UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF NORTH CAROLINA, STATESVILLE DIVISION

Timothy Shepherd v. Commissioner of Social Security

Shepherd · No. 5:25-cv-00017-MR · Decided March 17, 2026

SUMMARY

The United States District Court for the Western District of North Carolina reviewed Timothy Shepherd's appeal from the Commissioner of Social Security's denial of disability benefits. The court held that the ALJ inadequately addressed Shepherd's inability to afford medical treatment when evaluating the consistency of his symptom allegations. The court reversed the Commissioner's decision and remanded the case for further administrative proceedings under sentence four of 42 U.S.C. § 405(g).

CASE DETAILS

COURT	United States District Court for the Western District of North Carolina, Statesville Division
WRITING FOR THE COURT	Martin Reidinger
JURISDICTION	United States District Court for the Western District of North Carolina
DECIDED	March 17, 2026
DOCKET	5:25-cv-00017-MR
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Judicial review under 42 U.S.C. § 405(g) of the Commissioner's final decision denying Title II disability insurance benefits.
STANDARD OF REVIEW	The court reviews whether substantial evidence supports the Commissioner's decision and whether the Commissioner applied the correct legal standards. The court may not reweigh conflicting evidence, make credibility determinations, or substitute its judgment for the ALJ's, but the ALJ must explain the evidence and legal requirements sufficiently to permit meaningful judicial review.
PRECEDENTIAL VALUE	unpublished district court opinion; precedential status unknown
PARTIES	Timothy Shepherd v. Commissioner of Social Security

TOPICS

judicial review of agency action | administrative law | standard of review | exhaustion of remedies | appellate procedure

PRACTICE AREAS

Social Security disability | administrative law | federal judicial review | appellate procedure

QUESTIONS PRESENTED

1. Whether the ALJ improperly discounted Shepherd's subjective symptom testimony based on inconsistent or limited treatment without adequately considering his asserted inability to afford medical care.
2. Whether the inadequate evaluation of Shepherd's symptom testimony required remand because it could affect the RFC assessment and evaluation of medical opinions.
3. Whether the vocational expert's testimony conflicted with the RFC limitation concerning occasional exposure to open machinery.

HOLDINGS

1. The ALJ imposed an unduly high burden by effectively requiring Shepherd to show that he had exhausted all available resources for treatment before crediting his inability to afford medical care. Because the record did not adequately establish the basis for discounting his symptom testimony, the decision could not be meaningfully reviewed and required remand.
2. The vocational expert's identification of marker, garment sorter, and assembler II jobs did not present an apparent conflict with the limitation to occasional exposure to open machinery because exposure to a ticket-printing machine, an iron, and a drill press could not reasonably be construed as exposure to open machinery.

KEY QUOTATIONS

> *"That exhaustion requirement, however, imposed an unduly high burden on the Plaintiff."* (at 501-02)

> *"As a result, the Court lacks an adequate record of the basis for the ALJ's decision, and the ALJ has not satisfied his duty to "build an accurate and logical bridge from the evidence to his conclusion.""* (at 502)

> *"Because the Court lacks an adequate record of the basis for the ALJ's decision, it cannot conduct a meaningful review of the ALJ's decision and must remand."* (Conclusion)

FACTUAL BACKGROUND

Shepherd applied for disability insurance benefits under Titles II and XVI, alleging disability from physical and mental impairments including COPD/emphysema, degenerative joint and spinal conditions, a partial left-hand amputation, depression, and anxiety. The ALJ found that Shepherd was not disabled through his last insured date of December 31, 2020, although he became disabled later when his age category changed. In evaluating Shepherd's symptoms, the ALJ relied in part on his limited and inconsistent treatment, despite recognizing that his financial situation affected his ability to afford healthcare.

PROCEDURAL HISTORY

The ALJ initially denied Shepherd's claim, and the Appeals Council denied review. After a prior judicial remand and consolidation with later applications, the ALJ issued partially favorable decisions finding Shepherd disabled beginning after his last insured date but not disabled through December 31, 2020. The Appeals Council denied review of the latest decision, and Shepherd appealed to the district court. The district court reversed and remanded for further administrative proceedings.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

Remand for further administrative proceedings consistent with the opinion, including proper consideration of whether Shepherd's asserted inability to afford treatment excuses the apparent inconsistency between his limited treatment and his testimony concerning the intensity and persistence of his symptoms. The ALJ may also address the function-by-function RFC assessment and evaluation of the psychologists' opinions as warranted.

CASES CITED

- Richardson v. Perales, 402 U.S. 389, 401 (1971)
- Hays v. Sullivan, 907 F.2d 1453, 1456 (4th Cir. 1990)
- Bird v. Comm'r, 699 F.3d 337, 340 (4th Cir. 2012)
- Johnson v. Barnhart, 434 F.3d 650, 653 (4th Cir. 2005)
- Hancock v. Astrue, 667 F.3d 470, 472 (4th Cir. 2012)
- Radford v. Colvin, 734 F.3d 288, 295 (4th Cir. 2013)
- Monroe v. Colvin, 826 F.3d 176, 189 (4th Cir. 2016)
- Mills v. Berryhill, No. 1:16-cv-25-MR, 2017 WL 957542, at *4 (W.D.N.C. Mar. 10, 2017)
- Mascio v. Colvin, 780 F.3d 632, 634-35 (4th Cir. 2015)
- Pass v. Chater, 65 F.3d 1200, 1203 (4th Cir. 1995)
- Hines v. Barnhart, 453 F.3d 559, 567 (4th Cir. 2006)