

Lifestyle Spending Accounts (LSAs) 101

LSAs have grown in popularity because they streamline benefits administration while offering employees maximum choice and flexibility.



Key reasons to consider LSAs for your organization:

1. Diverse employee populations with different needs

Distinct employee populations (corporate, retail, field, manufacturing, distribution) require benefits tailored to different workplace environments and wellness needs.

➤➤➤ LSAs offer an efficient way to meet the various health and wellness needs of the workforce

2. Geographically dispersed workforce

Hybrid and remote work and dispersed teams can make it challenging to offer the same benefits to employees in all geographies.

➤➤➤ LSAs make it easy for employees to use funds toward wellness options most convenient to their location and lifestyle.

3. Multi-generational Workforce

From Gen X employees focused on family benefits to Gen Z employees paying off student loans, a multi-generational workforce has different priorities and wellness needs.

➤➤➤ LSAs provide a flexible and equitable way to ensure all employees' needs are met and address gaps from core benefit offerings.

Do LSAs require a minimum budget?

- No, LSAs work for every budget. Whether it's \$20/month or a one-time \$200/year allocation, you can determine the right amount of funding within your budget.

What can LSA funds be spent on?

- LSA funds are tailor made for your organization's needs. You determine the expense categories that qualify to ensure LSA dollars complement the overall benefits strategy.

What if we already sponsor other benefits?

- Many companies have corporate sponsored benefits like EAPs or gym discounts and supplement these with a more flexible option for employees' personal lifestyle needs like caretaking, meal stipends, gym memberships and more.

What are the benefits of LSAs?

- LSAs offer many benefits including the ability to meet a wide range of employee needs, disposable income, and geographies without having to contract with multiple vendor solutions. See [Mercer's LSAs FAQs](#) for more information.

Can employees contribute to their LSA funds?

- Yes, employees can contribute to LSA funds to top up employer dollars, which allows them to maximize employer funding.

Interested in learning more about if LSAs are right for the companies you work with? Let's discuss the possibilities!

➤➤➤ [Book a Discovery Call](#)