

Revision # 111

**CATEGORY:** DISABILITY DETERMINATION – STEP 2

[http://www.dshs.wa.gov/manuals/socialservices/sections/Disability\\_Step2.shtml](http://www.dshs.wa.gov/manuals/socialservices/sections/Disability_Step2.shtml)

Issued: **August 30, 2012**

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**Summary:** Updated for clarify and readability.

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## DISABILITY DETERMINATION - STEP 2

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Revised December 12, 2011

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[WAC 388-449-0020](#) ~~How does the department evaluate functional capacity for mental health impairments?~~

[WAC 388-449-0030](#) ~~How does the department evaluate functional capacity for physical impairments?~~

[WAC 388-449-0035](#) How does the department assign severity ratings to my impairment?

[WAC 388-449-0040](#) How does the department determine the severity of mental impairments?

[WAC 388-449-0045](#) How does the department determine the severity of physical impairments?

[WAC 388-449-0050](#) How does the department determine the severity of multiple impairments?

[WAC 388-449-0060](#) Sequential Evaluation Process step II - How does the department review medical evidence to determine if I am eligible for benefits?

~~WAC 388-449-0020~~

~~**WAC 388-449-0020 How does the department evaluate functional capacity for mental health impairments?**~~

~~If you have a mental impairment, we evaluate ability to function in a work setting based on objective~~

~~narrative clinical assessment from a medical professional as described in WAC 388-449-0010. We may also use other evidence as described in WAC 388-449-0010. Functioning means your ability to perform typical tasks that would be required in a routine job setting and your ability to interact effectively while working.~~

- ~~1. We evaluate cognitive and social functioning by assessing your ability to:~~
  - ~~a. Understand, remember, and persist in tasks by following very short and simple instructions.~~
  - ~~b. Understand, remember, and persist in tasks by following detailed instructions.~~
  - ~~c. Perform activities within a schedule, maintain regular attendance, and be punctual within customary tolerances without special supervision.~~
  - ~~d. Learn new tasks.~~
  - ~~e. Perform routine tasks without special supervision.~~
  - ~~f. Adapt to changes in a routine work setting.~~
  - ~~g. Make simple work-related decisions.~~
  - ~~h. Be aware of normal hazards and take appropriate precautions.~~
  - ~~i. Ask simple questions or request assistance.~~
  - ~~j. Communicate and perform effectively in a work setting with public contact.~~
  - ~~k. Communicate and perform effectively in a work setting with limited public contact.~~
  - ~~l. Complete a normal workday and workweek without interruptions from psychologically based symptoms.~~
  - ~~m. Set realistic goals and plan independently.~~
  - ~~n.a. Maintain appropriate behavior in a work setting.~~

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- ~~1. Functional capacity is assessed based on medical and other evidence received.~~
- ~~2. The Disability Program Specialist reviews all available evidence and determines how the person's mental health condition impairs their ability to function.~~
- ~~3. Functional capacity ratings are assigned to those impairments where there is evidence of an impairment that could be reasonable caused by the specific diagnosis of mental illness listed by an acceptable medical source.~~
- ~~4. A contracted doctor reviews the evidence provided and the functional limitations to determine whether the assigned functional limitations are consistent with the medical.~~

~~WAC 388-449-0030~~

~~Effective June 1, 2012~~

### ~~WAC 388-449-0030 How does the department evaluate functional capacity for physical impairments?~~

~~If you have a physical impairment, we evaluate your ability to work based on objective medical evidence~~

from a medical professional as described in WAC 388-449-0010. We may also use other evidence as described in WAC 388-449-0010.

1. **"Exertion level"** means having strength, flexibility, and mobility to lift, carry, stand or walk as needed to fulfill job duties in the following work levels. For this section, "occasionally" means less than one-third of the time and "frequently" means one-third to two-thirds of the time.

The following table is used to determine your exertion level. Included in this table is a strength factor, which is your ability to perform physical activities, as defined in Appendix C of the Dictionary of Occupational Titles (DOT), Revised Edition, published by the U.S. Department of Labor as posted on the Occupational Information Network (O\*NET).

If you are able to:	Then we assign this exertion level
a. Lift ten pounds maximum and frequently lift or carry lightweight articles. Walking or standing only for brief periods.	Sedentary
b. Lift twenty pounds maximum and frequently lift or carry objects weighing up to ten pounds. Walk six out of eight hours per day or stand during a significant portion of the workday. Sitting and using pushing or pulling arm or leg movements most of the day.	Light
c. Lift fifty pounds maximum and frequently lift or carry up to twenty-five pounds.	Medium
d. Lift one hundred pounds maximum and frequently lift or carry up to fifty pounds.	Heavy

2. **"Exertional limitation"** means a restriction in mobility, agility or flexibility in the following twelve activities: balancing, bending, climbing, crawling, crouching, handling, kneeling, pulling, pushing, reaching, sitting, and stooping. We consider any exertional limitations you have when we determine your ability to work.
3. **"Functional physical capacity"** means the degree of strength, agility, flexibility, and mobility you can apply to work-related activities. We consider the effect of the physical impairment on the ability to perform work-related activities when the severity of the physical impairment(s) is moderate, marked, or severe. We determine functional physical capacity based on your exertional, and nonexertional limitations. All limitations must be substantiated by the medical evidence and directly related to the diagnosed impairment(s).
4. **"Nonexertional physical limitation"** means a restriction on work activities that does not affect strength, mobility, agility, or flexibility. Nonexertional restrictions may include, among other things, your inability to work in an area where you would be exposed to chemicals.
5. **"Functional limitations"** means a restriction on work activities caused by unrelieved pain or the effects of prescribed medication. We determine your functional limitations based on objective documentation from a medical professional as described in WAC 388-449-0010. We may also use other evidence as described in WAC 388-449-0010. We evaluate functioning by assessing your ability to:

- ~~a. Perform activities within a schedule, maintain regular attendance, and be punctual within customary tolerances.~~
- ~~b. Perform routine tasks without undue supervision.~~
- ~~c. Make simple work-related decisions.~~
- ~~d. Be aware of normal hazards and take appropriate precautions.~~
- ~~e. Ask simple questions or request assistance.~~
- ~~f. Maintain appropriate behavior in a work setting.~~

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- ~~1. Exertional, environmental, and functional capacity is assessed based on medical and other evidence received.~~
- ~~2. The Disability Program Specialist reviews all available evidence and determines how the person's mental health condition impairs their ability to function.~~
- ~~3. Functional capacity ratings are assigned to those impairments where there is evidence of an impairment that could be reasonable caused by the specific diagnosis of mental illness listed by an acceptable medical source.~~
- ~~4. A contracted doctor reviews the evidence provided and the functional limitations to determine whether the assigned functional limitations are consistent with the medical and other evidence received.~~

WAC 388-449-0035

### WAC 388-449-0035 How does the department assign severity ratings to my impairment?

1. **"Severity rating"** is a rating of the extent of your impairment and how it impacts your ability to perform the basic work activities. The following chart provides a description of limitations on work activities and the severity ratings assigned to each.

Effect on Work Activities	Degree of Impairment	Numerical Value
(a) There is no effect on your performance of one or more basic work-related activities.	None	1
(b) There is no significant limit on your performance of one or more basic work-related activities.	Mild	2
(c) There are significant	Moderate	3

limits on your performance of one or more basic work-related activities.		
(d) There are very significant limits on your performance of one or more basic work-related activities.	Marked	4
(e) You are unable to perform basic work-related activities.	Severe	5

2. We use the description of how your condition impairs your ability to perform work activities given by the acceptable medical source or treating provider, and review other evidence you provide, to establish severity ratings when the impairments are supported by, and consistent with, objective medical evidence.
3. A contracted doctor reviews your medical evidence and the ratings assigned to your impairment when:
  - a. The medical evidence indicates functional limitations consistent with at least a moderate physical or mental health impairment;
  - b. Your impairment has lasted, or is expected to last, twelve months or more with available medical treatment; and
  - c. You were not an active ABD recipient previously determined likely to be disabled as defined in WAC [388-449-0010](#) through [388-449-0100](#).
4. The contracted doctor reviews your medical evidence, severity rating, and functional assessment to determine whether:
  - a. The Medical evidence is objective and sufficient to support the findings of the provider;
  - b. The description of impairment(s) is supported by the medical evidence; and
  - c. The severity rating and assessment of functional limitations assigned by DSHS are consistent with the medical evidence.
5. If the medical evidence provider's description of your impairment(s) is not consistent with the objective medical evidence, we will:
  - a. Assign a severity rating and functional limitations consistent with the objective medical evidence; and

- b. Clearly describe why we rejected the medical evidence provider's opinion; and
- c. Identify the medical evidence used to make the determination.

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- ~~1. Severity is based on medical and other evidence received.~~
- ~~2. The Disability Program Specialist reviews all available evidence and determines the extent to which a person's physical and mental health condition impairs their ability to perform basic work activity.~~
- ~~3. Severity ratings are assigned to those impairments where there is evidence of an impairment that could be reasonable caused by the specific diagnosis of disease or injury listed by an acceptable medical source.~~
- ~~4. A contracted doctor reviews the evidence provided and the severity ratings assigned by the Disability Program Specialist to determine whether the ratings are consistent with the medical and other evidence received.~~

~~See [Disability Determination – Chart Note Examples](#)~~

**EXAMPLE**

~~Betty provides a doctors' report that states Betty has severe hyperlipidemia. Betty has no symptoms from this condition. The program specialist would assign a severity of "none" to Betty's hyperlipidemia.~~

**EXAMPLE**

~~Tim has a diagnosis of degenerative disc disease. An MRI indicates he has moderate stenosis, but other evidence received documents Tim is experiencing numbness and weakness in his arm that is significantly impairing his ability to attend to ADLs. The Disability Program Specialist would assign a severity of "marked" to Tim's degenerative disc disease with stenosis.~~

**EXAMPLE**

~~Ralph has been diagnosed with morbid obesity. His doctor has noted the condition is severe. Ralph's body mass interferes with his ability to crouch and he tires easily when performing strenuous manual labor. Although Ralph may have a serious health condition, he is able to perform basic work related activities. The Disability Program Specialist would assign a severity of "mild" to Ralph's morbid obesity.~~

WAC 388-449-0040

### WAC 388-449-0040 How does the department determine the severity of mental impairments?

If you are diagnosed with a mental impairment by an acceptable medical source described in WAC [388-449-0010](#), we use information from medical sources described in WAC [388-449-0010](#) to determine how the impairment limits work-related activities.

1. We review the following psychological evidence to determine the severity of your mental impairment:

- a. Psychosocial and treatment history records;
  - b. Clinical findings of specific abnormalities of behavior, mood, thought, orientation, or perception;
  - c. Results of psychological tests; and
  - d. Symptoms observed by the examining practitioner, and other evidence, that show how your impairment affects your ability to perform basic work-related activities.
2. We exclude diagnosis and related symptoms of alcohol or substance abuse or addiction, if we have evidence substance use is material to your impairment.
3. If you are diagnosed with mental retardation, the diagnosis must be based on the Wechsler Adult Intelligence Scale (WAIS). The following test results determine the severity rating:

<b>Intelligence Quotient (IQ) Score</b>	<b>Severity Rating</b>
85 or above	None (1)
71 to 84	Moderate (3)
60 to 70	Marked (4)
59 or lower	Severe (5)

4. If you are diagnosed with a mental impairment with physical causes, we assign a severity rating based on the most severe of the following four areas of impairment:
- a. Short term memory impairment;
  - b. Perceptual or thinking disturbances;
  - c. Disorientation to time and place; or
  - d. Labile, shallow, or coarse affect.
5. We base the severity of an impairment diagnosed as a mood, thought, memory, or cognitive disorder on a clinical assessment of the intensity and frequency of symptoms that:
- a. Affect your ability to perform basic work related activities; and
  - b. Are consistent with a diagnosis of a mental impairment as listed in the most recent published edition of the Diagnostic and Statistical Manual of Mental Disorders.
6. We consider the combined effect of your symptoms on your ability to perform basic work activities. We determine the severity rating for a functional mental impairment as follows:

<b>Symptom Ratings or Condition</b>	<b>Severity Rating</b>
a. The clinical findings and objective evidence are consistent with significant limitation on performing one or more basic work activities.	Moderate (3)
b. You are diagnosed with a functional disorder with psychotic features.	Marked (4)
c. You have had two or more hospitalizations for psychiatric reasons in the past two years.	
d. You have had more than six months of continuous psychiatric inpatient	

or residential treatment in the past two years.	
e. The clinical findings and objective evidence are consistent with a very significant limitations on ability to one or more basic work activities.	
f. The clinical findings and objective evidence are consistent with the inability to perform work activities.	Severe (5)

7. If you are diagnosed with any combination of mental retardation, mental impairment with physical causes, or functional mental impairment, we assign a severity rating as follows:

Condition	Severity Rating
a. Two or more disorders with moderate severity (3) ratings; or b. One or more disorders rated moderate severity (3), and one rated marked severity (4).	Marked (4)
c. Two or more disorders rated marked severity (4).	Severe (5)

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- ~~1. Only diagnoses of a potentially disabling mental illness from an acceptable medical source may be used when determining disability.~~
- ~~2. Only diagnoses of mental illness accepted by social security are allowable for determinations of disability. For example, ADHD and other learning disorders are not accepted as disabling conditions for adults and therefore cannot be used for a determination of disability for ABD cash.~~
- ~~3-1. Once a diagnosis of a potentially disabling mental illness has been established, other medical evidence from treating sources, and evidence from other non-medical sources may be used to establish how the mental illness affects the person's ability to function.~~

WAC 388-449-0045

**WAC 388-449-0045 How does the department determine the severity of physical impairments?**

We must decide if your physical impairment is serious enough to significantly limit your ability to perform substantial gainful activity. "Severity of a physical impairment" means the degree that an impairment restricts you from performing basic work-related activities (see WAC [388-449-0005](#)). Severity ratings range from none to severe. We will assign severity ratings according to the table in



WAC [388-449-0035](#).

We assign to each physical impairment a severity rating that is supported by medical evidence.

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1. The severity of an impairment is the extent to which it affects the individual's ability to perform basic work activities.
2. The Disability Specialist determines severity based on medical and other evidence received by the Department.
3. Severity ratings are assigned to all medically determinable impairments, meaning all impairments that could be reasonable caused by the a condition diagnosed by an acceptable medical source identified in WAC 388-449-0010.

C-388-449-0050

**EXAMPLE**

Betty provides a physical evaluation that indicates she has severe hyperlipidemia. Betty has no symptoms that currently impair her ability to perform basic work activities resulting from the condition. The Disability Specialist assigns a severity of "none" to Betty's hyperlipidemia.

**EXAMPLE**

Tim has been diagnosed with multi-level degenerative disc disease involving his lumbar spine. An L-spine MRI indicates a broad based disc protrusion mildly indents the thecal sac at the L4-5 level. Available medical evidence indicates Tim experiences intermittent numbness and weakness in his left leg and has significantly limited range of motion in his back secondary to pain. The Disability Specialist assigns a "marked" severity to Tim's degenerative disc disease.

**EXAMPLE**

Phil has been diagnosed with Generalized Anxiety Disorder by a contracted psychologist. The Psychological Evaluation indicates Phil has suffered from frequent anxiety and excessive worry, which he is unable to control, for at least the past 12 months. The psychologist notes Phil has difficulty concentrating, becomes irritable, and has difficulty sleeping. The BAI completed as part of the Psychological Evaluation is consistent with marked-to-severe anxiety. The contracted psychologist notes significant limits on Phil's ADLs and assigned a GAF of 45. Based on the overall clinical findings and objective evidence, the Disability Specialist assigns a "marked" severity

**WAC 388-449-0050 How does the department determine the severity of multiple impairments?**

1. If you have more than one impairment, we decide the overall severity rating by determining if your impairments have a combined effect on your ability to be gainfully employed.
2. When you have two or more diagnosed impairments that limit work activities, we assign an overall severity rating as follows:

Your Condition	Severity Rating
(i) All impairments are mild and there is no cumulative effect on basic work activities.	Mild
(ii) All impairments are mild and there is a significant cumulative effect on one or more basic work activities.	Moderate
(iii) Two or more impairments are of moderate severity and there is a very significant cumulative effect on basic work activities.	Marked
(iv) Two or more impairments are of marked severity.	Severe

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1. When an individual someone has multiple impairments, we consider evaluate whether the impairments how each impairment affects the person's ability to function, and determine if the separate impairments have a have a cumulative effect on their ability to perform basic work activities overall functioning.
2. ~~Impairments may be in the same or different body systems.~~
2. The Disability Specialist assigns a higher overall severity rating if the cumulative effect of multiple impairments results in a greater impact on the individual's ability to perform one or more basic work activity.
3. ~~The decision to assign a higher severity based on multiple mild or moderate impairments are based entirely on whether or not the impairments have a cumulative effect on overall work function.~~

**EXAMPLE**

~~T~~Jerry has been diagnosed with moderate C-spine degenerative disc disease ~~of the cervical spine~~. He also has moderate arthritis in his hands. Based on medical and other evidence received, the two conditions result in a very significant limitation in cause postural restrictions and limit TJerry's ability to handle or manipulate objects. ~~There~~ Based on the is a cumulative effect on Jerry's ability to perform a basic work activity, the ~~Terry's~~ overall severity is marked.

WAC 388-449-0060

**WAC 388-449-0060 Sequential Evaluation Process step II - How does the department review medical evidence to determine if I am eligible for benefits?**

When we receive your medical evidence, we review it to see if it is sufficient to decide whether your circumstances meet disability requirements.

1. We require written medical evidence to determine disability. The medical evidence must:
  - a. Contain sufficient information as described under [WAC 388-449-0015](#);
  - b. Be written by an acceptable medical source or treating provider described in [WAC 388-449-0010](#);
  - c. Document the existence of a potentially disabling condition by an acceptable medical source described in [WAC 388-449-0010](#); and
  - d. Document an impairment has lasted or is expected to last twelve continuous months or more with available treatment, or result in death.
2. If the information received isn't clear, we may require more information before we determine whether you meet ABD disability requirements. As examples, we may require you to get more medical tests or be examined by a medical specialist.
3. We deny disability if:
  - a. We don't have evidence that your impairment is of at least moderate severity as defined in [WAC 388-449-0035](#), [388-449-0040](#), [388-449-0045](#), or [388-449-0050](#);
  - b. Your impairment hasn't lasted or isn't expected to last twelve or more months with available treatment or result in death; or
  - c. We have evidence drug or alcohol abuse or addiction is material to your impairment(s) .

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## CLARIFYING INFORMATION

1. ABD Disability Determinations are made by a team consisting of a Disability Specialist and a contracted doctor.
- 1.2. The ~~D~~contracted doctor reviews the diagnosis, severity, functional ~~limitations~~impairments, duration and onset date recorded by the Disability Specialist ~~are reviewed by a contracted doctor~~ if the person has a least a moderate overall impairment that has lasted or is expected to last 12 months or more or result in death.
3. The Disability Specialist makes Any necessary adjustments corrections and revisions are made to the diagnosis, severity, functional impairments, duration and onset date recorded in the ICMS Sequential Evaluation Process (SEP) based on the contracted doctor's professional medical opinion. All adjustments are made based on the contracted doctors recommendations prior to determining whether an individual person with a least a moderate impairment meets the disability criteria in Step II.
4. If we adjust the severity or functional limitations provided by the medical evidence provider, we are required to clearly describe the reason why we rejected the medical evidence provider's opinion and identify the medical evidence used to make the determination.

5. If the overall cumulative impairment is of at least a moderate severity and the impairment has lasted or is expected to last 12 months or more or result in death, the Disability Specialist proceeds with the Sequential Evaluation Process (SEP).

6. The Disability Specialist denies ABD at Step II if:

- a. The overall impairment is mild meaning there is not significant impact on at least one basic work activity;
- b. The impairment has not lasted or is not expected to last 12 months or more or result in death; or
- c. Medical evidence indicates substance use is material to the individual's impairment as defined in WAC 388-449-0015.

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3. When an impairment is not expected to continue for 12 months from the date of application, deny disability unless:

- a. **The person provides medical evidence to support the date an impairment became disabling** in order to establish that the onset date and duration equal 12 months or more; or
- b.a. The person has a medical condition that is listed as disabling by SSA despite an assigned duration of 12 months or more. See Disability Determination Step III Listings of Impairments.