UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF WASHINGTON

Luana Marie H. v. Commissioner of Social Security Administration

No. 1:25-CV-03138-SAB (E.D. Wash. Jan. 15, 2026) · No. 1:25-CV-03138-SAB · Decided January 16, 2026

SUMMARY

The United States District Court for the Eastern District of Washington reviewed the Commissioner of Social Security's denial of Luana Marie H.'s applications for disability insurance benefits and supplemental security income. The court held that the administrative law judge's residual functional capacity assessment failed to account for documented mental-health limitations and improperly evaluated medical-opinion and symptom evidence. The court reversed the Commissioner's decision and remanded for an immediate award of benefits.

CASE DETAILS

COURT	United States District Court for the Eastern District of Washington
WRITING FOR THE COURT	Stanley A. Bastian
JURISDICTION	United States District Court for the Eastern District of Washington
DECIDED	January 16, 2026
DOCKET	1:25-CV-03138-SAB
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Plaintiff sought judicial review under 42 U.S.C. § 405(g) of the Commissioner's final decision denying disability insurance benefits and supplemental security income. The district court reviewed the administrative record and the parties' briefs, reversed the Commissioner's decision, and remanded for an immediate award of benefits.
STANDARD OF REVIEW	The court sets aside the Commissioner's determination only for legal error or lack of substantial evidence in the record as a whole. Substantial evidence is more than a mere scintilla but less than a preponderance and is such relevant evidence as a reasonable mind might accept as adequate. The court must consider the entire record, including evidence supporting and detracting from the Commissioner's conclusion, and may not affirm by isolating a specific quantum of supporting evidence.

PRECEDENTIAL VALUE	unknown
PARTIES	Luana Marie H. v. Commissioner of Social Security Administration

TOPICS

judicial review of agency action | agency adjudication | administrative law | disability definition | ada / disability

PRACTICE AREAS

Social Security disability | administrative law | judicial review of agency action | disability benefits

QUESTIONS PRESENTED

1. Whether the ALJ's RFC determination was supported by substantial evidence and adequately incorporated Plaintiff's documented limitations in concentration, persistence, pace, self-management, attendance, maintaining a normal workday or workweek, and responding to criticism from supervisors.
2. Whether the ALJ properly evaluated the persuasiveness of Dr. Morgan's medical opinion under 20 C.F.R. § 416.920c.
3. Whether remand for an immediate award of benefits, rather than further administrative proceedings, was appropriate.

HOLDINGS

1. The ALJ's RFC determination was not supported by substantial evidence because it failed to account for limitations documented in the record, including moderate limitations in concentration, persistence, pace, and managing oneself, as well as additional limitations identified by the medical expert.
2. The ALJ erred in finding Dr. Morgan's opinion unpersuasive because the conclusion that Dr. Morgan's examination findings were essentially normal was not supported by substantial evidence, and Dr. Morgan's opinions were supported and consistent with the record.
3. Remand for an immediate award of benefits was appropriate because, if Plaintiff's limitations were properly included in the RFC, the ALJ would have to find that Plaintiff was disabled, and further administrative proceedings were unnecessary.

KEY QUOTATIONS

> *"The Commissioner's determination will be set aside only when the ALJ's findings are based on legal error or are not supported by substantial evidence in the record as a whole."* (at 3)

> *"Substantial evidence is "more than a mere scintilla," Richardson v. Perales, 402 U.S. 389, 401 (1971), but "less than a preponderance," Sorenson v. Weinberger, 514 F.2d 1112, 1119 n.10 (9th Cir. 1975)."* (at 3)

> *"The ALJ was not permitted to "cherry-pick" from those mixed results to support a denial of benefits.... The very nature of bipolar disorder is that people with the disease experience fluctuations in their symptoms, so*

> *any single notation that a patient is feeling better or has had a 'good day' does not imply that the condition has been treated."* (at 8)

> *"If an ALJ's hypothetical does not reflect all of the claimant's limitations, then the expert's testimony has no evidentiary value to support a finding that the claimant can perform jobs in the national economy."* (at 9)

FACTUAL BACKGROUND

Plaintiff, age 35 at the hearing, had not completed high school and had prior work as a caregiver. She alleged disabling bipolar disorder, depression, generalized anxiety with agoraphobia, and panic disorder, describing significant mood cycles, panic attacks, inability to leave home or enter stores without support, and periods when she could not get out of bed or care for herself. The ALJ found these impairments severe but assessed an RFC for simple and repetitive work with limited interaction and no fast-paced assembly-line work, relying in part on an adverse assessment of Dr. Morgan's opinion and Plaintiff's subjective statements.

PROCEDURAL HISTORY

Plaintiff applied for disability insurance benefits and supplemental security income. The applications were denied initially and on reconsideration; following telephonic hearings on June 26, 2023, and April 5, 2024, an ALJ found Plaintiff not disabled. The Appeals Council denied review on June 25, 2025, making the ALJ's decision final. Plaintiff filed this action on August 22, 2025.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The matter is remanded to the Commissioner for an immediate award of benefits. Judgment shall be entered for Plaintiff and against the Commissioner, and the file shall be closed.

CASES CITED

- Keyes v. Sullivan, 894 F.2d 1053, 1057 (9th Cir. 1990)
- Tackett v. Apfel, 108 F.3d 1094, 1098 (9th Cir. 1999)
- Matney v. Sullivan, 981 F.2d 1016, 1018 (9th Cir. 1992)
- Richardson v. Perales, 402 U.S. 389, 401 (1971)
- Sorenson v. Weinberger, 514 F.2d 1112, 1119 n.10 (9th Cir. 1975)
- Brawner v. Secretary of Health & Human Services, 839 F.2d 432, 433 (9th Cir. 1988)
- Stout v. Commissioner, Social Security Administration, 454 F.3d 1050, 1055 (9th Cir. 2006)
- Batson v. Barnhart, 359 F.3d 1190, 1193 (9th Cir. 2004)
- Revels v. Berryhill, 874 F.3d 648, 654 (9th Cir. 2017)
- Garrison v. Colvin, 759 F.3d 995, 1018 n.23 (9th Cir. 2014)
- Bray v. Commissioner of Social Security Administration, 554 F.3d 1219, 1228 (9th Cir. 2009)

- Garrison v. Colvin, 759 F.3d 995, 1021 (9th Cir. 2014)

OPINION

Howard
PER CURIAM.
1 Jan 16, 2026
2
SEAN F. MCAVOY, CLERK
3 4 5
6 UNITED STATES DISTRICT COURT
7 EASTERN DISTRICT OF WASHINGTON
8 9
10 LUANA MARIE H., No. 1:25-CV-03138-SAB
11 Plaintiff,
12 v. ORDER REVERSING THE
13 COMMISSIONER OF SOCIAL DECISION OF COMMISSIONER
14 SECURITY ADMINISTRATION,
15 Defendant. 16
17 Plaintiff brings this action seeking judicial review of the Commissioner of 18 Social Security's final decision denying her application for social security benefits. 19 Plaintiff is represented by David Lybbert. The Commissioner is represented by L. 20 Jamala Edwards, David J. Burdett and Brian M. Donovan. Pending before the 21 Court is Plaintiff's Opening Brief, ECF No. 8, and the Commissioner's Brief, ECF
22 No. 9.
23 After reviewing the administrative record and briefs filed by the parties, the 24 Court is now fully informed. For the reasons set forth below, the Court reverses the 25 Commissioner's decision and remands for an immediate award of benefits. 26 I. Jurisdiction 27 On June 18, 2020, Plaintiff filed an application for disability insurance 28 benefits, as well an application for supplemental security income, alleging 1 disability beginning January 1, 2015. Plaintiff's application was denied initially 2 and on reconsideration. Plaintiff requested a hearing and on June 26, 2023, a 3 telephonic hearing was held. Plaintiff appeared and testified before an ALJ, with 4 the assistance of attorney David Lybbert. A supplemental telephonic hearing was 5 held on April 5, 2024 and Plaintiff participated with her attorney. Aaron Williams, 6 Ph.D, medical expert, and Jaye Stutz, vocational expert, also participated. The ALJ 7 found that Plaintiff was not disabled. 8 Plaintiff requested review by the Appeals Council and the Appeals Council 9 denied the request on June 25, 2025. The Appeals Council's denial of review 10 makes the ALJ's decision the "final decision" of the Commissioner of Social 11 Security, which this Court is permitted to review. 42 U.S.C. §§ 405(g), 12 1383(c)(1)(3). 13 Plaintiff filed an appeal with the United States District Court for the

Eastern 14 District of Washington on August 22, 2025. ECF No. 1. The matter is before this 15 Court pursuant to 42 U.S.C. § 405(g). 16 II. Five-Step Sequential Evaluation Process 17 The Social Security Act defines disability as the "inability to engage in any 18 substantial gainful activity by reason of any medically determinable physical or 19 mental impairment which can be expected to result in death or which has lasted or 20 can be expected to last for a continuous period of not less than twelve months." 42 21 U.S.C. §§ 423(d)(1)(A), 1382c(a)(3)(A). A claimant shall be determined to be 22 under a disability only if their impairments are of such severity that the claimant is 23 not only unable to do their previous work, but cannot, considering claimant's age, 24 education, and work experiences, engage in any other substantial gainful work that 25 exists in the national economy. 42 U.S.C. §§ 423(d)(2)(A), 1382c(a)(3)(B). The 26 27 1 At the hearing, Plaintiff requested to amend the alleged onset date to January 1, 28 2019 to simplify the review of the record. 1 Commissioner has established a five-step sequential evaluation process to 2 determine whether a person is disabled in the statute. See 20 C.F.R. §§ 3 404.1520(a)(4)(i)-(v), 416.920(a)(4)(i)-(v). 4 Step One: Is the claimant engaged in substantial gainful activities? 20 5 C.F.R. §§ 404.1520(a)(4)(i), 416.920(a)(4)(i). Substantial gainful activity is work 6 done for pay and requires compensation above the statutory minimum. Keyes v. 7 Sullivan, 894 F.2d 1053, 1057 (9th Cir. 1990). If the claimant is engaged in 8 substantial activity, benefits are denied. 20 C.F.R. § 404.1520(b), 416.920(b). If 9 the claimant is not, the ALJ proceeds to step two. 10 Step Two: Does the claimant have a medically-severe impairment or 11 combination of impairments? 20 C.F.R. §§ 404.1520(a)(4)(ii), 416.920(a)(4)(ii). A 12 severe impairment is one that lasted or must be expected to last for at least 12 13 months and must be proven through objective medical evidence. Id. §§ 404.1509, 14 416.909. If the claimant does not have a severe impairment or combination of 15 impairments, the disability claim is denied. Id. § 404.1520(a)(4)(ii), 16 416.920(a)(4)(ii). If the impairment is severe, the evaluation proceeds to the third 17 step. 18 Step Three: Does the claimant's impairment meet or equal one of the listed 19 impairments acknowledged by the Commissioner to be so severe as to preclude 20 substantial gainful activity? 20 C.F.R. §§ 404.1520(a)(4)(iii), 416.920(a)(4)(iii). If 21 the impairment meets or equals one of the listed impairments, the claimant is 22 conclusively presumed to be disabled. 20 C.F.R. §§ 404.1520(d), 416.920(d). If the 23 impairment is not one conclusively presumed to be disabling, the evaluation 24 proceeds to the fourth step. 25 Before considering to the fourth step, the ALJ must first determine the 26 claimant's residual functional capacity. An individual's residual functional 27 capacity is their ability to do physical and mental work activities on a sustained 28 basis despite limitations from their impairments. 20 C.F.R. §§ 404.1545(a)(1), 1 416.945(a)(1). The residual functional capacity is relevant to both the fourth and 2 fifth steps of the analysis. 3 Step Four: Does the impairment prevent the claimant from performing work 4 they have performed in the past? 20 C.F.R. §§ 404.1520(a)(4)(iv), 5 416.920(a)(4)(iv). If the claimant is able to perform their previous work, they are 6 not disabled. 20 C.F.R. §§ 404.1520(f), 416.920(f). If the claimant cannot perform 7 this work, the evaluation proceeds to the fifth and final step. 8 Step

Five: Is the claimant able to perform other work in the national 9 economy in view of their age, education, and work experience? 20 C.F.R. §§ 10 404.1520(a)(4)(v), 416.920(a)(4)(v). The initial burden of proof rests upon the 11 claimant to establish a prima facie case of entitlement to disability benefits. Tackett 12 v. Apfel, 108 F.3d 1094, 1098 (9th Cir. 1999). This burden is met once a claimant 13 establishes that a physical or mental impairment prevents him from engaging in her 14 previous occupation. Id. At step five, the burden shifts to the Commissioner to 15 show that the claimant can perform other substantial gainful activity. Id. 16 III. Standard of Review 17 The Commissioner's determination will be set aside only when the ALJ's 18 findings are based on legal error or are not supported by substantial evidence in the 19 record as a whole. Matney v. Sullivan, 981 F.2d 1016, 1018 (9th Cir. 1992) (citing 20 42 U.S.C. § 405(g)). Substantial evidence is "more than a mere scintilla," 21 Richardson v. Perales, 402 U.S. 389, 401 (1971), but "less than a preponderance," 22 Sorenson v. Weinberger, 514 F.2d 1112, 1119 n.10 (9th Cir. 1975). Substantial 23 evidence is "such relevant evidence as a reasonable mind might accept as adequate 24 to support a conclusion." Richardson, 402 U.S. at 401. 25 A decision supported by substantial evidence will be set aside if the proper 26 legal standards were not applied in weighing the evidence and making the decision. 27 Brawner v. Secr'y of Health & Human Servs., 839 F.2d 432, 433 (9th Cir. 1988). 28 An ALJ is allowed "inconsequential" errors as long as they are immaterial to the 1 ultimate nondisability determination. Stout v. Comm'r, Soc. Sec. Admin., 454 F.3d 2 1050, 1055 (9th Cir. 2006). The Court must uphold the ALJ's denial of benefits if 3 the evidence is susceptible to more than one rational interpretation, one of which 4 supports the decision of the administrative law judge. Batson v. Barnhart, 359 F.3d 5 1190, 1193 (9th Cir. 2004). It "must consider the entire record as a whole, 6 weighing both the evidence that supports and the evidence that detracts from the 7 Commissioner's conclusion, and may not affirm simply by isolating a specific 8 quantum of supporting evidence." Revels v. Berryhill, 874 F.3d 648, 654 (9th Cir. 9 2017) (quotation omitted). "If the evidence can support either outcome, the court 10 may not substitute its judgment for that of the ALJ." Matney, 981 F.2d at 1019. 11 IV. Statement of Facts 12 The facts have been presented in the administrative record, the ALJ's 13 decision, and the briefs to this Court. Only the most relevant facts are summarized 14 herein. 15 At the time of the hearing, Plaintiff was 35 years old. She did not graduate 16 high school and has not earned her GED. She has prior work as a caregiver, but she 17 stopped with work in 2015, after her father died. She attempted to go back to work 18 in 2019, but she experienced panic attacks and quit. Plaintiff is bipolar. She also 19 suffers from depression. She testified that she only drives if another person is in the 20 car, and she cannot go into a store unless someone is holding her hand, or she has 21 her support dog with her. 22 V. The ALJ's Findings 23 The ALJ issued an opinion affirming denial of benefits. AR 17-30. 24 At step one, the ALJ found that Plaintiff has not engaged in substantial 25 gainful activity since January 1, 2015, the alleged onset date. AR 19. 26 At step two, the ALJ identified the following severe impairments: bipolar 27 disorder; major depressive disorder; generalized anxiety disorder with 28 agoraphobia; and panic disorder. AR 20. 1 At step

three, the ALJ found that Plaintiff did not have an impairment or 2 combination of impairments that meets or medically equals the severity of one of 3 the listed impairments. AR 21. Ultimately, the ALJ concluded that Plaintiff has a 4 residual function capacity ("RFC") to perform: 5 to perform a full range of work at all exertional levels but with the 6 following nonexertional limitations: the claimant is limited to simple and repetitive tasks, with only occasional changes in the work setting, 7 and can have occasional, superficial interaction with the general public, 8 co-workers, and supervisors. The claimant should avoid any type of fast-paced assembly line work. The claimant should avoid any type of 9 fast-paces assembly line work. 10 AR 23. 11 At step four, the ALJ found that Plaintiff was unable to perform any past 12 relevant work. AR 28. The ALJ found there were other jobs that existed in 13 significant numbers in the national economy that Plaintiff could perform, including 14 Floor waxer; Cleaner II, and Cleaner, housekeeping. AR 29. Consequently, the 15 ALJ found that Plaintiff was not disabled.

16 VI. ISSUES

17 1. Whether the ALJ's determination of the RFC was supported by 18 substantial evidence? 19 VII. Discussion 20 The ALJ erred in determining Plaintiff's RFC because it failed to include 21 limitations that were supported by the record. First, even though the ALJ found 22 that Plaintiff's mental health impairments did not meet the Listings, it found they 23 combined to create moderate limitations in four realms of function: understanding, 24 remembering, and applying information; interacting with others; concentration 25 persistence and maintaining pace; and adapting or managing oneself. Yet, the RFC 26 limited Plaintiff to simple repetitive tasks with only occasional changes in the work 27 setting; occasional superficial interaction with the general public, co-workers and 28 1 supervisors, and no fast-paced assembly line work. The ALJ failed to account for 2 Plaintiff's moderate limitations in maintaining pace, concentration persistence, or 3 managing oneself. 4 Second, the RFC fails to address limitations the ME identified at the hearing, 5 including that Plaintiff would have moderate limitations in accepting criticism 6 from supervisors, her bipolar disorder and panic attacks would be variable, so at 7 times, the impairments from the Bipolar would be marked, and the moderate to 8 marked impairments would affect her ability to maintain attention and 9 concentration, the ability to maintain regular attendance, and the ability to 10 complete a normal workday or workweek would be markedly impaired at times. 11 Third, Dr. Morgan identified marked impairments as a result of her Bipolar 12 and anxiety issues, and the ALJ erred in finding Dr. Morgan's opinion not 13 persuasive. 14 In evaluating medical opinion evidence, the ALJ must consider the 15 persuasiveness of each medical opinion and prior administrative medical finding 16 from medical sources. 20 C.F.R. § 416.920c(a) and (b). The ALJ is required to 17 consider multiple factors, including supportability, consistency, the source's 18 relationship with the claimant, any specialization of the source, and other factors 19 (such as the source's familiarity with other evidence in the file or an understanding 20 of Social Security's disability program). 20 C.F.R. § 416.920c(c)(1)-(5). 21 Supportability and consistency of an opinion are the most important factors, 22 and the ALJ must articulate how they considered those

factors in determining the 23 persuasiveness of each medical opinion or prior administrative medical finding. 20 24 C.F.R. § 416.920c(b)(2). The ALJ may explain how they considered the other 25 factors, but is not required to do so, except in cases where two or more opinions 26 are equally well-supported and consistent with the record. Id. 27 Supportability and consistency are further explained in the regulations: 28 (1) Supportability. 1 The more relevant the objective medical evidence and supporting 2 explanations presented by a medical source are to support his or her 3 medical opinion(s) or prior administrative medical finding(s), the more 4 persuasive the medical opinions or prior administrative medical finding(s) 5 will be. 6 (2) Consistency. 7 The more consistent a medical opinion(s) or prior administrative medical 8 finding(s) is with the evidence from other medical sources and nonmedical 9 sources in the claim, the more persuasive the medical opinion(s) or prior 10 administrative medical finding(s) will be. Id. 11 The ALJ concluded that Dr. Morgan's exam findings were essentially 12 normal. This is not supported by substantial evidence. Rather, Dr. Morgan found 13 that Plaintiff appeared anxious, and she struggled with her immediate memory, 14 which are not normal findings. Dr. Morgan relied on the fact that Plaintiff 15 experiences anxiety in open spaces, crowds and does not leave her house alone. 16 She has feelings of worthlessness, poor concentration, and suicidal thinking. Dr. 17 Morgan's opinions and conclusions are supported and consistent with the record. 18 The ALJ erred in finding that Dr. Morgan's opinion was not persuasive. As such, 19 the ALJ erred in failing to account for the limitations assessed by Dr. Morgan. 20 Plaintiff is bipolar. As such, it is particularly important that the ALJ consider 21 the record as a whole. See Garrison v. Colvin, 759 F.3d 995, 1018 n. 23 (9th Cir. 22 2014) ("The ALJ was not permitted to "cherry-pick" from those mixed results to 23 support a denial of benefits.... The very nature of bipolar disorder is that people 24 with the disease experience fluctuations in their symptoms, so any single notation 25 that a patient is feeling better or has had a 'good day' does not imply that the 26 condition has been treated."). The ALJ failed to consider the record as a whole in 27 his instance. Instead, the ALJ cherry-picked facts that gloss over the limitations 28 that Plaintiff experiences as she cycles through her mood swings. 1 For instance, the ALJ found that while Plaintiff did not make any 2 deliberately false or misleading statements her subjective statements were 3 inconsistent with the objective medical evidence. This is not true. Instead, the 4 record indicates that Plaintiff suffers from significant mood cycles, which means 5 there are times when she has energy, but there are times where she is not 6 functioning and cannot get out of bed or take care of herself. Plaintiff has not lived 7 on her own for years, mostly living with family and at times experiencing 8 homelessness or living in a car. Plaintiff testified her mood cycles are shortened in 9 duration by medication, but they still occur on a regular basis, nonetheless. 10 VIII. Conclusion 11 The ALJ erred in determining Plaintiff's RFC because it did not accurately 12 account for her limitations that are documented in the record. See Bray v. Comm'r 13 of Soc. Sec. Admin., 554 F.3d 1219, 1228 (9th Cir. 2009) ("If an ALJ's hypothetical 14 does not reflect all of the claimant's limitations, then the expert's testimony has no 15 evidentiary value to support a finding that the claimant can

perform jobs in the 16 national economy.") (quotation omitted). 17 And, if the ALJ properly included Plaintiff's limitations in the RFC, it is 18 clear the ALJ would have to find that Plaintiff is disabled on remand. As such, 19 there is no need to develop the record or convene further administrative 20 proceedings. See Garrison v. Colvin, 759 F.3d 995, 1021 (9th Cir. 2014). 21 Therefore, a remand for the immediate award of benefits is appropriate. 22 Accordingly, IT IS HEREBY ORDERED: 23 1. For court management purposes, Plaintiff's Opening Brief, ECF No. 24 8, is GRANTED. 25 2. For court management purposes, the Commissioner's Brief, ECF No. 26 9, is DENIED. 27 3. The decision of the Commissioner is REVERSED. This matter is 28 REMANDED to the Commissioner for an immediate award of benefits. 1 4. Judgment shall be entered in favor of Plaintiff and against the Commissioner. 3 IT IS SO ORDERED. The District Court Executive is hereby directed to file this Order, provide copies to counsel, and close the file. 5 DATED this 15th day of January 2026. 8 stan in 7 Chief United States District Judge 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28