



# unemployment compensation solutions



If you've never considered Sedgwick for unemployment claims and tax management services, there are 3.9 billion reasons you should.

In 2016 alone, American businesses were subject to \$3.9 billion in erroneously paid unemployment benefit charges. On average, companies paid 11.6% more than they had to in unemployment costs. Stop overpaying. Start saving. Put Sedgwick to work for you.

At Sedgwick, accuracy and professionalism drive our workflow and processes. Our staff is nationally recognized for its ability to reduce employer costs, maximize resources and achieve financially sound claims management solutions. And in the end, our clients have the balance sheets to prove it.

## **Sedgwick is the most important new hire you'll make this year**

Let us put Sedgwick's 40 plus years of experience to work for you. Our experts develop and refine custom unemployment cost management solutions specifically for our clients. With Sedgwick, you can be assured of the highest level of service and results.

In 2016, Sedgwick removed millions of dollars of potential charge liability from our clients' accounts.

Even with the significant number of new claims reviewed each year, our claims specialists have one of the highest dispute rates in the industry:

- 90% of disputed cases end in favorable decisions for our clients
- Our on-staff hearing representatives monitor and attend thousands of hearings each year, ensuring the best possible outcomes

For Sedgwick clients, this means that unsubstantiated claims will not impact their bottom line.

In 2013 and 2014, Sedgwick claims examiners noticed an increase in claims for employees that were still active in a client's human resource system. Our thorough investigation uncovered that these employees were the victims of identity theft. Sedgwick worked with the Office of the Inspector General (OIG) to resolve the issues and developed a strong relationship with the OIG in the process. As a result of our claims work, auditing and protesting of erroneous benefit charges, we were able to save our client in excess of \$7.8 million.

## **Program review, recommendation and design**

An employer's personnel policies, rules, regulations and disciplinary procedures play a major role in the success of their unemployment claims management program. When you sign with Sedgwick, we become a team. Sedgwick will review your current processes and provide recommendations to improve those systems and achieve optimal results. We will work to develop a claims management program that is compatible with your corporate objectives.

## **Claims administration and reporting**

Sedgwick scrutinizes all unemployment claim data for accuracy, completeness and benefit eligibility. We request relevant separation information and provide supplementary documentation, as needed, to transmit to appropriate state agencies in support of our appeals and protests.

We become your authorized representative and receive claims directly from agencies. Sedgwick monitors all claim activity and benefit charge statements to ensure minimum charge exposure. We



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also provide meaningful reports, and a client portal, so that you can monitor the success of our program. Our objective is to create a cooperative partnership in order to minimize your burden, but allow your company's participation at whatever level works for you.

Sedgwick began working with a Major League Baseball team in 2010. At the start of 2011, their tax rate was 2.5%. As of 2017, their rate is down to 1.7%. We were able to help the client reduce its tax rate through aggressive claims defense strategies, including identifying and vigorously defending against unemployment claims filed by seasonal employees.

### Hearing representation

Our goal is to avoid the cost and inconvenience that unemployment hearings create for you and your staff. However, when an administrative hearing is necessary, Sedgwick will coordinate the preparation of your case, arrange for witness attendance, and send a qualified representative to appear with you before the state agency appeals board.

### Tax management

Beyond the management of claims and benefit charges, state-specific unemployment tax laws, rules and regulations present more opportunities to minimize cost. Sedgwick reviews all state-issued tax rate notices annually for accuracy, and protests any discrepancies that would negatively impact you. We also examine and advise you on any tax savings options available through voluntary contributions and joint accounts or common rating.

Voluntary contribution provisions exist in 27 states, and 12 states offer joint account or common rating as additional tax savings opportunities.

Mergers and acquisitions will affect unemployment tax rates as well, and Sedgwick can review the impact and make tax saving recommendations where experience transfer options exist.

Common rating example:

Sedgwick completed a common rate analysis for a group of commonly-owned nursing homes, saving them \$270,000 in annual unemployment tax. The group consisted of 33 facilities. Sedgwick was able to evaluate multiple options and determine that forming several separate groups generated the most significant savings.

### Training and continuing education

Sedgwick recognizes the importance of thoroughly trained and well-informed personnel engaging in the cost management process. We offer comprehensive training programs covering the necessary elements of hiring, discipline, separation, employee relations and claim handling procedures – all of which can be customized to adhere to your unique employment situations.

### For unemployment cost management solutions, Sedgwick just makes sense

Whether you currently handle unemployment claims in-house or outsource to a payroll company or other service provider, you could gain substantial benefits from switching to Sedgwick:

- Reduced overpayments
- Lower operating costs
- Higher level of professional, personal service
- Maximized accuracy and efficiency
- Broader national resources

Visit [www.paymentaccuracy.gov](http://www.paymentaccuracy.gov) for additional statistics.

**Contact Sedgwick today to learn more about our unemployment compensation solutions.**

**800-825-6755**  
**UCServices@sedgwick.com**  
**[www.sedgwick.com](http://www.sedgwick.com)**