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GOVERNOR

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

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DIRECTOR

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████████████████████, MI ██████████

Date Mailed: August 24, 2022
MOAHR Docket No.: 22-002923
Agency No.: ██████████
Petitioner: ██████████ ██████████

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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. After due notice, telephone hearing was held on August 9, 2022, from Lansing, Michigan. Petitioner represented himself. The Department was represented by Brad Reno.

ISSUE

Did the Department of Health and Human Services (Department) properly deny Petitioner's application for State Disability Assistance (SDA) benefits?

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 ██████████ ██████████ 2022, Petitioner filed an application for State Disability Assistance (SDA) benefits.
2. Petitioner provided verification that he had an appointment to file for Social Security disability benefits on March 15, 2022. Exhibit A, p 7.
3. Department records indicate that the Social Security Administration denied a prior application for disability benefits filed in 2017. Exhibit A, p 33.
4. On June 1, 2022, the Department determined that there was insufficient evidence to establish that Petitioner's physical and/or mental impairments prevent employment of 90 days or more. Exhibit A, pp 20-21.

5. On June 3, 2022, the Department notified Petitioner that he was not eligible for State Disability Assistance (SDA) benefits effective February 1, 2022. Exhibit A, pp 34-37.
6. On June 29, 2022, the Department received Petitioner's request for a hearing protesting the denial of State Disability Assistance (SDA) benefits. Exhibit A, pp 4-5.
7. Petitioner's disability claim is based on neuropathy, seizures, COVID-19 infection, anemia, alcoholism, electrolyte imbalance, hypertension, and chronic obstructive pulmonary disease (COPD).
8. Petitioner testified that he was hospitalized in March of 2021, December of 2021, and April of 2022.
9. Petitioner is a [REDACTED] year-old man whose birth date is [REDACTED] [REDACTED] 1981.
10. Petitioner is [REDACTED]" tall and weighs [REDACTED] pounds.
11. Petitioner was awarded a bachelor's degree.
12. Petitioner testified that he has not been engaged in substantial gainful activity since July 17, 2021.
13. Petitioner testified that he has experience as an asphalt laborer.

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), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and Human Services Emergency Relief Manual (ERM).

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1 *et seq.* The Department administers the SDA program pursuant to 42 CFR 435, MCL 400.10 of the Social Welfare Act, MCL 4001. *et seq.*, and Mich Admin Code, R 400.3151 through 400.3180.

The State Disability Assistance (SDA) program is established by the Social Welfare Act, MCL 400.1-.119b. The Department of Health and Human Services (formerly known as the Department of Human Services) administers the SDA program pursuant to 42 CFR 435, MCL 400.10 and Mich Admin Code, R 400.3151-.3180.

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 Medical Assistance and State Disability Assistance (SDA) programs. Under SSI, disability is defined as:

...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.

An individual is disabled for the purposes of establishing eligibility for SDA benefits when the individual meets federal SSI disability standards, except that the minimum duration of the disability shall be 90 days. 2022 PA 166, Sec. 604.

Potentially eligible SDA individuals must apply for financial and/or medical assistance provided for by the Department. The individual must cooperate in all actions necessary to determine eligibility for these other programs. Department of Health and Human Services Bridges Eligibility Manual (BEM) 270 (July 1, 2020), p 6.

Petitioner failed to establish that he had a current application pending with SSA, or that he is currently appealing the denial of an application for SSI benefits. Therefore, Petitioner is not eligible for SDA benefits, but in order to conduct a thorough evaluation of Petitioner's disability assertion, the analysis will continue.

In general, Petitioner has the responsibility to prove that he is disabled. Petitioner's impairment must result from anatomical, physiological, or psychological abnormalities which can be shown by medically acceptable clinical and laboratory diagnostic techniques. A physical or mental impairment must be established by medical evidence consisting of signs, symptoms, and laboratory findings, not only petitioner's statement of symptoms. 20 CFR 416.908; 20 CFR 416.927. Proof must be in the form of medical evidence showing that the Petitioner has an impairment and the nature and extent of its severity. 20 CFR 416.912. Information must be sufficient to enable a determination as to the nature and limiting effects of the impairment for the period in question, the probable duration of the impairment and the residual functional capacity to do work-related physical and mental activities. 20 CFR 416.913.

When determining disability, the federal regulations require that several considerations be analyzed in sequential order.

STEP 1

Does the client perform Substantial Gainful Activity (SGA)? If yes, the client is not disabled.

At step 1, a determination is made on whether Petitioner is engaging in substantial gainful activity (20 CFR 404.1520(b) and 416.920(b)). Substantial gainful activity (SGA) is defined as work activity that is both substantial and gainful. "Substantial work activity" is work activity that involves doing significant physical or mental activities (20 CFR 404.1572(a) and 416.972(a)). "Gainful work activity" is work that is usually done for pay

or profit, whether or not a profit is realized (20 CFR 404.1572(b) and 416.972(b)). Generally, if an individual has earnings from employment or self-employment above a specific level set out in the regulations, it is presumed that he has demonstrated the ability to engage in SGA (20 CFR 404.1574, 404.1575, 416.974, and 416.975). If an individual engages in SGA, he is not disabled regardless of how severe his physical or mental impairments are and regardless of his age, education, and work experience. If the individual is not engaging in SGA, the analysis proceeds to the second step.

Petitioner testified that he has not been employed since July 17, 2021, and that he is not currently engaged in substantial gainful activity, which was not disputed by the Department during the hearing. Therefore, this Administrative Law Judge finds that Petitioner is not engaged in substantial gainful activity and is not disqualified from receiving disability at Step 1.

STEP 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 not disabled.

At step two, a determination is made whether Petitioner has a medically determinable impairment that is "severe" or a combination of impairments that is "severe" (20 CFR 404.1520(c) and 416.920(c)). An impairment or combination of impairments is "severe" within the meaning of the 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 and 416.921). If Petitioner does not have a severe medically determinable impairment or combination of impairments, he is not disabled. If Petitioner has a severe impairment or combination of impairments, the analysis proceeds to the third step.

Petitioner has the burden of proof of establishing that he has a severely restrictive physical or mental impairment that has lasted or is expected to last for the duration of at least 12 months or result in death.

Petitioner is a [REDACTED] year-old man that is [REDACTED]" tall and weighs [REDACTED] pounds. Petitioner alleges disability due to neuropathy, seizures, COVID-19 infection, anemia, alcoholism, electrolyte imbalance, hypertension, and chronic obstructive pulmonary disease (COPD).

The objective medical evidence of record is not sufficient to establish that Petitioner has severe impairments that have lasted or are expected to last 12 months or more and prevent employment at any job for 12 months or more. Therefore, Petitioner is found not to be disabled at this step, but in order to conduct a thorough evaluation of Petitioner's disability assertion, the analysis will continue.

STEP 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.

At step three, a determination is made whether Petitioner's impairment or combination of impairments is of a severity to meet or medically equal the criteria of an impairment listed in 20 CFR Part 404, Subpart P, Appendix 1 (20 CFR 404.1520(d), 404.1525, 404.1526, 416.920(d), 416.925, and 416.926). If Petitioner'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 404.1509 and 416.909), Petitioner is disabled. If it does not, the analysis proceeds to the next step.

The objective medical evidence does not establish that Petitioner's impairments meet or equal the criteria of a listed impairment.

The medical evidence of Petitioner's condition does not give rise to a finding that he would meet a statutory listing in federal code of regulations 20 CFR Part 404, Subpart P, Appendix 1.

STEP 4

Can the client do the former work that he performed within the last 15 years? If yes, the client is not disabled.

Before considering step four of the sequential evaluation process, a determination is made of Petitioner's residual functional capacity (20 CFR 404.1520(e) and 416.920(c)). An individual's residual functional capacity is his ability to do physical and mental work activities on a sustained basis despite limitations from his impairments. In making this finding, the undersigned must consider all of Petitioner's impairments, including impairments that are not severe (20 CFR 404.1520(e), 404.1545, 416.920(e), and 416.945; SSR 96-8p).

Next, a determination is made on whether Petitioner has the residual functional capacity to perform the requirements of his past relevant work (20 CFR 404.1520(f) and 416.920(f)). The term past relevant work means work performed (either as Petitioner actually performed it or as it is generally performed in the national economy) within the last 15 years or 15 years prior to the date that disability must be established. In addition, the work must have lasted long enough for Petitioner to learn to do the job and have been SGA (20 CFR 404.1560(b), 404.1565, 416.960(b), and 416.965). If Petitioner has the residual functional capacity to do his past relevant work, Petitioner is not disabled. If Petitioner is unable to do any past relevant work or does not have any past relevant work, the analysis proceeds to the fifth and last step.

Petitioner credibly testified that he has past work experience as an asphalt laborer and that he is currently unable to perform the duties required of an asphalt laborer. The

hearing record does not support a finding that Petitioner is capable of working an asphalt laborer.

There is no evidence upon which this Administrative Law Judge could base a finding that Petitioner is able to perform work substantially similar to work performed in the past.

STEP 5

At Step 5, the burden of proof shifts to the Department to establish that Petitioner has the Residual Functional Capacity (RFC) for Substantial Gainful Activity.

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, client is not disabled.

At the last step of the sequential evaluation process (20 CFR 404.1520(g) and 416.920(g)), a determination is made whether Petitioner is able to do any other work considering his residual functional capacity, age, education, and work experience. If Petitioner is able to do other work, he is not disabled. If Petitioner is not able to do other work and meets the duration requirement, he is disabled.

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).

The objective medical evidence indicates that Petitioner has the residual functional capacity to perform some other less strenuous tasks than in his prior employment and that he is physically able to do less strenuous tasks if demanded of him.

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.

Medical vocational guidelines have been developed and can be found in 20 CFR, Subpart P, Appendix 2, Section 200.00. When the facts coincide with a particular guideline, the guideline directs a conclusion as to disability. 20 CFR 416.969.

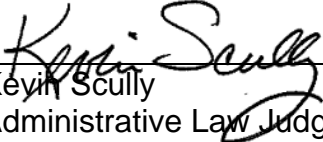
Petitioner is 40 years old, a younger person, under age 50, with a high school education and above, and a history of unskilled work. Based on the objective medical evidence of record Petitioner has the residual functional capacity to perform sedentary work. State Disability Assistance (SDA) is denied using Vocational Rule 201.27 as a guideline.

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 that the Department acted in accordance with Department policy when it denied Petitioner's [REDACTED] [REDACTED] 2022, application for State Disability Assistance (SDA) benefits.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/nr



Kevin Scully
Administrative Law Judge
Michigan Office of Administrative Hearings and
Rules (MOAHR)

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

