



Division of Medical Services

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

P: 501.682.8292 F: 501.682.1197

August 2, 2023

Attn: Jill Kilgore, Administrator
Happy Valley Nursing and Rehabilitation Center
455 Division Street
Malvern, Arkansas 72104

Dear Ms. Kilgore,

Pursuant to 42 C.F.R. § 488.410, this letter is provided as notice of the immediate termination of your Medicaid provider agreement on August 4, 2023. On or about July 28, 2023, the Office of Long Term Care, the Arkansas State Survey Agency, recommended to the Centers for Medicaid and Medicare Services (CMS) that your Medicare certification agreement, Medicaid provider agreement, and Arkansas State Licensure be terminated immediately, due to ongoing immediate jeopardy citations discovered during the week of July 23, 2023. A copy of that letter is enclosed and incorporated herein.

The reasons for the immediate termination of your Medicaid provider agreement are as follows:

- The immediate jeopardy citations set forth in full in the attached letter to your facility from the Division of Provider Services and Quality Assurances, Office of Long Term Care dated August 1, 2023, which is also enclosed with this letter;
- Violations of your Contract to Participate in the Arkansas Nursing Home Program Administered by the Division of Economic and Medical Services Office of Long Term Care Under Title XIX (Medicaid) §§III(A) and (B);
- Noncompliance with the Medicaid Provider Manual, §151.00(A) and (B); and
- The loss of your facility's licensure.

Pursuant to 42 C.F.R. § 488.408(e) and §150.000 of the DMS Medicaid Provider Manual, the Division of Medical Services, in its role as the State Medicaid Agency, hereby provides notice of its intent to immediately terminate your Medicaid Provider Agreement, for the reasons listed above.

Appeal Rights

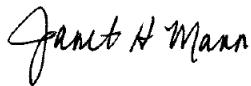
In accordance with §161.400 of the Medicaid Provider Manual, your facility is entitled to a hearing before the State Medicaid Agency. An appeal must be in writing and must specify in detail all findings, determinations, and adverse decisions or actions that the provider alleges are not supported by applicable laws; including state and federal laws and rules, applicable professional standards or both. You must mail or hand-deliver the appeal within 30 days of the date of this letter to:

Director
Division of Medical Services
P.O. Box 1437, Slot S401
700 Main Street
Little Rock, AR 72203-1437

If you have any questions regarding this matter, you may contact Nell Smith, Deputy Director of the Division of Medical Services, at (501) 320-6277.

Additionally, pursuant to 42 CFR § 431.153(g), DHS hereby notifies you that, since your facility is also participating in Medicare as an SNF, and since the basis for termination of your participation in the Arkansas Medicaid program is also a basis for denial or termination of participation in Medicare, the appeals procedures specified for Medicare facilities in CFR Part 498 apply to you, and a final decision entered under the Medicare appeals procedures is binding for both the Medicare and Arkansas Medicaid programs.

Sincerely,



Janet Mann
DHS Deputy Secretary and State Medicaid Director

cc: Centers for Medicare and Medicaid Services
Elizabeth Pitman, Director, Division of Medical Services
Nell Smith, Deputy Director, Division of Medical Services
Rebecca Fallen, Assistant Director, Office of Long-Term Care
Martina Smith, Director, Division of Provider Services and Quality Assurance
File

Encl. Letter from DPSQA-OLTC to Happy Valley Nursing and Rehabilitation Center
CMS-2567 Findings for Happy Valley Nursing and Rehabilitation Center (approved by
CMS August 1, 2023)