

# Lifestyle Spending Accounts



A blue-tinted photograph of a business meeting. In the foreground, a man in a blue suit and a woman in a black blazer are looking at a tablet together. The man is also holding a smartphone. In the background, several other people are seated around a table, some working on laptops. The overall scene is professional and collaborative.

# Lifestyle Interest & Uptake

# Employer Challenges

Leading To An Increase In Lifestyle Spending Accounts

**Competitive labor market & rising labor costs**



**68%**

of employed workers say they plan to leave their current job within 12 months; 79% believe they can make more money elsewhere

**Pandemic & post-pandemic environment**



**45%**

of employees now expect more flexibility for day-to-day work, better work/life balance, increased focus on employee wellbeing

**Demand for more personalized benefits**



**93%**

of employees say the ability to customize their benefits is a “must-have” or “nice-to-have”

**Focus on diversity, equity & inclusion**



**65%**

of business leaders say diversity, equity, and inclusion (DEI) is a high strategic priority

**Employer desire for flexibility & efficiency**



**25%**

of HR teams can save an estimated 15%-25% through program & vendor consolidation, leveraged buying power, favorable contracts & automation

**78% of employers offer post-tax benefit programs that can be categorized as lifestyle benefits**

<b>Percent of firms offering</b>	<b>All ERs</b>	<b>&gt;5K ERs</b>
Health & wellness	41%	75%
Food (grocery, in-office, stipend)	TBD	TBD
Fitness center subsidy/reimbursement	22%	38%
Tuition assistance	48%	76%
Student loan repayment	7%	15%
Professional skills development	78%	75%
Work from home (home office supply/equip)	62%	66%
Cell phone	TBD	TBD
Dependent care	59%	80%
Pet insurance	14%	35%
Employee gift cards	31%	TBD

A photograph of three business professionals in a meeting. A woman with long blonde hair is smiling and looking towards a man on the right. The man is also smiling and looking towards the woman. A third person, a man, is partially visible on the left, looking towards the other two. They are sitting around a table with papers, a glass of water, and a smartphone. The image has a blue tint.

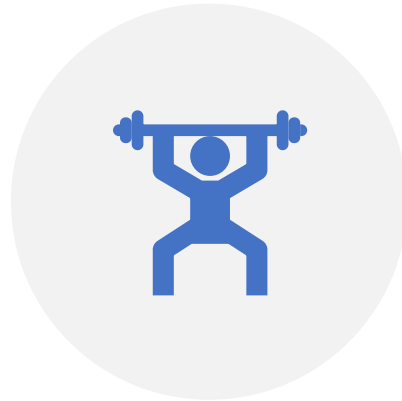
# Our FBA Lifestyle Solution

# Choosing Your Plan Design

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**MENTAL**



**PHYSICAL**



**FINANCIAL**



- ❖ **Pre-tax or post-tax** Lifestyle account
- ❖ Employers provide to employees via a **debit card or claim reimbursement**
- ❖ **Member Bank defines** cash amount, fund availability & eligible expenses

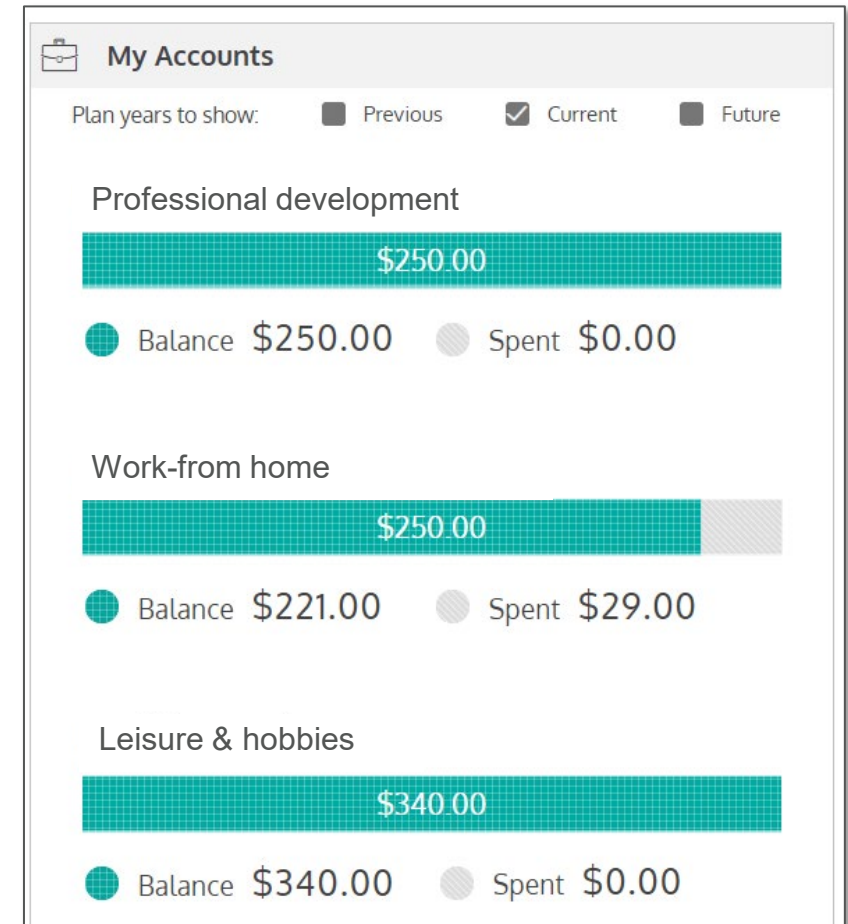


# Discovery

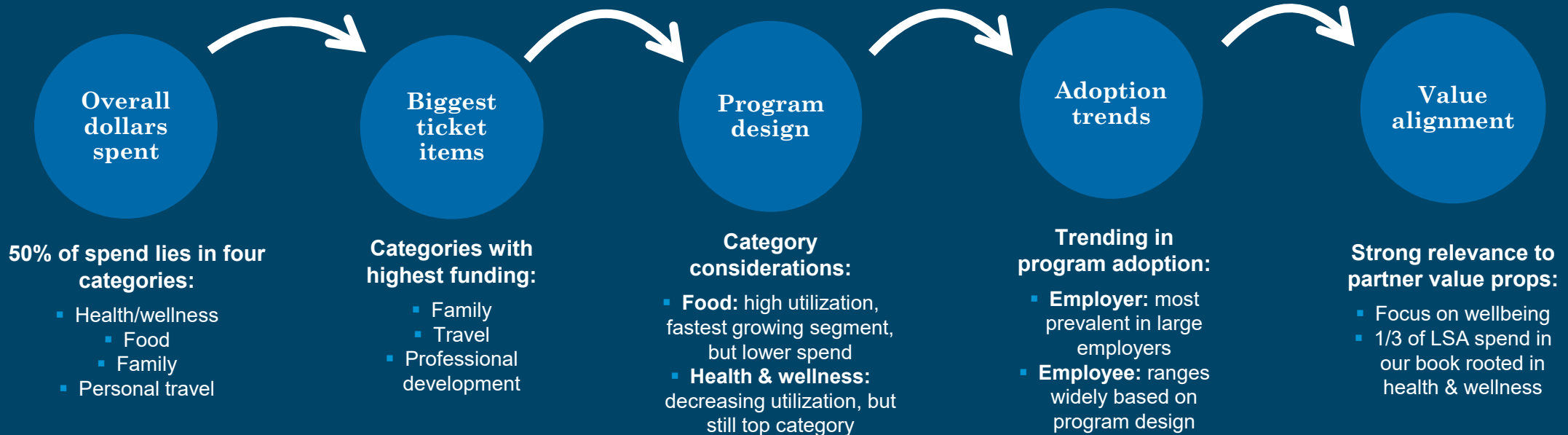


# How Do Lifestyle Spending Accounts Work?

- 1 Member Bank decides to offer a lifestyle spending account as a benefit
- 2 Member Bank determines total program budget, fund duration availability, and policy for unused funds
- 3 Member Bank allocates dollars to allowed spending categories and per-category limits
- 4 Member Bank & FBA communicate LSA availability to employees via customized materials
- 5 Employees receive cards & spend funds (while employers get full insight into utilization & spending)



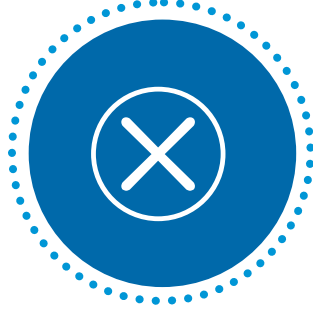
# Insights & Trends to Consider in Plan Design



# Key Points of Value



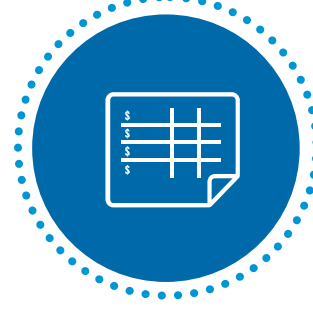
**Un-used  
funds  
remain  
with the  
employer**



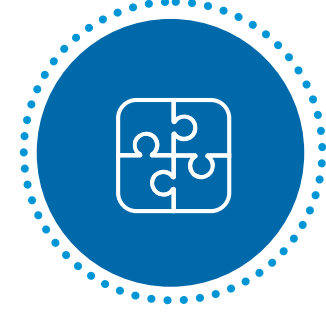
**Ability to  
target  
spending**



**Option for a  
single  
“stacked” card**



**Fund  
utilization  
reporting**



**Simplicity &  
savings through  
consolidation**

# Designing Your Own Program



# Thank you!

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