notice that the application was denied.

- (5) On December 30, 2019, Petitioner filed a request for a hearing to contest the Department's negative action.
- (6) On January 17, 2020, the Michigan Office of Administrative Hearings and Rules received a hearing summary and attached documentation.
- (7) On February 4, 2020, the hearing was held.
- (8) Petitioner is a [REDACTED]-year-old woman whose date of birth is [REDACTED] [REDACTED] 1960. She is [REDACTED] tall and weighs [REDACTED] lbs. Petitioner has bachelor's degree in business management.
- (9) Petitioner last worked in June 2019, as a reading intervention para-professional. She also worked as a job coach and as an overnight manager of a women's shelter.
- (10) Petitioner alleges as disabling impairments: sleep apnea, morbid obesity, gout, edema, hypothyroid, hypertension, Post Traumatic Stress disorder, depression, conversion disorder, anxiety, panic attacks and childhood sexual assault by her grandfather from ages 9-12.

### **CONCLUSIONS OF LAW**

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901-400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his or her claim for assistance has been denied. MAC R 400.903(1). Clients have the right to contest a Department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The Department will provide an administrative hearing to review the decision and determine the appropriateness of that decision. BAM 600.

Department policies are contained in the following Department of Health and Human Services Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and 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 of Human Services uses the federal Supplemental Security Income (SSI) policy in determining eligibility for disability under the Medical Assistance 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

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 is 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.

If an individual is working and the work is substantial gainful activity, the individual is not disabled regardless of the medical condition, education and work experience. 20 CFR 416.920(c).

If the impairment or combination of impairments do not significantly limit physical or mental ability to do basic work activities, it is not a severe impairment(s) and disability does not exist. Age, education and work experience will not be considered. 20 CFR 416.920.

Statements about pain or other symptoms do not alone establish disability. There must be medical signs and laboratory findings which demonstrate a medical impairment. 20 CFR 416.929(a).

...Medical reports should include:

- (1) Medical history;
- (2) Clinical findings (such as the results of physical or mental status examinations);
- (3) Laboratory findings (such as blood pressure, X-rays);
- (4) Diagnosis (statement of disease or injury based on its signs and symptoms). 20 CFR 416.913(b).

The person claiming a physical, or mental, disability has the burden to establish it through the use of competent medical evidence from qualified medical sources such as clinical/laboratory findings, diagnosis/prescribed treatment, prognosis for a recovery and/or medical assessment of ability to do work-related activities, or ability to reason

and to make appropriate mental adjustments, if a mental disability is being alleged. 20 CFR 416.913.

In determining disability under the law, the ability to work is measured. An individual's functional capacity for doing basic work activities is evaluated. If an individual has the ability to perform basic work activities without significant limitations, he or she is not considered disabled. 20 CFR 416.994(b)(1)(iv).

Basic work activities are 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).

Medical findings must allow a determination of (1) the nature and limiting effects of your impairment(s) for any period in question; (2) the probable duration of the impairment; and (3) the residual functional capacity to do work-related physical and mental activities. 20 CFR 416.913(d).

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 your symptoms, diagnosis and prognosis, what an individual can do despite impairment(s), and the physical or mental restrictions. 20 CFR 416.927(a)(2).

All of the evidence relevant to the claim, including medical opinions, is reviewed and findings are made. 20 CFR 416.927(c).

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).

A statement by a medical source finding that an individual is "disabled" or "unable to work" does not mean that disability exists for the purposes of the program. 20 CFR 416.927(e).

When determining disability, the federal regulations require that several considerations be analyzed in sequential order. If disability can be ruled out at any step, analysis of the next step is not required. These steps are:

1. Does the client perform Substantial Gainful Activity (SGA)? If yes, the client is ineligible for MA. If no, the analysis continues to Step 2. 20 CFR 416.920(b).
2. Does the client have a severe impairment that has lasted or is expected to last 12 months or more or result in death? If no, the client is ineligible for MA. If yes, the analysis continues to Step 3. 20 CFR 416.920(c).
3. Does the impairment appear on a special listing of impairments or are the client's symptoms, signs, and laboratory findings at least equivalent in severity to the set of medical findings specified for the listed impairment? If no, the analysis continues to Step 4. If yes, MA is approved. 20 CFR 416.290(d).
4. Can the client do the former work that he/she performed within the last 15 years? If yes, the client is ineligible for MA. If no, the analysis continues to Step 5. 20 CFR 416.920(e).
5. Does the client have the Residual Functional Capacity (RFC) to perform other work according to the guidelines set forth at 20 CFR 404, Subpart P, Appendix 2, Sections 200.00-204.00? If yes, the analysis ends, and the client is ineligible for MA. If no, MA is approved. 20 CFR 416.920(f).

At Step 1, Petitioner is not engaged in substantial gainful activity and has not worked since 2019. Petitioner is not disqualified from receiving disability at Step 1.

The subjective and objective medical evidence on the record indicates: Petitioner testified on the record that she lives with her daughter in the house. She lives in Section 8 housing and her rent is paid by HUD. She is single, with no children under 18, and no income. She receives food assistance program benefits and medical assistance benefits. Petitioner does have a driver's license and drives 3-4 days a week approximately 10 miles to church, grocery shopping and CVS. Petitioner cooks in the

microwave and her daughter does the cooking. Petitioner does not do chores or cleaning. Petitioner alleges that she can stand for 10-15 minutes and can sit for 15-20 minutes. She can walk a half block. She can shower, dress, tie her shoes but not touch her toes or squat down. Petitioner alleges that her level of pain on a scale from 1 to 10 as a 9.5 without medication and with medication is a 3. Petitioner is righthanded. Her hands and arms are fine, and her legs and feet are fine except she has gout. Petitioner does not smoke or take drugs besides medication. She drinks a glass of wine on Fridays.

This Administrative Law Judge did consider the entire record in making this decision.

A December 17, 2019 Disability Determination Explanation indicates that Petitioner has BMI of 48.2. She is advanced age. A residual functional capacity assessment indicates that Petitioner can occasionally carry 20 pounds, frequently carry 10 pounds and stand, sit and walk about six hours out of an eight-hour workday. She can push or pull an unlimited fashion. She can frequently climb stairs, occasionally climb ladders and has unlimited balance. She can occasionally stoop, crouch and crawl. She has morbid obesity with back pain and reduced range of motion limit some postural activities. Petitioner does not have manipulative, visual, communicative or environmental limitations (Pages 23- 24). Petitioner is not disabled. Petitioner's condition results in some limitations in her ability to perform work related activities. However, the limitations do not prevent petitioner from performing work she has done in the past as a job coach as she described. The disability determination services has determined that petitioner's condition is not severe enough to keep her from working. They considered the medical and other information and work experience in determining how her condition affects her ability to work. (page 38).

An October 4, 2019 medical examination report indicates that petitioner was well-nourished, well developed, alert, and no acute distress with large body habitus. Her head was atraumatic, normocephalic, incision healing well. She had no tenderness or masses present. Her pupils were equal, round and reactive to light and accommodation bilaterally. Her hearing was intact to conversational voice in both years her breathing was normal and on labored she has some wheezing present in her lungs. Her cardiovascular area had regular rate and rhythm, no murmurs, gallops or rubs. Mild lower extremity edema present, no cyanosis, no distal hair loss, normal capillary refill. The abdomen was nontender to palpation, tone normal without rigidity or guarding, no masses present, abdominal contour's Hold. No lymphadenopathy in the liver and spleen, liver nontender to palpation, spleen not palpable. The musculoskeletal area petitioner had no deformities or tenderness present. Pelvic stability was normal. Public musculature strength 5/5. The paraspinal muscle strength and tone was within normal limits, paraspinal muscle tone within more normal limits. Upper extremities had normal range of motion lower extremities have normal range of motion. Mental status examination the orientation was grossly oriented to person, place and time. Her memory was intact, immediate recall intact, long-term recall intact. Judgment and insight were intact the mood was normal affect was appropriate. Her blood pressure was 126/80, (Pages 199-202).

On September 22, 2019. Petitioner presented with left foot pain and ankle swelling. No acute fracture or dislocation. Normal bone density. No acute fracture or dislocation is seen. Small plantar calcaneal spur measuring 6 mm. There is redemonstrations of prominent soft tissue swelling. (Page 383)

A September 15, 2019 left foot X-ray indicates no acute fracture, dislocation or other acute osseous abnormality. (Page 367)

An August 21, 2019 Cardiology report indicates no murmurs, S1, S2 normal. Lungs were clear to auscultation bilaterally. Extremities 1+ pitting edema lower extremities. Blood pressure was stable on medication (BP 124/82) Negative for DVT. (Page 404)

A July 19, 2019 report assessed Petitioner with essential hypertension, pure hypercholesterolemia, Atherosclerosis of native coronary artery of native heart without angina pectoris, obstructive sleep apnea and localized edema. BP 148/74, Oxygen saturation 93%, weight 279 lbs. (Page 406)

An April 14, 2019 medical examination report was normal in all areas. (Page 323)

A March 13, 2019 indicates that Petitioner was treated for tibial tendonitis of the right leg. (Page 446)

At Step 2, Petitioner has the burden of proof of establishing that she has a severely restrictive physical or mental impairment that has lasted or is expected to last for the duration of at least 12 months. There is insufficient objective clinical medical evidence in the record that Petitioner suffers a severely restrictive physical or mental impairment. Petitioner has reports of pain in multiple areas of her body; however, there are no corresponding clinical findings that support the reports of symptoms and limitations made by Petitioner. There are insufficient laboratory or X-ray findings listed in the file which support Petitioner's contention of disability. The clinical impression is that Petitioner is stable. There is no medical finding that Petitioner has any muscle atrophy or trauma, abnormality, or injury that is consistent with a deteriorating condition. In short, Petitioner has restricted herself from tasks associated with occupational functioning based upon her reports of pain (symptoms) rather than medical findings. Reported symptoms are an insufficient basis upon which a finding that Petitioner has met the evidentiary burden of proof can be made. This Administrative Law Judge finds that the medical record is insufficient to establish that Petitioner has a severely restrictive physical impairment.

A September 19, 2019 mental status examination indicates that Petitioner is diagnosed with major depressive disorder, post-traumatic stress disorder and borderline personality disorder. Petitioner is applying for Social Security Disability and has been unable to work because of dissociative symptoms and difficulty with concentration and memory. Alleges audio hallucinations, racing thoughts, panic attacks, sadness, hopelessness, loss of interest. Her access GAF was 48 (Pages 497-498)

A May 22, 2019 Mental Status examination indicates that Petitioner was alert and oriented to time person and place. No aphasia or dysarthria. Speech is fluent. Attention and concentration were good. Cranial nerves II through XII were intact.

Petitioner's diagnostic summary conducted September 6, 2017 indicates that Petitioner is a ■ year old African American lady with a BA degree, mother of two, who has been in psych therapy for the last 25 years or more, who has been psychiatrically hospitalized twice, who is a victim of childhood neglect and much sexual abuse, who is going through depression, anxiety and mood swings, all related to her decision to take care of her mother who is very ill and that resulted in Petitioner's worsening symptoms. She was suffering from a severe mood disorder and was in need of meds, ongoing psych follow-up and therapy. (Page 539)

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, App. 1, 12.00(C).

There is insufficient objective medical/psychiatric evidence in the record indicating Petitioner suffers severe mental limitations. Petitioner was oriented to time, person and place during the hearing. Petitioner was able to answer all the questions at the hearing and was responsive to the questions. The evidentiary record is insufficient to find that Petitioner suffers a severely restrictive mental impairment. For these reasons, this Administrative Law Judge finds that Petitioner has failed to meet her burden of proof at Step 2. Petitioner must be denied benefits at this step based upon her failure to meet the evidentiary burden.

If Petitioner had not been denied at Step 2, the analysis would proceed to Step 3 where the medical evidence of Petitioner's condition does not give rise to a finding that she would meet a statutory listing in the code of federal regulations.

At Step 3, the medical evidence of Petitioner's condition does not give rise to a finding that Petitioner would meet a statutory listing in the code of federal regulations. This Administrative Law Judge finds that Petitioner's medical record does not support a finding that Petitioner's impairment(s) is a "listed impairment" or equal to a listed impairment. See Appendix 1 of Subpart P of 20 CFR Part 404, Part A.

If Petitioner had not already been denied at Step 2, this Administrative Law Judge would have to deny her again at Step 4 based upon her ability to perform her past relevant work. There is no evidence upon which this Administrative Law Judge could base a finding that Petitioner is unable to perform work in which she has been engaged in the past. Therefore, if Petitioner had not already been denied at Step 2, she would be denied again at Step 4.



The Administrative Law Judge will continue to proceed through the sequential evaluation process to determine whether or not Petitioner has the residual functional capacity to perform some other less strenuous tasks than in her prior jobs.

At Step 5, the burden of proof shifts to the Department to establish that Petitioner does not have residual functional capacity.

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.

**Sedentary work.** 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. 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. Jobs are sedentary if walking and standing are required occasionally and other sedentary criteria are met. 20 CFR 416.967(a).

**Light work.** Light work involves lifting no more than 20 pounds at a time with frequent lifting or carrying of objects weighing up to 10 pounds. 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.... 20 CFR 416.967(b).

Petitioner has submitted insufficient objective medical evidence that she lacks the residual functional capacity to perform some other less strenuous tasks than in her prior employment, or that she is physically unable to do light or sedentary tasks if demanded of her. Petitioner's activities of daily living do not appear to be very limited and she should be able to perform light or sedentary work even with her impairments. Petitioner has failed to provide the necessary objective medical evidence to establish that she has a severe impairment or combination of impairments which prevent her from performing any level of work for a period of 12 months. Petitioner's testimony as to her limitations indicates that she should be able to perform light or sedentary work.

There is insufficient objective medical/psychiatric evidence contained in the file of depression or a cognitive dysfunction that is so severe that it would prevent Petitioner from working at any job. Petitioner was able to answer all the questions at the hearing and was responsive to the questions. Petitioner was oriented to time, person and place during the hearing. Petitioner's complaints of pain, while profound and credible, are out of proportion to the objective medical evidence contained in the file as it relates to

Petitioner's ability to perform work. Therefore, this Administrative Law Judge finds that the objective medical evidence on the record does not establish that Petitioner has no residual functional capacity. Petitioner is disqualified from receiving disability at Step 5 based upon the fact that she has not established by objective medical evidence that she cannot perform light or sedentary work; even with her impairments. Under the Medical-Vocational guidelines, an individual (age 59), with a four-year degree, who is limited to light work, is not considered disabled.

Careful consideration has been given to Petitioner's allegations and symptoms. Petitioner has established that her mental condition could cause problems with daily and work functioning. However, the totality of the evidence does not support total disability. Petitioner's medically determinable impairments could reasonably be expected to produce alleged symptoms, Petitioner's statements concerning the intensity, persistence and limiting effects of these symptoms do not result in disability when compared to the limitations suggested by the objective medical evidence contained in the file.

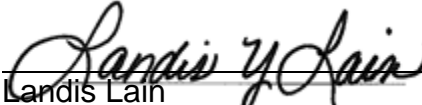
The Department has established by the necessary competent, material and substantial evidence on the record that it was acting in compliance with Department policy when it determined that Petitioner was not eligible to receive State Disability Assistance.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the Department has appropriately established on the record that it was acting in compliance with Department policy when it denied Petitioner's application for State Disability Assistance benefits based upon disability. Petitioner should be able to perform a wide range of light or sedentary work even with her impairments. The Department has established its case by a preponderance of the evidence.

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

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Landis Lain  
Administrative Law Judge  
for Robert Gordon, Director  
Department of Health and Human Services

