DEPARTMENT OF HEALTH & HUMAN SERVICES Centers for Medicare & Medicaid Services Dallas Regional Office 1301 Young Street, Room 827 Dallas, Texas 75202



Division of Survey and Certification, Region VI

October 12, 2012

Mr. Steve Henson, Administrator Arkansas State Hospital, CCN 044011 305 S. Palm Street Little Rock, AR 72205-4023

Dear Mr. Henson:

The Social Security Act requires psychiatric hospitals to meet the requirements set forth under sections 1861(e) and (f). Therefore, psychiatric hospitals must be in substantial compliance with all applicable Medicare Conditions of Participation in order to participate in the Medicare program.

In 2011, Arkansas State Hospital faced potential termination from the Medicare program based on CMS's determination that it was no longer in substantial compliance with all applicable Medicare Conditions of Participation. In order to avoid termination from the Medicare program, on July 18, 2011, Arkansas State Hospital entered into a Systems Improvement Agreement (SIA) with CMS. The hospital engaged the services of independent consultative experts (Compass Clinical Consulting) as required by the SIA to assist in bringing the hospital back into substantial compliance. The SIA also required that a full survey be conducted at the end of the SIA in order to determine Arkansas State Hospital's compliance with all applicable Medicare Conditions of Participation.

From September 17, 2012 to September 20, 2012, CMS's Psychiatric Consultants conducted a survey of the two Special Conditions of Participation for Psychiatric Hospitals. From September 17, 2012 to September 21, 2012, Arkansas State Survey Agency surveyors conducted a survey of the Medicare Conditions of Participation for acute care hospitals. We have reviewed the findings from both surveys and determined that Arkansas State Hospital is now in substantial compliance. Therefore, Arkansas State Hospital has successfully met the terms of the SIA.

However, the survey identified several deficient practices that still require acceptable plans of correction. The deemed status of Arkansas State Hospital will be restored when we receive acceptable plans of correction for the deficient practices cited in the enclosed Form CMS-2567. We will notify The Joint Commission once Arkansas State Hospital's deemed status is restored, and Arkansas State Hospital will no longer be under the survey jurisdiction of the Arkansas State Agency.

If you have any questions, please contact Juanita Cortez at 214-767-54403 or by email at juanita.cortez@cms.hhs.gov.

Sincerely yours,

Ginger Odle, Manager

Non-Long Term Care Certification and Enforcement Branch

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CC: TJC; ARDoH