GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS DIRECTOR



Date Mailed: March 26, 2020 MOAHR Docket No.: 20-000867

Agency No.:
Petitioner:

#### **ADMINISTRATIVE LAW JUDGE: Zainab A. Baydoun**

#### **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 27, 2020 from Detroit, Michigan. Petitioner appeared for the hearing and represented himself. The Department of Health and Human Services (Department) was represented by Lacy Miller, Family Independence Manager.

# <u>ISSUE</u>

Did the Department properly determine 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. On or around assistance on the basis of a disability.
- 2. On or around January 21, 2020, the DDS found Petitioner not disabled for purposes of the SDA program. The DDS determined that Petitioner was capable of performing other work. (Exhibit A, pp. 234-251)
- 3. On January 23, 2020, the Department sent Petitioner a Notice of Case Action denying his SDA application based on DDS' finding that he was not disabled. (Exhibit A, pp. 252-256)
- 4. On January 30, 2020, Petitioner submitted a written Request for Hearing disputing the Department's denial of his SDA application.

- 5. Petitioner alleged physically disabling impairments due to pain from arthritis in his leg, hip, back, and knee, resulting in difficulty walking, bending and losing balance. There was no evidence that Petitioner alleged any mental disabling impairments.
- 6. As of the hearing date, Petitioner was years old with a second, 1981 date of birth; he was 6'1" and weighed 192pounds.
- 7. Petitioner obtained a high school diploma and has reported employment history of work in building construction performing roofing and other repairs, as well as in solution maintenance at an automotive factory. Petitioner has not been employed since July 2018.
- 8. Petitioner has a pending disability claim with the Social Security Administration (SSA).

## **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.

Petitioner applied for cash assistance alleging a disability. A disabled person is eligible for SDA. BEM 261 (April 2017), p. 1. An individual automatically qualifies as disabled for purposes of the SDA program if the individual receives Supplemental Security Income (SSI) or Medical Assistance (MA-P) benefits based on disability or blindness. BEM 261, p. 2. Otherwise, to be considered disabled for SDA purposes, a person must have a physical or mental impairment for at least ninety days which meets federal SSI disability standards, meaning the person is unable to do any substantial gainful activity by reason of any medically determinable physical or mental impairment. BEM 261, pp. 1-2; 20 CFR 416.901; 20 CFR 416.905(a).

Determining whether an individual is disabled for SSI purposes requires the application of a five step evaluation of whether the individual (1) is engaged in substantial gainful activity (SGA); (2) has an impairment that is severe; (3) has an impairment and duration that meet or equal a listed impairment in Appendix 1 Subpart P of 20 CFR 404; (4) has the residual functional capacity to perform past relevant work; and (5) has the residual functional capacity and vocational factors (based on age, education and work experience) to adjust to other work. 20 CFR 416.920(a)(1) and (4); 20 CFR 416.945. If an individual is found disabled, or not disabled, at any step in this process, a determination or decision is made with no need to evaluate subsequent steps. 20 CFR

416.920(a)(4). If a determination cannot be made that an individual is disabled, or not disabled at a particular step, the next step is required. 20 CFR 416.920(a)(4).

In general, the individual has the responsibility 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, if a mental disability is alleged, to reason and make appropriate mental adjustments. 20 CFR 416.912(a); 20 CFR 416.913. 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). Similarly, conclusory statements by a physician or mental health professional that an individual is disabled or blind, absent supporting medical evidence, are insufficient to establish disability. 20 CFR 416.927(d).

#### Step One

The first step in determining whether an individual is disabled requires consideration of the individual's current work activity. 20 CFR 416.920(a)(4)(i). If an individual is working and the work is SGA, then the individual must be considered not disabled, regardless of medical condition, age, education, or work experience. 20 CFR 416.920(b); 20 CFR 416.971. SGA means work that involves doing significant and productive physical or mental duties and that is done, or intended to be done, for pay or profit. 20 CFR 416.972.

In this case, Petitioner was not working during the period for which assistance might be available. Because Petitioner was not engaged in SGA, he is not ineligible at Step 1, and the analysis continues to Step 2.

#### **Step Two**

Under Step 2, the severity and duration of an individual's alleged impairment is considered. If the individual does not have a severe medically determinable physical or mental impairment (or a combination of impairments) that meets the duration requirement, the individual is not disabled. 20 CFR 416.920(a)(4)(ii). The duration requirement for SDA means that the impairment is expected to result in death or has lasted, or is expected to last, for a continuous period of at least 90 days. 20 CFR 416.922; BEM 261, p. 2.

An impairment, or combination of impairments, is severe if it significantly limits an individual's physical or mental ability to do basic work activities. 20 CFR 416.920(a)(4)(ii); 20 CFR 416.920(c). Basic work activities mean the abilities and aptitudes necessary to do most jobs, such as (i) physical functions such as walking, standing, sitting, lifting, pushing, pulling, reaching, carrying, or handling; (ii) the capacity to see, hear, and speak; (iii) the ability to understand, carry out, and remember simple instructions; (iv) use of judgment; (v) responding appropriately to supervision, coworkers and usual work situations; and (vi) dealing with changes in a routine work setting. 20 CFR 416.921(b). A claim may be denied at Step 2 only if the evidence

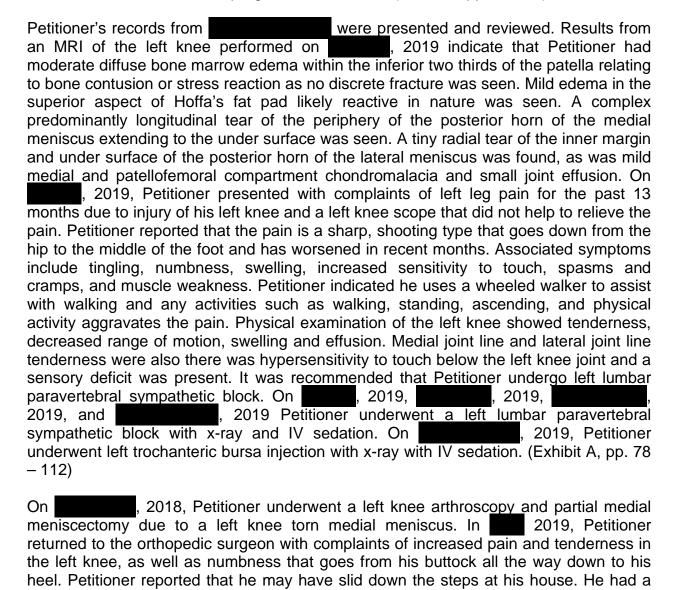
shows that the individual's impairments, when considered in combination, do not have more than a minimal effect on the person's physical or mental ability to perform basic work activities. Social Security Ruling (SSR) 85-28.

The individual bears the burden to present sufficient objective medical evidence to substantiate the alleged disabling impairments. While the Step 2 severity requirement may be employed as an administrative convenience to screen out claims that are totally groundless solely from a medical standpoint, under the de minimis standard applied at Step 2, an impairment is severe unless it is only a slight abnormality that minimally affects work ability regardless of age, education and experience. *Higgs v Bowen*, 880 F2d 860, 862-863 (CA 6, 1988), citing *Farris v Sec of Health and Human Services*, 773 F2d 85, 90 n.1 (CA 6, 1985). A claim may be denied at Step 2 only if the evidence shows that the individual's impairments, when considered in combination, are not medically severe, i.e., do not have more than a minimal effect on the person's physical or mental ability to perform basic work activities. Social Security Ruling (SSR) 85-28. If such a finding is not clearly established by medical evidence or if the effect of an impairment or combination of impairments on the individual's ability to do basic work activities cannot be clearly determined, adjudication must continue through the sequential evaluation process. Id.; SSR 96-3p.

The medical evidence presented at the hearing was thoroughly reviewed and is briefly summarized below.

On or around , 2020, Petitioner participated in a consultative physical examination during which he reported that his chief complaints were osteoarthritis, ulcerative colitis and finger amputation. He reported a chronic history of lower back and knee pain after sustaining a slip and fall injury while working in 2018. He sustained a meniscus tear to the left knee and underwent arthroscopic repair. He reported suffering from chronic left knee pain that radiates up into the left hip and down into his left foot. He makes use of the knee brace and is currently not undergoing any physical therapy. Petitioner reported that his last employment was in July 2018 at which time he worked construction but stopped due to his knee injury. He reported an ability to do light household chores and grocery shopping with the use of an amigo scooter. Petitioner reported that he can sit for 20 minutes, stand for 5 to 10 minutes and lift not more than 10 pounds. Upon physical examination of the musculoskeletal system, there was no evidence of joint laxity, crepitance or effusion. There was tenderness at the left knee, his grip strength was intact, and dexterity unimpaired. He was able to button clothing and open a door but had difficulty getting on and off the examination table and was unable to heel and toe walk, unable to squat and had moderate difficulty standing three seconds on the left foot. There was tenderness at the left SI joint and trochanteric notch of the left hip. Straight leg raising was negative and there were no paravertebral muscle spasms. His motor strength was diminished to 4/5 at the left knee and diminished sensation distal to the left knee was noted. Petitioner was observed to walk with a moderate left Trendelenburg gait without the use of an assistive device. The examining physician concluded that Petitioner had moderately diminished range of motion to the

left knee with diffuse tenderness. There was no effusion noted however, he underwent arthroscopic repair and continues to have active inflammation. In regards to Petitioner's back, he has tenderness over the left sacroiliac joint and subtle findings of radiculopathy into the left leg. He has associated tenderness over the trochanteric notch of the left hip which appears to be due to compensation. Petitioner uses a knee brace which appears to be helpful for pain control as well as for balance, especially on uneven ground. It was noted that Petitioner may require further operative repair to his left knee but does not appear to require operative intervention to the lumbar spine. It was concluded that Petitioner is at risk for future progression over time. (Exhibit A pp.67 – 73).



repeat MRI done, which revealed a bone bruise of the patella and irregularities of the lateral meniscus and possible meniscus tear or questionable postoperative interference. During the appointment, Petitioner reported his pain as aching and shooting, as well as an inability to bear weight and loss of motion. He indicated his symptoms are

aggravated by movement and have been intermittent since their onset. Petitioner was to wear his knee brace and engage in formal physical therapy. He was to return for follow-up in 4 to 6 weeks for reevaluation. (Exhibit A, pp.113 – 159)

Records from Petitioner's treatment with the presented and reviewed. Records show that Petitioner was receiving treatment for sciatic nerve pain, and chronic pain in his lower back, hip, and leg for which he was prescribed Lyrica and Ultram for pain. (Exhibit A, pp. 160-210)

In consideration of the *de minimis* standard necessary to establish a severe impairment under Step 2, the foregoing medical evidence is sufficient to establish that Petitioner suffers from severe physical impairments that have lasted or are expected to last for a continuous period of not less than 90 days. Therefore, Petitioner has satisfied the requirements under Step 2, and the analysis will proceed to Step 3.

#### **Step Three**

Step 3 of the sequential analysis of a disability claim requires a determination if the individual's impairment, or combination of impairments, is listed in Appendix 1 of Subpart P of 20 CFR, Part 404. 20 CFR 416.920(a)(4)(iii). If an individual's impairment, or combination of impairments, is of a severity to meet or medically equal the criteria of a listing and meets the duration requirement (20 CFR 416.909), the individual is disabled. If not, the analysis proceeds to the next step.

Based on the medical evidence presented in this case, listings 1.02 (Major dysfunction of a joint(s) (due to any cause)), and 1.04 (disorders of the spine) were considered. A thorough review of the medical evidence presented does **not** show that Petitioner's impairments meet or equal the required level of severity of any of the listings in Appendix 1 to be considered as disabling without further consideration. Therefore, Petitioner is not disabled under Step 3 and the analysis continues to Step 4.

### **Residual Functional Capacity**

If an individual's impairment does not meet or equal a listed impairment under Step 3, before proceeding to Steps 4 and 5, the individual's residual functional capacity (RFC) is assessed. 20 CFR 416.920(a)(4); 20 CFR 416.945. RFC is the most an individual can do, based on all relevant evidence, despite the limitations from the impairment(s), including those that are not severe, and takes into consideration an individual's ability to meet the physical, mental, sensory and other requirements of work. 20 CFR 416.945(a)(1), (4); 20 CFR 416.945(e).

RFC is assessed based on all relevant medical and other evidence such as statements provided by medical sources, whether or not they are addressed on formal medical examinations, and descriptions and observations of the limitations from impairment(s) provided by the individual or other persons. 20 CFR 416.945(a)(3). This includes consideration of (1) the location/duration/frequency/intensity of an applicant's pain; (2) the type/dosage/effectiveness/side effects of any medication the applicant takes to

relieve pain; (3) any treatment other than pain medication that the applicant has received to relieve pain; and (4) the effect of the applicant's pain on his or her ability to do basic work activities. 20 CFR 416.929(c)(3). The applicant's pain must be assessed to determine the extent of his or her functional limitation(s) in light of the objective medical evidence presented. 20 CFR 416.929(c)(2).

Limitations can be exertional, nonexertional, or a combination of both. 20 CFR 416.969a. If individual's impairments and related symptoms, such as pain, affect only the ability to meet the strength demands of jobs (i.e., sitting, standing, walking, lifting, carrying, pushing, and pulling), the individual is considered to have only exertional limitations. 20 CFR 416.969a(b).

The exertional requirements, or physical demands, of work in the national economy are classified as sedentary, light, medium, heavy, and very heavy. 20 CFR 416.967; 20 CFR 416.969a(a). 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 and occasionally walking and standing. 20 CFR 416.967(a). 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 the light 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). 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). 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). Very heavy work involves lifting objects weighing more than 100 pounds at a time with frequent lifting or carrying of objects weighing more than 100 pounds at a time with frequent lifting or carrying of objects weighing more than 100 pounds at a time with frequent lifting or carrying of objects weighing 50 pounds or more. 20 CFR 416.967(e).

If an individual has limitations or restrictions that affect the ability to meet demands of jobs **other than** strength, or exertional, demands, the individual is considered to have only nonexertional limitations or restrictions. 20 CFR 416.969a(a) and (c). Examples of non-exertional limitations or restrictions 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 (i.e., unable to tolerate dust or fumes); or difficulty performing the manipulative or postural functions of some work such as reaching, handling, stooping, climbing, crawling, or crouching. 20 CFR 416.969a(c)(1)(i) – (vi).

In this case, Petitioner alleges both exertional and nonexertional limitations due to his medical conditions. Petitioner testified that he suffered an injury in 2018 while at work and since then has arthritis and pain in his back, left hip, left knee, and left leg. He reported receiving shots to manage his pain and stated that he underwent surgery in 2018. Petitioner reported that his pain shoots down to his foot and back on his left side. Petitioner testified that he is able to walk for only a few minutes as he is

required to wear a knee brace or immobilizer at all times. He also reported that he uses a tens unit that shoots electrodes to his leg to manage his pain. At times, he reported the use of a walker. Petitioner indicated that he is able to sit for about 10 minutes before needing to readjust. The Department worker present for the hearing testified that she observed Petitioner's left leg in a brace propped up on another chair while seated in the hearing room and observed Petitioner moving around in his chair to readjust positions. Petitioner testified that he loses his balance often and is unable to walk on inclined surfaces. He reported that he can stand for about 20 minutes and is able to lift not more than a gallon of milk. He reported difficulty with stairs, stating that he has suffered frequent falls. While he reported no issues gripping or grasping items with his hands, he further testified that he cannot bend or squat. Petitioner indicated that he had his bedroom moved to the lower level of the home and that he is able to bathe himself but requires assistance in the shower, as he cannot wash his lower body. He also reported requiring assistance getting in and out of the shower. Petitioner testified that he is able to dress himself but has had to make adjustments to these actions. He reported that he is unable to do chores around the home, with the exception of washing dishes while seated. Petitioner reported that he is able to prepare basic meals using a microwave and makes simple foods such as sandwiches.

A two-step process is applied in evaluating an individual's symptoms: (1) whether the individual has a medically determinable impairment that could reasonably be expected to produce the individual's alleged symptoms and (2) whether the individual's statement about the intensity, persistence and limiting effects of symptoms are consistent with the objective medical evidence and other evidence on the record from the individual, medical sources and nonmedical sources. SSR 16-3p.

The evidence presented is considered to determine the consistency of Petitioner's statements regarding the intensity, persistence and limiting effects of his symptoms. Although the MRI of Petitioner's left knee performed in an attention 2019 after an arthroscopy and meniscus repair showed edema and a tear of the periphery of the posterior horn of the medial meniscus extending to the under surface, and the consultative exam indicated that Petitioner's condition may worsen, at present, the records presented from his treating physicians and the orthopedic surgeon do not show that Petitioner was severely restricted in his abilities. As referenced above, Petitioner has medically determinable impairments that could reasonably be expected to produce symptoms including difficulty standing, walking and balancing due to his back, leg, and knee pain. However, Petitioner's statements about the intensity, persistence and limiting effects of his symptoms are not fully supported by the objective medical evidence presented for review and referenced in the above discussion.

Therefore, based on a thorough review of Petitioner's medical records and in consideration of the above referenced evidence, with respect to Petitioner's exertional limitations, it is found that Petitioner maintains the physical capacity to perform sedentary work as defined by 20 CFR 416.967(a). Petitioner has additional nonexertional limitations with respect to performing postural functions of some work

such as stooping, climbing, crawling, or crouching, as evidenced by the results of the consultative physical examination and the MRI. Based on the medical evidence presented, as well as Petitioner's testimony, it is found that Petitioner has moderate limitations on his nonexertional ability to perform basic work activities, as related to his left hip, leg, and knee.

Petitioner's RFC is considered at both Steps 4 and 5. 20 CFR 416.920(a)(4), (f) and (g).

#### **Step Four**

Step 4 in analyzing a disability claim requires an assessment of Petitioner's RFC and past relevant employment. 20 CFR 416.920(a)(4)(iv). Past relevant work is work that has been performed by Petitioner (as actually performed by Petitioner or as generally performed in the national economy) within the past 15 years that was SGA and that lasted long enough for the individual to learn the position. 20 CFR 416.960(b)(1) and (2). An individual who has the RFC to meet the physical and mental demands of work done in the past is not disabled. *Id.*; 20 CFR 416.960(b)(3); 20 CFR 416.920. Vocational factors of age, education, and work experience, and whether the past relevant employment exists in significant numbers in the national economy are **not** considered. 20 CFR 416.960(b)(3).

Petitioner's work history in the 15 years prior to the application consists of work in construction and as a solution maintenance worker at an automotive factory. Upon review, Petitioner's past employment is categorized as requiring medium to heavy exertion. Based on the RFC analysis above, Petitioner's exertional RFC limits him to sedentary work activities. As such, Petitioner is incapable of performing past relevant work. Because Petitioner is unable to perform past relevant work, he cannot be found disabled, or not disabled, at Step 4, and the assessment continues to Step 5.

#### Step 5

If an individual is incapable of performing past relevant work, Step 5 requires an assessment of the individual's RFC and age, education, and work experience to determine whether an adjustment to other work can be made. 20 CFR 416.920(a)(4)(v); 20 CFR 416.920(c). If the individual can adjust to other work, then there is no disability; if the individual cannot adjust to other work, then there is a disability. 20 CFR 416.920(a)(4)(v).

At this point in the analysis, the burden shifts from Petitioner to the Department to present proof that Petitioner has the RFC to obtain and maintain substantial gainful employment. 20 CFR 416.960(c)(2); *Richardson v Sec of Health and Human Services*, 735 F2d 962, 964 (CA 6, 1984). 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).

When the impairment(s) and related symptoms, such as pain, only affect the ability to perform the exertional aspects of work-related activities, Medical-Vocational guidelines found at 20 CFR Subpart P, Appendix 2, 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).

However, when a person has a combination of exertional and nonexertional limitations or restrictions, the rules pertaining to the strength limitations provide a framework to guide the disability determination **unless** there is a rule that directs a conclusion that the individual is disabled based upon strength limitations. 20 CFR 416.969a(d).

In this case, Petitioner was years old at the time of application and at the time of hearing, and thus, considered to be a younger individual (age Appendix 2. He obtained a high school diploma and has unskilled work history that is not transferable. As discussed above, Petitioner maintains the exertional RFC for work activities on a regular and continuing basis to meet the physical demands to perform sedentary work activities. Thus, based solely on his exertional RFC, the Medical-Vocational Guidelines, 201.27, result in a finding that Petitioner is not disabled.

Additionally, Petitioner has a nonexertional RFC imposing moderate limitations on his non-exertional ability to perform basic work activities with respect to performing postural functions of some work such as stooping, climbing, crawling, or crouching. Based on the evidence presented, at this time, it is found that the limitations identified would not preclude Petitioner from engaging in simple, unskilled, sedentary work activities on a sustained basis. Therefore, Petitioner is able to adjust to other work and is not disabled at Step 5.

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.

### **DECISION AND ORDER**

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

ZB/tm

Zainab A. Baydoun
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 Office of Administrative Hearings and Rules Reconsideration/Rehearing Request P.O. Box 30639 Lansing, Michigan 48909-8139 **DHHS** 

Erin Bancroft 105 W. Tolles Drive St. Johns, MI 48879

Petitioner



cc: SDA: L. Karadsheh AP Specialist (2) Clinton