

ADP SmartCompliance®

UNEMPLOYMENT CLAIMS

Drive your organization forward



Unemployment claims cost more than you think

When it comes to unemployment claims, the hidden costs of overpayment and sub-optimized unemployment insurance rates can really add up. According to the U.S. Department of Labor, those overpayments amount to over \$2.5 billion in a single year.

State Unemployment Insurance (SUI) is one of the only taxes that an employer can directly control. Properly managing claims processing translates into lower costs. But all too often, companies miss the opportunity to control costs because of ineffective claims administration, lack of a comprehensive audit process, or late claims processing.

ADP can help drive down your unemployment insurance tax rate and lower costs with a comprehensive audit process

ADP proactively supports your unemployment claims process, ensuring consistency while auditing claims and analyzing data trends to control costs and mitigate risk. With ADP SmartCompliance® Unemployment Claims, you get comprehensive unemployment claims audits and appeals management, supported by dedicated specialists, automated workflows, and advanced technology.

Tax rate audits help optimize your SUI rates

According to the U.S. Department of Labor, SUI tax accounts are charged in error at an alarming rate. ADP audits benefits charged to the client's SUI account(s) to ensure accuracy and will protest errors on your behalf.

Benefit wage audits help prevent overpayment

ADP compares your employer-supplied information to the employee-provided information to determine if an overpayment occurred. Completing this audit may lead to receiving a credit to your unemployment tax account of any benefits paid in error.

ADP delivers proven results for over-burdened employers

- Nearly **1 in 5** overpayments result from employers failing to promptly or properly respond to state agency requests². At the same time, states are overcharging employers **12%–18% year over year**³.
- In 2022, ADP processed over **3.2 million** unemployment claims, helping clients avoid \$830 million in claim liability charges, **recovering \$400 million+** in erroneous charges.¹

Unemployment claims challenges on the rise

- Protested claims comprise approx. 46%¹ of all claim volume — and are on the rise
- Employers lack advanced systems to properly audit unemployment tax accounts
- Employers lack skilled staff dedicated to tracking every claim, decision and hearing



Always Designing
for People®

¹ ADP Internal Data

^{2, 3} U.S. Department of Labor, 2023 data set

SUI hearings and appeals preparation streamlines disputes

ADP applies state-specific laws and regulations to all claims to establish its validity. After reviewing any adverse claim determinations, ADP files a timely written appeal and prepares client's staff for hearings if needed. ADP can provide documentation and hearing representation and when necessary, file appeals to an adverse hearing decision.

Improve unemployment claims visibility

ADP delivers unemployment claims reporting from a single, intuitive platform that offers complete visibility and proactive notifications. Directly communicate with your ADP team of experts that includes your claims person, your hearings person, your account manager, and your tax person, assigned to work with you from end-to-end. Reports provide you with your unemployment claim activity figures broken down by company structure.

Comprehensive outplacement services help separating employees find their next job

ADP offers BrightJump, a comprehensive outplacement support service that can help your separating employees find their next job so you can get them off of your books faster to save money.

Combining powerful technology with unparalleled expertise

Powerful automation: your unemployment claims engine

- Identify potential claims and data errors before filings are made
- Integrate with leading HCM systems (both ADP and non-ADP)
- On-demand visibility to your unemployment claims cases
- Trend analysis and cost control recommendations

Expert support services: your unemployment claims navigation system

- Claims protests
- Cases, hearing and appeals processing
- Representation at hearings
- Tax-rate and benefit-charge auditing
- Training and counseling
- Comprehensive outplacement support

About ADP SmartCompliance®

ADP SmartCompliance integrates with your HCM system to give you a comprehensive solution that's configurable to your company's current and future needs. You'll have the tools to manage and understand the full breadth of your company's HCM compliance activities. You can leverage experts who are veterans of various regulatory agencies. And you'll have professionals with domain expertise in various compliance areas working directly on your behalf.

ADP SmartCompliance® helps with these processes:

- Employment tax
- Employment verification
- Health compliance
- Tax credits
- Unemployment claims
- Wage garnishments
- Payment solutions



WorkMarket® helps companies manage their 1099 workforce.

LEARN MORE TODAY!

For more information about ADP SmartCompliance Unemployment Claims, contact your local ADP Representative or visit adp.com/unemploymentclaims

ADP, the ADP logo, ADP SmartCompliance and Always Designing for People are trademarks of ADP, Inc. WorkMarket and the WorkMarket logo are registered trademarks of WorkMarket, Inc. Copyright © 2025, ADP, Inc. All rights reserved



Always Designing for People®