



Find the perfect PEO

Seven questions to ask when evaluating PEOs for your business

Due diligence doesn't have to be a burden. After identifying your needs and the PEOs you want to evaluate, use the following questions to prepare for your discussions. With over 500 PEOs across the country, we want to help you make the best decision for the long-term success of your business.



Is the PEO dependent on acquisitions and mergers, or has it been through organic growth with customer retention and long-term stability?

How a PEO grows matters. It's an indication of how they manage their risk. PEOs grow organically, attracting and retaining customers or through acquisitions and mergers, combining customer bases.

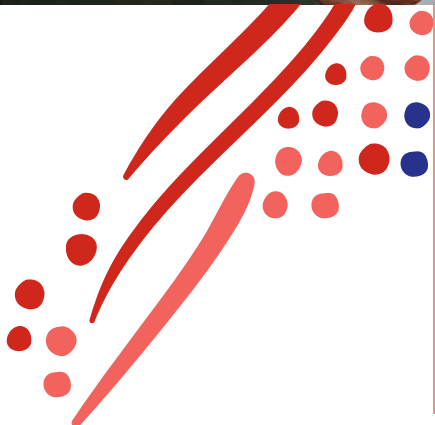
ADP TotalSource®, the largest PEO in the country, has experienced solid organic growth for many years without needing to acquire smaller PEOs to grow. The solution currently supports 715,000+ client employees. This is significant because it demonstrates our commitment to client retention and our ability to leverage our immense buying power to be a long-term partner to the businesses we work with.



How much does a PEO cost, and what is the pricing model?

There are typically two types of PEO pricing. The first is based on employee headcount as a percentage of payroll. The second is a flat rate per employee per month (PEPM). Some PEOs allocate costs differently. It's essential to get access to a sample invoice to understand the PEO's cost structure.

ADP TotalSource bills per pay period as a percentage of employee payroll. It provides pricing easily organized down on an invoice for different cost components of the solution. Some PEOs offer one lump sum price that bundles costs for wages, payroll tax, admin fee, workers' comp, EPLI, benefits, and more – which is ambiguous and complex to determine individual costs.



ADP TotalSource
clients save

30%
more time with
our PEO

Client survey Dec. 2022



Does a PEO provide my company with dedicated team members to help with HR, payroll, and benefits?

A PEO generally provides a service and support team to help clients with payroll and benefit administration, HR and compliance, workplace safety, and more. With the rapid growth in the PEO market, it's important to note that some PEOs provide only virtual or call center support without dedicated resources assigned to your account.

With ADP TotalSource, receive day-to-day support and ongoing HR and compliance guidance from your [ADP HR Business Partner \(HRBP\)](#) and our team of HR experts.

Lean on your assigned ADP HRBP for:

- ☒ HR administration and how to handle employee situations - with no limit to how often you can contact us.
- ☒ Employee engagement strategies like career development and performance management.
- ☒ Employee benefit strategy and plan design to provide your employees with multiple options to meet their healthcare needs.
- ☒ Help to better attract and retain employees by analyzing your existing turnover and providing you with data and insights to be a more competitive employer.

ADP TotalSource also provides a **Payroll Advisor** to your business who helps ensure your payroll is processed on time and accurately and taxes are paid so you stay compliant.

Your assigned **ADP Benefits team** are experts in helping you navigate health and welfare plan offerings that keep you competitive and in compliance. This team serves as a contact all year round, so you and your business are not alone. This team is also your secret weapon in the complex health and welfare plans world.

ADP Risk and Safety Consultants design solutions to help you create a safe workplace, remain compliant, and equip you with tools that positively affect the bottom line.



How many benefits carriers do a PEO partner with to offer benefits plans to clients?

Benefits carrier support differs by each PEO. Some PEOs rely heavily on only one national benefits carrier or only offer benefits plans in a few states nationwide.

ADP TotalSource is one of the only PEOs that partner with top national carriers such as Aetna, Anthem, United Healthcare, and various regional carriers. We leverage these relationships to provide access to high-quality, affordable healthcare plans. It also means we can bring more benefit options with greater flexibility in plan design while providing a unique benefit offering based on your strategic needs and initiatives.



Are PEO health insurance and workers' compensation insurance fully insured?

With a competitive PEO market, some providers have shifted away from a fully insured workers' compensation and healthcare model, increasing customer risk and cost instability.

ADP TotalSource health insurance and workers' compensation insurance are both fully insured. We have strict carrier-approved underwriting procedures established nationwide with our benefits carrier partners and our workers' compensation carrier — which helps deliver rate stability and continued value for our clients.



How does a PEO protect my company from an employee lawsuit or claim? What is the deductible on the Employment Practices Liability Insurance (EPLI) policy?

By partnering with a PEO, you may be able to mitigate some of the liabilities associated with being an employer. Some PEOs provide an EPLI and a legal defense benefit, which can help reduce the financial consequences of employee lawsuits and claims.

ADP TotalSource provides both an EPLI and legal defense benefit to our clients. Our Service team provides unparalleled support and is equipped with proactive tools and strategies to help prevent an employee lawsuit. If an employee files a claim, your business will be protected against employment practices liability under our EPLI policy for covered claims up to an annual policy limit of \$1M. Our carrier partner will be able to help in the initial assessment and evaluation of each claim.

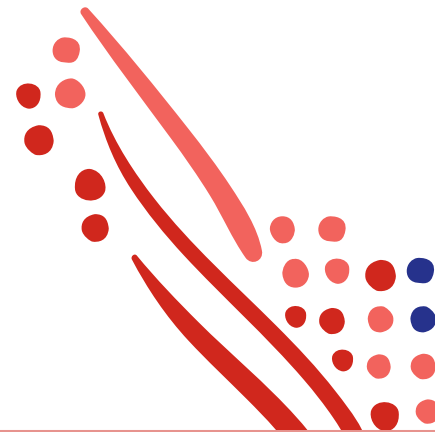
You will also be protected with a legal defense benefit of \$75K per covered employment claim for all states other than California. The legal defense benefit is \$100,000 per covered employment claim in California. The EPLI policy and Legal Defense Benefit provide you with a unique benefit of financial security and protection in the event of a loss (subject to terms and conditions).



Can a PEO integrate with other platforms or partners?

Some PEOs can integrate with business software applications and leading HR, payroll, and financial systems. Some can also leverage custom APIs or integrations if you need these services. A PEO may also provide an online HR marketplace for businesses, like an app store, that offers applications for connecting and integrating data across HR systems.

ADP provides a digital HR storefront that allows your business to create a highly customized, fully integrated HR ecosystem. [ADP Marketplace](#) enables you to connect and share data across all your HR systems to simplify your processes. Businesses can explore, try, buy, and implement industry-specific solutions or best-in-class single service providers that can automatically connect to their ADP platform so they can run their business more effectively and efficiently.



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leading PEO,
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