

LSA Insights



Lifestyle spending accounts (LSAs) are a fully customizable, post-tax benefit to give employers full control to create a plan that promotes healthy habits and overall well-being.

Retention

Experienced employees carry a wealth of knowledge, a variety of skills, and a mature perspective in their roles. **One study** found replacing a single employee, on average, costs employers \$15,000. Offering unique benefits that give employees flexibility to utilize based on their specific needs can help boost retention.

Recruitment

According to a **Glassdoor survey**, about 60% of people report that benefits and perks like, professional development courses, gym memberships, or wellness programs are a major factor in considering whether to accept a job offer. The survey also found that 80% of employees would choose additional benefits over a pay raise.

Considerations when creating your LSA

- **What goals are you trying to achieve?**
- **What eligible expenses will help you achieve those goals?**
- **Will employees need to complete certain tasks or activities before receiving funds?**
- **Will you require employees to submit documentation to prove expense eligibility?**
- **What's your budget for contributions?**
- **At what frequency do you want to contribute funds?**

Benchmarking against other WEX clients

Average employer contribution:

\$750

Contribution frequency:

56% **17%** **7%** **20%**

Plan year start Monthly Quarterly Other

Average employee spend:

\$500

LSA eligible expenses

Use WEX's eligible expense list out of the box, or simply as a starting point to customize your own plan.

Physical wellness

- Athletic equipment and accessories
- Exercise equipment
- Gym, health club, spa and fitness studio memberships
- Rock climbing, martial arts and tennis expenses
- Fitness classes (yoga, Pilates, spin/cycle, dance, etc.)
- Lessons (golf, swimming, tennis, dance, etc.)
- Personal trainer
- Fitness trackers
- Entry fees (marathons, leagues, etc.)
- Passes (ski, snowboard, golf, swimming, etc.)

Financial wellness

- Student loan reimbursement
- Home purchase expense reimbursement (down payment, closing costs, etc.)
- Financial adviser and planning services
- Financial seminars and classes
- Identity theft services
- Pet insurance premiums

Emotional wellness

- Meditation classes
- Non-medical counseling (marital, parental, etc.)
- Retreats (leadership, spiritual, etc.)
- Pet care (walkers, day care, grooming, etc.)
- Camping (equipment fees, etc.)
- Personal development classes (art, cooking, etc.)
- Annual park pass
- Hunting and fishing license

Learn more about [lifestyle spending accounts](#).

