



GRETCHEN WHITMER
GOVERNOR

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

MARLON I. BROWN, DPA
ACTING DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: December 28, 2023
MOAHR Docket No.: 23-005656
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Colleen Lack

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 October 25, 2023, from Lansing, Michigan. The Petitioner was represented by [REDACTED], Brother. [REDACTED], Petitioner, appeared and testified. The Department of Health and Human Services (Department) was represented by Sara Estes, Hearing Facilitator.

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-288 and Petitioner's documentation was admitted as Exhibit 1, pp. 1-44. The record was left open for the Department to submit additional documentation. The Department submitted documentation to show that the additional information was requested but not returned, which has been received and admitted as Exhibit B, pp. 1-38.

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. On February [REDACTED] 2023, Petitioner applied for SDA. (Exhibit A, pp. 6-14)
2. On August [REDACTED] 2023, the Medical Review Team/Disability Determination Services (MRT/DDS) found Petitioner not disabled. (Exhibit A, pp. 24-30)
3. On August [REDACTED] 2023, a Notice of Case Action Notice was issued informing Petitioner that SDA was denied. (Exhibit A, pp. 18-22)

4. On September █ 2023, the Department received Petitioner's timely written request for hearing. (Exhibit A, pp. 4-5)
5. Petitioner alleged disabling impairments including: post-traumatic stress disorder (PTSD), other specified dissociative disorder (OSDD) 1B, dissociative amnesia, and frostbitten left foot. (Exhibit A, p. 39; Petitioner Testimony)
6. At the time of hearing, Petitioner was █ years old with a June █ 1994 birth date; was █ in height; and weighed █ pounds. (Petitioner Testimony)
7. Petitioner completed a Bachelor's degree, and has a work history including front desk manager and assistant teacher. (Exhibit A, p. 42; Petitioner Testimony)
8. At the time of the hearing, Petitioner was currently working 40 hours per week and earning \$█ per hour in a factory. (Petitioner Testimony)
9. Petitioner's impairments have lasted, or are expected to last, continuously for a period of 90 days or longer.

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 Medical Assistance (MA) program is established by Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Department of Human Services) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

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.

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). 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 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 ability to reason and make appropriate mental adjustments, if a mental disability is alleged. 20 CFR 416.913. An individual's statements about pain or other symptoms are not, in and of themselves, sufficient to establish disability. 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, is insufficient to establish disability. 20 CFR 416.927.

When determining disability, the federal regulations require several factors to be considered including: (1) daily activities; (2) the location/duration/frequency/intensity of an applicant's pain or other symptoms; (3) precipitating and aggravating factors; (4) the type/dosage/effectiveness/side effects of any medication the applicant takes to relieve pain or other symptoms; (5) any treatment other than medication that the applicant has received to relieve pain or other symptoms; (6) any measures the applicant uses to relieve pain or other symptoms; and (7) other factors concerning the applicant's functional limitations and restrictions due to pain or other symptoms. 20 CFR 416.929(c)(3). The applicant's pain or other symptoms must be considered in light of the objective medical evidence presented. 20 CFR 416.929(c)(2).

In order to determine whether or not an individual is disabled, federal regulations require a five-step sequential evaluation process be utilized. 20 CFR 416.920(a)(1). The five-step analysis requires the trier of fact to consider an individual's current work activity; the severity of the impairment(s) both in duration and whether it meets or equals a listed impairment in Appendix 1; residual functional capacity to determine whether an individual can perform past relevant work; and residual functional capacity along with vocational factors (i.e., age, education, and work experience) to determine if an individual can adjust to other work. 20 CFR 416.920(a)(4); 20 CFR 416.945.

If an individual is found disabled, or not disabled, at any step, 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). If an impairment does not meet or equal a listed impairment, an individual's residual functional capacity is assessed before moving from step three to step four. 20 CFR 416.920(a)(4); 20 CFR 416.945. Residual functional capacity is the most an individual can do despite the limitations based on all relevant evidence. 20 CFR 416.945(a)(1). An individual's residual functional capacity assessment is evaluated at both steps four and five. 20 CFR 416.920(a)(4). In determining disability, an individual's functional capacity to perform basic work activities is evaluated and if found that the individual has the ability to perform basic work activities without significant limitation, disability will not be found. 20 CFR 416.994(b)(1)(iv). In general, the individual has the responsibility to prove disability. 20 CFR 416.912(a). An impairment or combination of impairments is not severe if it does not significantly limit an individual's physical or mental ability to do basic work activities. 20 CFR 416.922(a). The individual has the responsibility to provide evidence of prior

work experience; efforts to work; and any other factor showing how the impairment affects the ability to work. 20 CFR 416.912(a)(1)(iv)(vi)(vii).

As outlined above, the first step looks at the individual's current work activity. If an individual is working and the work they are doing is substantial gainful activity (SGA), it will be found that they are not disabled regardless of their medical condition, age, education, and work experience. 20 CFR 416.920 (a)(4)(i) and 20 CFR 416.920 (b). The monthly SGA amount for non-blind individuals was \$1,350.00 for 2022, and \$1,470 for 2023. <https://www.ssa.gov/oact/cola/sga.html>. Petitioner testified that she works 40 hours per week and earns \$█████ per hour in a factory. Petitioner makes pre rolls and is mostly sitting. At times she is in a different department where there is more standing and heavy labor, such as lifting and carrying plants, carrying bins, or giant bags of green waste (leaves and stems). The green waste is the heaviest and is not a one-person thing. Petitioner stated she started working a couple months ago. (Petitioner Testimony). In the record presented, Petitioner is involved in substantial gainful activity. Therefore, Petitioner is ineligible for disability benefits under Step 1.

However, even if the analysis were to continue, Petitioner would still be found not disabled at Steps 4 and 5.

The severity of Petitioner's alleged impairment(s) is considered under Step 2. Petitioner bears the burden to present sufficient objective medical evidence to substantiate the alleged disabling impairments. In order to be considered disabled for MA purposes, the impairment must be severe. 20 CFR 416.920(a)(4)(ii); 20 CFR 416.920(c). An impairment, or combination of impairments, is severe if it significantly limits an individual's physical or mental ability to do basic work activities regardless of age, education, and work experience. 20 CFR 416.920(a)(4)(ii); 20 CFR 416.920(c). Basic work activities means the abilities and aptitudes necessary to do most jobs. 20 CFR 416.922(b). Examples 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.

Id.

The second step allows for dismissal of a disability claim obviously lacking in medical merit. *Higgs v Bowen*, 880 F2d 860, 862 (CA 6, 1988). The severity requirement may still be employed as an administrative convenience to screen out claims that are totally groundless solely from a medical standpoint. *Id.* At 863 citing *Farris v Sec of Health and Human Services*, 773 F2d 85, 90 n.1 (CA 6, 1985). An impairment qualifies as non-severe only if, regardless of a Petitioner's age, education, or work experience, the impairment would not affect the Petitioner's ability to work. *Salmi v Sec of Health and Human Services*, 774 F2d 685, 692 (CA 6, 1985).

In the present case, Petitioner alleged disabling impairments including: post-traumatic stress disorder (PTSD), other specified dissociative disorder (OSDD) 1B, dissociative amnesia, and frostbitten left foot. (Exhibit A, p. 39; Petitioner Testimony).

October 4, 2022 to January 17, 2023 medical records from [REDACTED] [REDACTED] [REDACTED] document diagnosis and treatment of multiple conditions including: mixed anxiety and depressive disorder; chronic insomnia; chronic low back pain; PTSD; and mood disorder. (Exhibit 1, pp. 4-19).

On December [REDACTED] 2022, Petitioner was seen in the emergency department for chronic back pain. Petitioner was noted to be very loud and aggressive when she arrived. Petitioner refused to speak without another black female in the room, then recounted a lengthy story describing being locked out of the house. It was noted that there was no back injury. (Exhibit A, pp. 278-281).

On December [REDACTED] 2022, Petitioner was seen in the emergency department for acting bizarre. Diagnoses included acute psychosis, combative behavior, and hypokalemia. (Exhibit A, pp. 262-277).

Petitioner was hospitalized December [REDACTED], 2022 for aggressive behavior. Diagnoses at discharge included: severe major depressive disorder, recurrent episode; generalized anxiety disorder; PTSD; psychophysiological insomnia; and schizoaffective disorder. Petitioner reported a history of autism and PTSD. (Exhibit A, pp. 78-127).

Petitioner was hospitalized January [REDACTED], 2023 for bizarre behavior. Diagnoses included acute psychosis; PTSD; and bipolar disorder, current episode manic, severe with psychotic features. (Exhibit A, pp. 195-261).

On January [REDACTED] 2023, Petitioner was seen in the emergency department for extrapyramidal symptom. Petitioner was noted to be on risperidone and her arm became contracted. Petitioner was given cogentin with improvement of symptoms. (Exhibit A, pp. 173-194).

Petitioner was seen in the emergency department on February [REDACTED], 2023 for left foot pain and seeking shelter. Petitioner had a wound on her sole of her left foot. Petitioner left the emergency department to go back to the shelter, then came back to the emergency room and stated that she was suicidal and did not want to leave. Petitioner later reported she was not suicidal, she just did not want to go back to the shelter.

Petitioner called her brother, who was coming to pick her up and take her back to his house in Michigan. (Exhibit A, pp. 145-172).

February 13, 2023 to March 20, 2023 records from [REDACTED] document diagnosis and treatment of multiple conditions including: frostbite of right foot and foreign body removal right ear. Petitioner had put chewing gum in her ears to block out the voices in her head during a dissociative state. (Exhibit 1, pp. 20-44).

As previously noted, Petitioner bears the burden to present sufficient objective medical evidence to substantiate the alleged disabling impairment(s). As summarized above, Petitioner has presented medical evidence establishing that she does have some limitations on the ability to perform basic work activities. The medical evidence has established that Petitioner has an impairment, or combination thereof, that has more than a *de minimis* effect on Petitioner's basic work activities. Further, the impairments have lasted, or can be expected to last, continuously for 90 days; therefore, Petitioner is not disqualified from receipt of SDA benefits under Step 2.

In the third step of the sequential analysis of a disability claim, the trier of fact must determine if Petitioner's impairment, or combination of impairments, is listed in Appendix 1 of Subpart P of 20 CFR, Part 404.

The evidence confirms recent diagnosis and treatment of multiple impairments including: severe major depressive disorder; generalized anxiety disorder; PTSD; mood disorder; schizoaffective disorder; bipolar disorder; acute psychosis; chronic insomnia; chronic low back pain; PTSD; and frostbite wound on foot. Based on the objective medical evidence, considered listings included: 12.00 mental disorders. There was insufficient medical evidence to establish the presence of the "B" and "C" criteria for the listings. The medical evidence was not sufficient to meet the intent and severity requirements of any of these listings, or any other listing, or its equivalent. Accordingly, Petitioner cannot be found disabled, or not disabled at Step 3; therefore, Petitioner's eligibility is considered under Step 4. 20 CFR 416.905(a).

Before considering the fourth step in the sequential analysis, a determination of the individual's residual functional capacity ("RFC") is made. 20 CFR 416.945. An individual's RFC is the most he/she can still do on a sustained basis despite the limitations from the impairment(s). *Id.* The total limiting effects of all the impairments, to include those that are not severe, are considered. 20 CFR 416.945©.

To determine the physical demands (exertional requirements) of work in the national economy, jobs are classified as sedentary, light, medium, heavy, and very heavy. 20 CFR 416.967. Sedentary work involves lifting of no more than 10 pounds at a time and occasionally lifting or carrying articles like docket files, ledgers, and small tools. 20 CFR 416.967(a). 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. *Id.* Jobs are sedentary if walking and standing are required occasionally, and other sedentary criteria are met. Light work involves lifting no more than 20 pounds at a time with frequent

lifting or carrying objects weighing up to 10 pounds. 20 CFR 416.967(b). Even though 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. *Id.* To be considered capable of performing a full or wide range of light work, an individual must have the ability to do substantially all of these activities. *Id.* An individual capable of light work is also capable of sedentary work unless there are additionally limiting factors such as loss of fine dexterity or inability to sit for long periods of time. *Id.* 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). An individual capable of performing medium work is also capable of light and sedentary work. *Id.* 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). An individual capable of heavy work is also capable of medium, light, and sedentary work. *Id.* Finally, very heavy work involves lifting objects weighing more than 100 pounds at a time with frequent lifting or carrying objects weighing 50 pounds or more. 20 CFR 416.967(e). An individual capable of very heavy work is able to perform work under all categories. *Id.*

Limitations or restrictions which affect the ability to meet the demands of jobs other than strength demands (exertional requirements, i.e., sitting, standing, walking, lifting, carrying, pushing, or pulling) are considered non-exertional. 20 CFR 416.969a(a). In considering whether an individual can perform past relevant work, individual's residual functional capacity is compared with the demands of past relevant work. *Id.* If an individual can no longer do past relevant work, the same residual functional capacity assessment, along with an individual's age, education, and work experience is considered to determine whether an individual can adjust to other work which exists in the national economy. *Id.* Examples of non-exertional limitations or restrictions include difficulty to function 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. can't 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). If the impairment(s) and related symptoms, such as pain, only affect the ability to perform the non-exertional aspects of work-related activities, the rules in Appendix 2 do not direct factual conclusions of disabled or not disabled. 20 CFR 416.969a(c)(2). The determination of whether disability exists is based upon the principles in the appropriate sections of the regulations, giving consideration to the rules for the specific case situations in Appendix 2. *Id.*

The evidence confirms recent diagnosis and treatment of multiple impairments including: The evidence confirms recent diagnosis and treatment of multiple impairments including: severe major depressive disorder; generalized anxiety disorder; PTSD; mood disorder; schizoaffective disorder; bipolar disorder; acute psychosis; chronic insomnia; chronic low back pain; PTSD; and frostbite wound on foot.

Petitioner's testimony indicated she can walk 30-40 minutes; stand 30-40 minutes; sit 30-40 minutes but has trouble sitting still and moves around a bit; and lift/carry a gallon of milk. Petitioner described difficulties with constant flashbacks; memory problems; being unable to speak a lot; trouble making decisions; that it is hard to do most things; not really talking to coworkers or supervisors; and struggling with emotional regulation. (Petitioner Testimony). Petitioner's testimony is somewhat supported by the medical records and is found partially credible. The records do not support the degree of some of the limitations Petitioner described. For example, the records do not support that Petitioner would only be able to lift 8 pounds (a gallon of milk).

Petitioner's brother described that Petitioner is on a strict routine and schedule. When something causes things to be off the routine or schedule, it will send Petitioner into a meltdown. Petitioner has difficulties when unexpected things happen, she does not know how to handle it or react to it. When Petitioner started driving to work, he had to ride with Petitioner as a passenger for a month and a half. Petitioner has to follow the same path, or she will get lost. Petitioner's brother provides a stable and structured environment, so Petitioner just has to focus on living. Petitioner started her current job around June 2023. (Brother Testimony).

After review of the entire record it is found, at this point, that Petitioner has a combination of exertional and non-exertional limitations and maintains the residual functional capacity to perform limited medium work as defined by 20 CFR 416.967(c) on a sustained basis. Limitations would include simple/routine tasks.

The fourth step in analyzing a disability claim requires an assessment of the Petitioner's residual functional capacity ("RFC") and past relevant employment. 20 CFR 416.920(a)(4)(iv). An individual is not disabled if he/she can perform past relevant work. *Id.*; 20 CFR 416.960(b)(3). Past relevant work is work that has been performed within the past 15 years that was a substantial gainful activity and that lasted long enough for the individual to learn the position. 20 CFR 416.960(b)(1). Vocational factors of age, education, and work experience, and whether the past relevant employment exists in significant numbers in the national economy is considered. 20 CFR 416.960(b)(3).

Petitioner has a work history including front desk manager/hospitality, and assistant teacher/early childhood education. (Exhibit A, p. 42; Petitioner Testimony). At the time of the hearing, Petitioner was currently working 40 hours per week and earning \$[REDACTED] per hour in a factory. (Petitioner Testimony). Petitioner described the hospitality work as mostly standing and lifting and carrying luggage at times. Petitioner's description of the factory work involved making pre rolls and being mostly sitting. At times Petitioner is in a different department where there is more standing and heavy labor, such as lifting and carrying plants, carrying bins, or giant bags of green waste (leaves and stems). The green waste is the heaviest and is not a one-person thing. (Petitioner Testimony). In light of the entire record and Petitioner's RFC (see above), it is found that Petitioner is able to perform her past relevant work of front desk manager/hospitality. Further, Petitioner was currently working full time in the factory at the time of the hearing. Accordingly, the Petitioner can be found not disabled, at Step 4.

Petitioner would also be found not disabled at Step 5.

In Step 5, an assessment of Petitioner's residual functional capacity and age, education, and work experience is considered to determine whether an adjustment to other work can be made. 20 CFR 416.920(4)(v). At the time of the hearing, Petitioner was 29 years old and, thus, considered to be a younger individual for disability purposes. Petitioner completed a bachelor's degree and has a work history including front desk manager, assistant teacher, and factory work. (Exhibit A, p. 42; Petitioner Testimony). Disability is found if an individual is unable to adjust to other work. *Id.* At this point in the analysis, the burden shifts from the Petitioner to the Department to present proof that the Petitioner has the residual capacity to substantial gainful employment. 20 CFR 416.960(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). Medical-Vocational guidelines found at 20 CFR Subpart P, Appendix II, 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).

As noted above, Petitioner has a combination of exertional and non-exertional limitations and maintains the residual functional capacity to perform limited medium work as defined by 20 CFR 416.967(c) on a sustained basis. Limitations would include simple/routine tasks. Significant jobs would still exist despite these limitations.

After review of the entire record, and in consideration of Petitioner's age, education, work experience, RFC, and using Medical Vocation Rule 203.28 as a guide, Petitioner is found not disabled at Step 5.

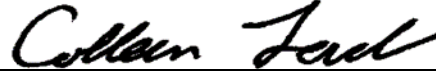
In this case, the Petitioner is found not disabled for purposes of SDA benefits, as the objective medical evidence does not establish a physical and/or mental impairment that met the federal SSI disability standard with the shortened duration of 90 days. In light of the foregoing, it is found that Petitioner's impairments did not preclude work at the above stated level for at least 90 days.

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 determination is AFFIRMED.

CL/dm



Colleen Lack
Administrative Law Judge

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

Via-Electronic Mail :

DHHS
Janice Collins
Genesee County DHHS Union St
District Office
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Via-First Class Mail :

[REDACTED]