



**Division of Medical Services**

P.O. Box 1437, Slot S401, Little Rock, AR 72203-1437

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October 1, 2021

To: United Methodist Children's Home  
2002 S. Fillmore St.  
Little Rock, AR 72214

RE: Sanctions Pursuant to Provider Surveys

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To whom it may concern –

I write to inform you of pending actions against your facility by the Arkansas Department of Human Services (DHS), Division of Medical Services (DMS), related to the recent surveys of your facility conducted by the DHS, Division of Provider Services and Quality Assurance (DPSQA).

On July 6, 2021, DPSQA's contracted vendor, Arkansas Foundation for Medical Care (AFMC) conducted an onsite Inspection of Care (IOC). As a result of the IOC, on July 20, 2021, your facility was cited for multiple concerns and findings, including incomplete restraint seclusion logs, expired CLIA licensure, and inappropriate documentation of Adult Maltreatment Checks for 12 staff members, among other things. In the July 20, 2021, IOC Report, AFMC requested a corrective action plan (CAP) from your facility within thirty (30) days. That is, by August 20, 2021. To date, you have failed to provide the requested CAP to either AFMC or DPSQA.

DMS, as the State Medicaid Agency (SMA), has authority to sanction providers for failure to comply with both federal and state requirements for Medicaid participation. Pursuant to DMS's rules, specifically the Inpatient Psychiatric Manual, §§ 152.000 and 241.700, DMS hereby issues the following sanctions to United Methodist Children's Home until deficiencies identified in the IOC are resolved, and an acceptable CAP is provided and been put into place at your facility to ensure future deficiencies will not occur:

- DMS/DPSQA review and possible revision of the Corrective Action Plan which must be submitted to AFMC by close of business on October 6, 2021
- Suspension of provider referrals to your facility
- Placement on high-priority monitoring
- Referral of the matter to the Arkansas Office of Medicaid Inspector General for review
- Recoupment of payments made for services determined not to be medically necessary or that fail to meet professionally recognized standards for health care

The second survey by DPSQA was concluded August 13, 2021, and deficiencies were cited on form CMS-2567, to which you have already responded. In the report of the August 13, 2021 survey, your facility was cited for 46 deficiencies over a 6-month period, and all regarding restraints & seclusion. According to the report, three (3) separate clients sustained actual harm as a result of your facility's failures. Your proposed Plan of Correction in response to those cited deficiencies was received and approved by DPSQA on September 8, 2021.

While none of those cited deficiencies appear to rise to the level of “serious injury” or “immediate jeopardy” as defined under 42 CFR §§ 483.352 and 488.301, your facility does not appear to be in “substantial compliance” with applicable regulations that require the deficiencies to “pose no greater risk to resident health or safety than the potential for causing minimal harm” and it is not unforeseeable or unreasonable to suspect that misuse of restraints could result in harm to a Medicaid client that is greater than minimal harm. Under 42 CFR § 488.412, when a facility is cited for a deficiency that does not rise to the level of immediate jeopardy, but fails to meet substantial compliance, DMS must either terminate their Medicaid provider agreement or take steps to continue to allow the facility to remain enrolled as an Arkansas Medicaid provider for up to six (6) months, during which time the facility would be required to complete corrective action. You have submitted the required Plan of Correction regarding this inspection, however, DMS is requesting that you provide documentation verifying progress and adherence to the Plan of Correction by October 6, 2021, to ensure compliance with the Federal Regulations.

Please submit all required documentation by October 6, 2021. Failure to submit the requested documentation will result in additional sanctions being imposed, up to and including termination of your provider agreement.

Pursuant to state and federal laws, including the Arkansas Medicaid Inpatient Psychiatric Manual (Section I), you have the right to appeal the sanctions outlined above. Specifically, §161.400 of said manual provides that:

Within 30 calendar days of receiving notice of adverse decision/action, or 10 calendar days of receiving an administrative reconsideration decision that upholds all or part of any adverse decision/action, whichever is later, the provider may appeal.

An appeal must be in writing and must specify in detail all findings, determinations, and adverse decisions/actions that the provider alleges are not supported by applicable laws; including state and federal laws and rules, applicable professional standards or both. Mail or deliver the appeal to the Director, Division of Medical Services, P.O. Box 1437, Slot S401, 7th and Main Streets, Little Rock, AR 72203-1437. No appeal is allowed if the adverse decision/action is due to loss of licensure, accreditation or certification.

Respectfully,



David B. Jones, Assistant Director  
Division of Medical Services