Arkansas Medicaid Providers
Deferral Program

*Defer Pre-Tax Medicaid Income to a retirement plan:*
As a Medicaid provider, you are considered an independent contractor of the state of Arkansas and thus are eligible to defer a portion of your Medicaid income on a pre-tax basis by making contributions to the State of Arkansas Deferred Compensation Plan, commonly referred to as the Arkansas Diamond Plan.

*Deferrals can be made in addition to funding your current retirement plan:*
These deferrals may be made in addition to any contributions that you are making to your current retirement plan established by your professional group or individual practice. Therefore, providers can fully fund their 401k, pension, profit sharing, SEP, Simple plans etc. and also fully fund the AR Diamond Plan. For 2013, providers can defer up to $17,500 of Medicaid income per year if they have not attained the age of 50. Providers 50 and older in 2013 can defer $23,000 per year.

*The program has been available for 30 years:*
Hundreds of Medicaid providers are currently taking advantage of the opportunity to defer a portion of their Medicaid income to the Arkansas Diamond Plan. Some Medicaid providers have been making contributions to the Plan since 1976.

*Incorporated and group practice providers can also utilize the plan:*
Providers can defer income from Medicaid services that are to be paid to the provider’s individual provider number. Providers must report Medicaid services in this manner for the length of time necessary to meet the contribution limit for the year. Once the contribution limit has been met, for the remainder of the year Medicaid claims can be submitted to the state to be paid to the provider number associated with the provider’s corporation, clinic or group practice.

*To obtain additional information on the plan:*
Plan information and enrollment packets are available on request via email or regular mail. Contact Robert Jones with Stephens Inc. at rjones@stephens.com or 501-377-8112 to request a packet or further inquiry.
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