

# Workers' Compensation

Perhaps one of the most sought after services a PEO offers is workers comp coverage. Don't make the mistake of underestimating workplace hazards and risks. Workers' compensation insurance is a must have to protect your business and your employees. Without adequate coverage, even a single claim can be a massive burden financially and could risk damaging your business. PEOs are a great option for hard to place businesses or companies with high cost, risky job codes. By using a PEO, companies find that their experience modifier and premiums drop significantly because the coverage is pooled together with the other companies in the PEO's network. This means the risk is spread across thousands of other companies. Some PEOs (including Cornerstone) offer a pay as you go workers compensation structure, meaning there is no large upfront cost. A PEO also provides support and expertise in the event a claim occurs.



**Working with a PEO can  
help save 20-50% of  
workers' comp premium**



## Get back to running your business

Let the Cornerstone advantage work for you. With our support, you'll be able to outsource all employment related HR functions. We'd love to start a conversation about your specific needs and what solutions we can bring to make you life easier.

To learn more about our PEO services and how they can help your company, contact Cornerstone PEO today.

### PEO Solutions

- ✓ Payroll Processing
- ✓ Tax Management
- ✓ Payroll Reporting
- ✓ Claims Management
- ✓ Safety Programs
- ✓ Flexible Coverage
- ✓ Time & Attendance
- ✓ Top Rated Carriers
- ✓ HR Support



# What is a PEO?

**Discover one of the best kept secrets of successful business owners**

# What is a PEO?

It's a common question and one we get asked all the time. You may already know that PEO is an acronym standing for Professional Employer Organization. But more importantly, do you know exactly how a PEO can help employers?

**“After outsourcing to a PEO, not only have our costs dropped significantly, but now I have more time available to grow my business and relax with my family.”**

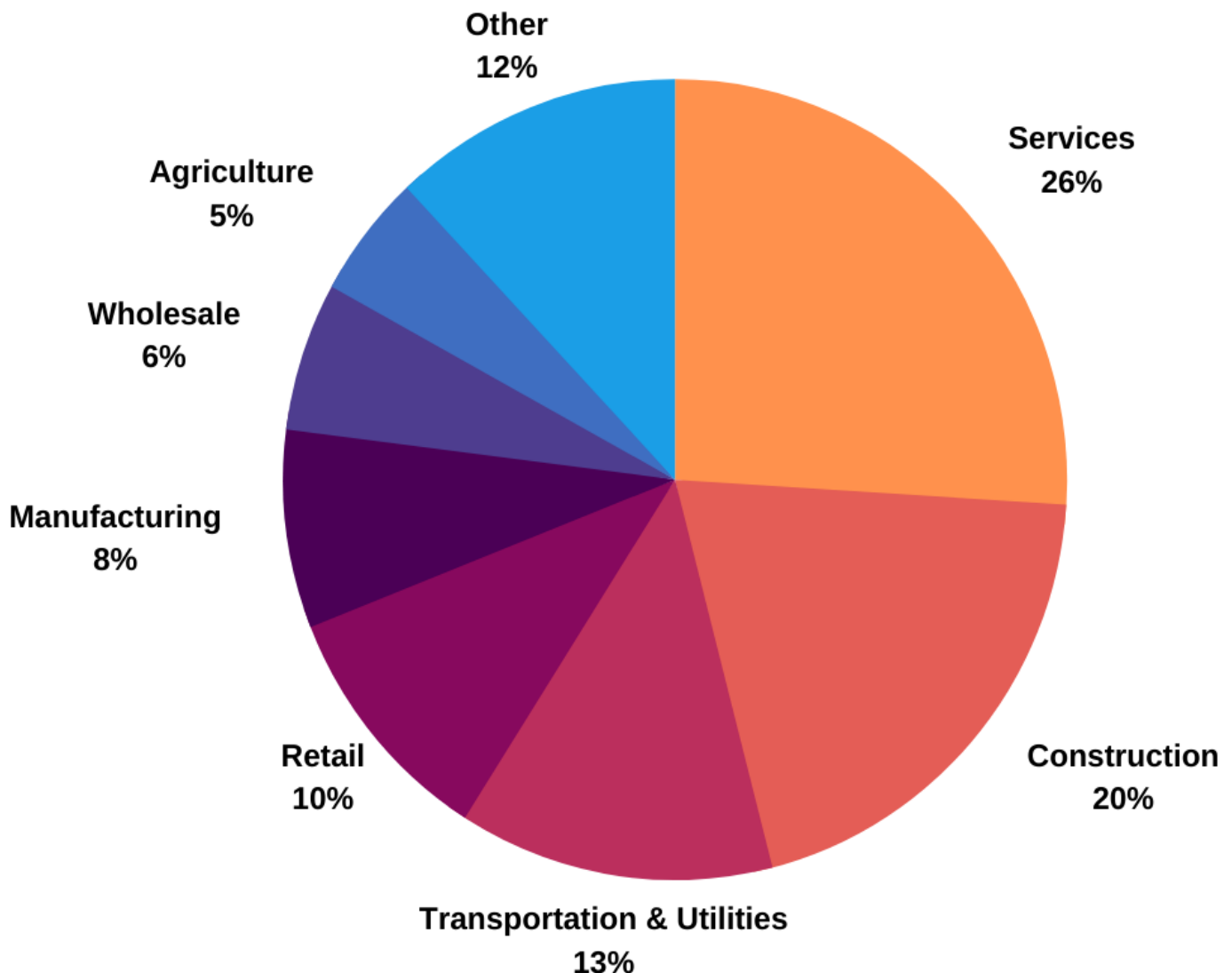
PEOs enable businesses to cost-effectively outsource the management of human resources, employee benefits, payroll, and workers' compensation. Think of a PEO as a mutual fund for benefits and workers' comp, meaning PEO clients all contribute to a large group plan, and by achieving economies of scale, the client companies get coverage for a much cheaper cost. Companies partner with PEOs through a co-employment relationship thus bringing expertise to the areas of HR, employee benefits, payroll processing, risk management, and workers' comp.



**Small and mid-sized businesses that partner with PEOs grow 9% faster than the national average**

# What Industries do PEOs Work With?

PEOs work with companies in all industries including everything from tech startups to construction groups to family farms and everything in between. While a PEO can benefit most companies, the average company size using a PEO consists of between 10 and 100 employees. Often times, business owners are hesitant to consider a PEO because they wonder if their company is even large enough to benefit from PEO services. The truth is, the size of the company doesn't matter and many different types of businesses can benefit tremendously with a PEO partnership.



# How Can a PEO Help Me?

You didn't go into business to be bogged down by administrative duties. Partnering with a PEO is a great solution to save time and alleviate headaches. By letting the PEO assume most of your employer-related HR responsibilities, this frees up time that can be devoted to running your business. PEOs do more than just save time, they can help save you money as well. PEOs offer their expertise, which can help you steer clear of HR-related compliance issues. They also acquire employee benefits plans and workers' comp insurance for a much cheaper cost than if a company were to purchase an individual plan.

## What Services do PEOs Offer?



**Human  
Resources**



**Payroll &  
Employment Taxes**



**Risk  
Management**



**Workers'  
Compensation**



**Employee  
Benefits**

# Human Resources

Employment law is complex and always changing, which makes it difficult to keep up. Regardless of whether you have an in-house HR team (or person), partnering with a PEO can give your company a competitive advantage. The PEO acts as a direct extension from your HR team, meaning you can leverage the expertise of industry professionals. They'll work hand-in-hand with you to keep you aware of regulatory updates and guide your business with any adjustments. Failing to keep up with the ever-changing labor laws can lead to costly fines. On top of ensuring you maintain compliance, PEOs can help with new hire support. The PEO will assist you in the hiring process and with the onboarding of new employees. When partnering with a PEO, you can rest assured knowing that HR professionals are there to guide you every step of the way.



**Companies who use a  
PEO save an average of  
35% on HR  
administration costs**

# Payroll and Employment Taxes

Payroll is a time consuming and precise process. Even a small error can be a costly mistake and result in fines or penalties. Choosing to partner with a PEO for your payroll will not only save you time, but experienced payroll professionals will also ensure the checks are sent out in a timely and accurate manner. Comparatively from doing your own payroll, the PEO takes full responsibility for filing employment taxes and paying them on time. A PEO also has the capabilities to process complex payrolls, including certified payrolls for government projects. By utilizing a PEO, there's less stress and less work. PEOs automatically take out deductions, garnishments and tax withholdings from employee wages. They also serve as a resource and can assist with unemployment tax claims.



**Businesses who partner  
with a PEO save an  
average of 52% on tax  
compliance**



# Risk Management

It can seem like there's hidden risks hiding behind every corner when running a business. From keeping workers safe, treating them correctly, and complying with rules and regulations, the amount of liabilities can swiftly add up. Not dealing with these risks can lead to devastating consequences including expensive lawsuits, high employee turnover, tarnishing of your brand and costly fines. PEOs have a vested interest in keeping your workplace and employees safe. When an injury occurs, it is the PEOs premium that increases, not the clients. A PEO will also get involved when an injury occurs to ensure the injured employee receives the care and attention they need. Some PEOs (including Cornerstone) will provide you with the necessary representation to manage the obligations associated with work related injuries. With help of a PEO, not only do they reduce the likelihood of a work injury, but they also assist you in the event one does happen.



**OSHA estimated that 75,000 lives have been saved and millions of injuries prevented annually due to working with a PEO**

# Employee Benefits

Employee benefits are a great way for companies to attract and retain top talent. Benefits packages are usually reserved for large corporations, leading to smaller firms being priced out of the market. When working with a PEO, smaller companies get the same access to benefits as Fortune 500 companies for a fraction of the cost. PEOs can achieve this by pooling together all their clients under one large group plan to get cheaper rates than if each client company got an individual plan. Not only does working with a PEO get small businesses benefits for a cheaper cost, but they also can get more of a variety of benefits. For example, most companies will get the standard health insurance and maybe, a 401k plan. PEO clients get access to other benefits such as cancer insurance, dental and vision, prescription medication plans and even pet medical insurance. Obviously the offerings may vary but a PEO gives much more flexibility and choices than if a company were to get an individual plan.



**Employers that administer  
benefits through a PEO  
see employee turnover  
decrease by 30%**