

UST Cost of Participation

The Lowest-Cost Unemployment Trust in the Nation

Over the years UST has made it a goal to be the lowest-cost provider, helping members truly take advantage of reimbursing for unemployment. As a trust owned and operated by members, we keep expenses low for every participant. Conservative investment helps offset expenses, so you know your money is being put to work for you.



A Balanced Approach

Rather than charge an arbitrary Membership Fee or Administrative Fee, UST strives to keep operating costs low and only allocates to each member their proportional share in the operating costs of the Trust.

From 2005 to present, operating costs have been approximately 10% of contributions. This allocation covers all costs of participation including:

- Administrative services
- Claims monitoring and management
- Asset management
- Governance and management
- Actuarial services
- Stop-loss protection
- Customer service
- Accounting

The Lowest Cost in the Nation

UST boasts the lowest administrative costs of any unemployment trust program in the U.S.

And because assets are conservatively invested, investment gains help to further offset out-of-pocket administrative costs for our members.

In fact, over the last 10 years, 50-75% of UST members have participated at no administrative cost each year.

Your Account is An Asset, Not an Expense

When you pay into the state unemployment system, what you pay is a tax. As a pooled liability system, the rate you pay could be going to help other employers with higher claims. Employers typically pay more than \$2.00 for every \$1.00 that goes to their former employees in unemployment benefits.

With purchased unemployment insurance, your premium is set so that it is expected to always exceed your claims costs. Anything you pay an insurance company above and beyond your actual claims costs is not returned.

With UST, your account is an asset that you own, and your contributions are determined by an actuary to meet your future claims cost needs. UST reviews your account annually—and unlike insurance or state taxes—if your claims are lower than anticipated, UST can refund a portion of your account. UST does not operate for profit, and it is our mission to help nonprofits save money.

