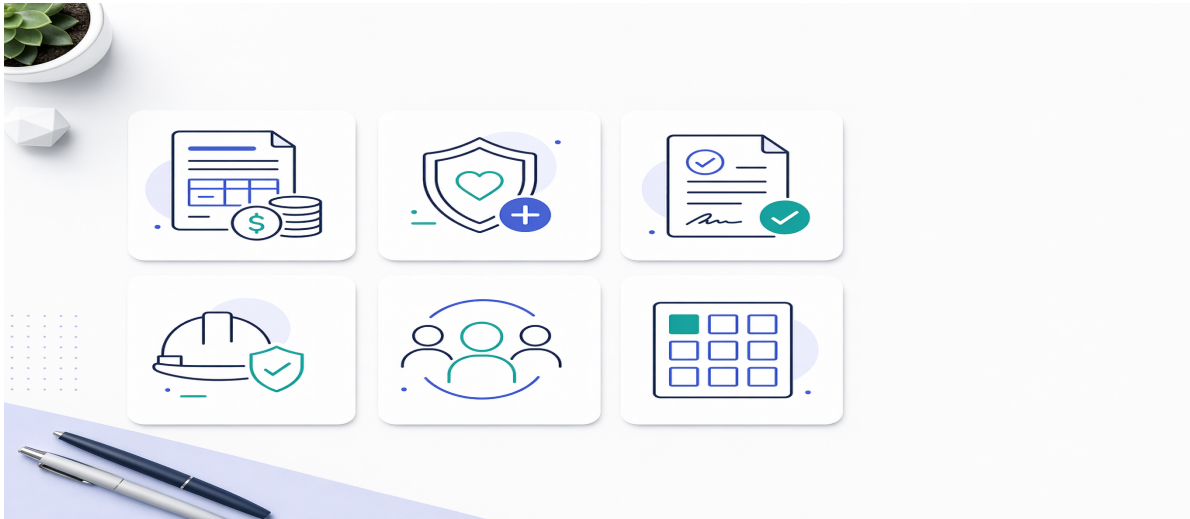


PEO Cost Estimator Guide

This free guide helps you estimate what a PEO may cost before you get quotes. It shows the two common pricing models, what may or may not be included, and how to compare offers without getting lost in sales language.



PEO Atlas is a free matching service — not a PEO, HR, payroll, benefits, insurance, tax, or legal provider. This guide is general information, not professional advice. Cost ranges vary by headcount, services, and state, and are not quotes. Always read a provider's full contract before you sign. Find this guide and get matched, free, at peoatlas.com.

What this guide helps you do

If you are trying to understand PEO pricing, this download gives you a simple way to organize the numbers. It is built for busy owners who want a clearer picture of cost before talking to providers or while reviewing quotes.

The guide walks through the two pricing styles you will see most often: per-employee-per-month and percentage-of-payroll. It also shows where pricing can get confusing, especially when fees are bundled together or when a quote leaves out setup, benefits administration, workers' comp, or year-end payroll work.

This is general information only, not HR, tax, insurance, benefits, or legal advice. Rules and costs vary by state, by industry, by headcount, and by the services you choose.

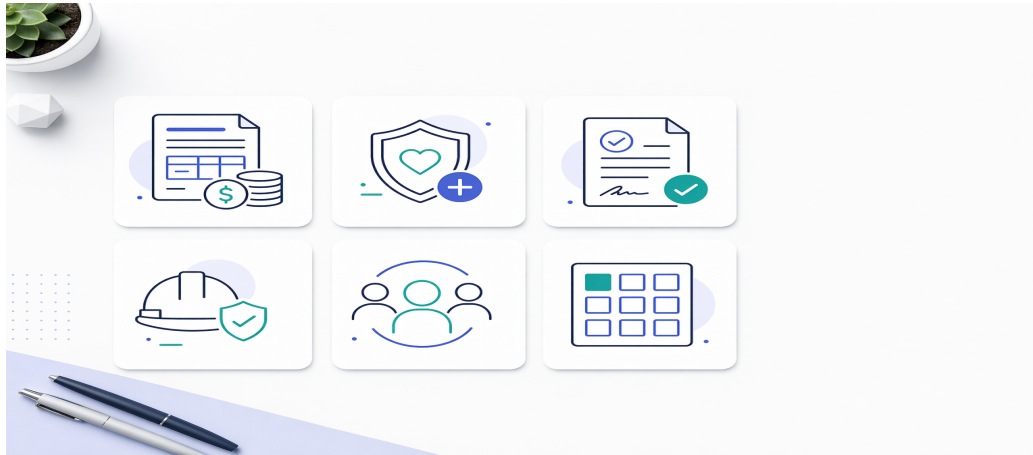
What is inside the free download

The worksheet is designed to help you turn a sales quote into a clean side-by-side comparison. Instead of looking only at the headline number, you can check what is actually included and what may cost extra.

You will see a simple breakdown for common services such as payroll processing, payroll tax administration, employee benefits administration, HR support, compliance help, workers' comp coordination, hiring tools, and general HR admin. Not every PEO includes the same things in the base fee, so the guide helps you spot the differences.

It also includes a quote review checklist so you can sanity-check pricing. A common market range is roughly \$40-\$160 per employee per month, or about 2%-12% of payroll, but those are not quotes. The real number depends on your headcount, state, industry, claims profile, and the services you want.

- PEPM vs percentage-of-payroll comparison worksheet
- Bundled vs separate-fee checklist
- Questions to ask before you sign
- Space to note setup, renewal, and exit terms



Who this guide is for

This guide is useful for small and growing businesses that are spending too much time on payroll and HR paperwork. It is especially helpful if you are hiring your first employees, expanding into a new state, offering benefits for the first time, or trying to move away from a patchwork of separate vendors.

It is also a good fit for immigrant-owned and first-generation businesses that may be new to how employer services are packaged in the United States. The guide explains the basic structure in plain English so you can ask better questions and stay in control of the decision.

If you are not sure what type of support you need, start with our overview of services or read how to choose a PEO before comparing quotes.

How to use it when comparing PEOs

Use the guide with real quotes in front of you. The goal is not just to find the lowest number. The goal is to understand what you are paying for, what is missing, and what could change later.

Follow these steps: 1. Write down your headcount, state, and the services you actually need. 2. Mark whether the quote uses per-employee-per-month pricing or percentage-of-payroll pricing. 3. List what is included in the base fee and what is charged separately. 4. Check for setup fees, implementation fees, year-end fees, benefit admin fees, workers' comp charges, and termination or exit fees. 5. Review the contract term, renewal language, and cancellation process. 6. Compare at least two or three providers on the same worksheet.

If you want introductions to providers, get matched through PEO Atlas. Our service is free for the business. PEO Atlas is a free matching service, not a PEO, payroll, HR, benefits, insurance, tax, or legal provider, and we do not perform HR work.



A quick note on co-employment and control

Many owners worry that using a PEO means giving up control of their company. That is not how it works. In a PEO arrangement, the PEO becomes a co-employer for certain payroll, tax, and benefits purposes, while your business keeps control of hiring, firing, schedules, pay rates, job duties, and day-to-day management.

This matters when comparing cost because some providers charge more for a broader service model, but the business still remains the decision-maker. The guide includes a simple reminder to separate administrative support from business control so you can compare providers with confidence.

What to watch out for in a quote or contract

The guide includes a short red-flag section because the price on page one is not the whole story. A low number can become expensive if the contract is vague or if key services are billed separately later.

Watch for vague bundled fees, long lock-in terms, hidden setup charges, hidden exit charges, automatic renewal language, and pressure to sign quickly. It is also smart to check whether the provider has recognized credentials such as IRS-Certified PEO status or ESAC accreditation.

Always read the full contract before signing, including fees, term, renewal, and exit language. Because rules vary by state, ask a licensed PEO, accountant, or attorney to review anything you do not understand.

Common questions

Will this guide tell me exactly what my PEO will cost?

No. It helps you estimate and compare pricing, but it does not produce a quote. Actual cost depends on your headcount, state, industry, and the services you choose.

What is the difference between per-employee-per-month and percentage pricing?

Per-employee-per-month is a flat fee for each worker each month. Percentage pricing is based on your payroll. Neither is automatically better; the important part is what is included, what is excluded, and how the contract is written.

Can I use this guide if I only have a few employees?

Yes. Small teams often benefit the most from a simple comparison worksheet because one extra fee or one missing service can make a big difference in the total cost.

Does PEO Atlas sell PEO services?

No. PEO Atlas is a free matching service. We help businesses compare options, but we are not a PEO, HR, payroll, benefits, insurance, tax, or legal provider.

What information do I need to use the guide or get matched?

Usually just basic business and need details such as your business name, headcount, state, what help you need, and your contact information. You should not need to provide sensitive items like employee SSNs, bank account numbers, health records, or full employee rosters to start comparing options.

Ready to compare providers? Get matched, free, with vetted PEO and HR outsourcing providers that fit your size and state at peoatlas.com/get-matched. You compare and choose who to work with, and you read the contract before you sign.