



Espresa
Powering Great Workplaces®

Lifestyle Spending Account (LSA) Benchmark and Trends Report

2024

Powering Great Workplaces® with Personal Benefits Employees Love

[espresa.com](https://www.espresa.com)

Global Benchmark and Trends Report 2024

Espresa is Powering Great Workplaces® by offering personal benefits employees love through our global all-in-one solution, LSA Plus™. Our modular platform seamlessly integrates Lifestyle Spending Accounts (LSA), Well-Being and Challenges, Recognition, and Communities (Employee Resource Groups), providing inclusive benefits that employees value. We proudly support well over 100 clients worldwide, reaching eligible employees in 99 countries, including some of the world's most innovative companies.

Each year, Espresa gathers data from a wide range of industries across our diverse global client base, providing valuable insights into how our LSA Plus solution is utilized. These insights drive continuous improvements and inform new ways to enhance adoption. Our goal is to use this data to help clients better support their employees through every stage of life.

About the Data

This report reflects insights from Espresa's 2023-2024 operating data, encompassing our customers with employees supported in nearly 100 countries. With over \$300M in LSA funds, and 700,000 participant claims represented, our data spans a diverse range of industries—from agriculture to technology to legal firms and beyond. Whether supporting smaller companies or enterprises with over 200,000 employees, Espresa's analysis offers a comprehensive view.

We've examined trends in funding allocations, coverage categories, and employee engagement across multiple dimensions, like industry, employer size, and plan type. Segmented data highlights key trends and actionable insights to help employers optimize their benefits strategies and boost employee satisfaction at every stage.

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LSA: The Power of Personalization – Flexible Benefits Boost Engagement, Cut Costs, and Elevate Employee Experience

In today's dynamic work environment, **companies increasingly recognize the value of flexible and customizable benefits, like Lifestyle Spending Accounts (LSA)**. These programs give employees the freedom to direct funds where they matter most—whether it's mental wellness, physical fitness, family support, or financial goals. What works for a seasoned executive balancing work and family may be entirely different from a recent graduate focused on rent and student loan payments. **This shift reflects the end of one-size-fits-all benefits in favor of more tailored, inclusive options for a diverse workforce.**

LSAs are game-changers in supporting employees' overall health and wellness by meeting their personal, unique needs. Here's how they make an impact:

- **Cover costs that traditional benefits fail to account for**
- Boost employee engagement with participation rates soaring over 85% when offering wide-range choices
- **Ensure budget efficiency** by only funding what employees actually use—unused funds can be redirected to other key initiatives
- **Empower companies to subsidize personalized services, products, and experiences** that fit employees' diverse lifestyles



Offering a Wide Range of Choices Boosts Employee Participation Rates Over 85%

Each company, team, and individual is unique. LSAs reflect that perfectly. Our SaaS platform allows HR and people teams to deliver cohesive, scalable, and global experiences that lead to real business solutions:

- Merge employer-funded programs like well-being incentives, allowances, and stipends to consolidate and streamline budgets
- Differentiate benefits to attract and retain top talent
- Strengthen a robust, comprehensive total rewards strategy
- Enhance employee experience and engagement at every touchpoint
- Meet employees' unique needs and preferences head-on

Top LSA Trends and Insights

The adoption of Lifestyle Spending Accounts (LSA) is accelerating across a wide range of industries. While Technology remains the largest sector in our portfolio, Professional and Financial Services surged forward as the fastest growing client industry for 2024, with a range of industries such as healthcare, life sciences, manufacturing, and consumer goods increasingly implementing LSAs as a strategic benefits solution.

Increased Flexibility and Personalization

Modern LSA funds offer enhanced flexibility, giving employees broader choices. Employers are embracing a more holistic approach to well-being, addressing emotional, social, financial, and family health. This shift towards personalization is driving higher employee engagement.

Notably, over 60% of Espresa well-being funds have annual limits of \$1,000 or less, proving that strong engagement is possible with moderate investment.

Evolving Employer Motivations

While talent attraction and retention remain key drivers, employers are now also focused on streamlining benefits programs. Consolidating point solutions, streamlining budgets, repurposing fees, and unifying stipends, incentives, and allowances into a centralized experience has become a priority.

Maximizing Engagement on Modest Budgets

With rising healthcare costs and economic pressures, companies are carefully evaluating the financial viability of LSAs. Even modest budgets, such as \$500 per employee annually, can achieve up to 80% participation.

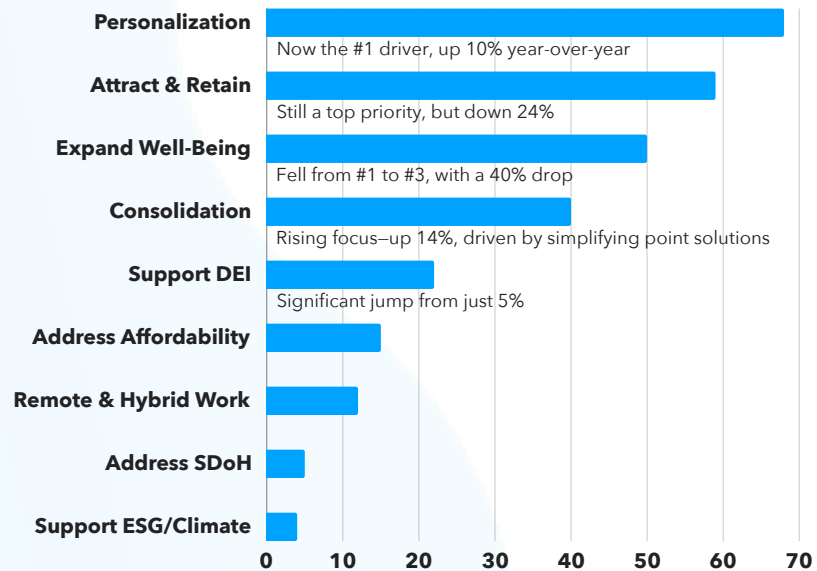


Why the Growing Interest?

The rise of LSAs can be attributed to three key factors:

- Budget Consolidation**
LSAs consolidate fragmented budgets into a comprehensive solution, grouping benefits spending into one centralized fund
- Personalized Benefits**
LSAs empower employees to tailor their benefits, matching their unique needs
- Attracting and Retaining Talent**
In today's competitive market, LSAs are a vital tool for attracting and retaining top talent, enhancing the value to employer offerings

Key Motivations Behind LSA Adoption



Employer Priorities in Adopting LSAs

A recent survey highlights the key motivations behind implementing LSAs.¹ These priorities have shifted slightly from 2022 to 2023, reflecting new trends and a growing focus on personalization and consolidation.

- Consolidation of Point Solutions:**
 - There was a 160% increase in the focus on consolidating point solutions (5% in 2022 vs. 13% in 2023)
- Consolidation of Stipends/Allowances:**
 - This has remained relatively stable, with a slight uptick (17% in 2022 vs. 19% in 2023)
- Expand Well-Being Support:**
 - Despite the rise in consolidation, well-being expansion is a major focus, with 50% of employers offering LSAs to support well-being

160%

Increase in Consolidating Point Solutions

¹ Willis Towers Watson, 2023

What Employees Really Want

Research shows that when employers demonstrate care for their employees, they find that employees are:

- 1.6x more likely to feel valued
- 1.5x more likely to say they are happy
- 1.5x more likely to feel a sense of belonging at work
- 1.3x more likely to say they are successful

By demonstrating care, employers can significantly enhance both employee satisfaction and organizational outcomes.²

66%

Employers view health and well-being as essential to their workplace strategy in 2024³

50%

U.S. employees believe well-being programs make a company more attractive²

88%

Employers claim they demonstrate care for their employees²

60%

Employees feel cared for by their employer²

Companies are leveraging LSAs not only for talent retention but also to drive broader strategic goals, such as:



Simplify benefits into one package



Enhance the employee experience



Personalize benefit choices tailored to unique needs



Support total rewards strategy that drive satisfaction

² MetLife, Employee Benefit Trends Study, 2024

³ Business Group on Health, Wellbeing Survey, 2024

Finding Funding

As interest in LSAs grows, many employers face challenges in funding these programs. With concerns about rising healthcare costs, economic uncertainty, and other financial pressures, companies are carefully evaluating when and how to implement LSAs. Budgeting and planning play a crucial role in ensuring these programs fit within broader financial strategies, helping organizations manage costs while still offering valuable benefits to their employees.

Additionally, healthcare spending is a looming constraint, with a projected 7.8% increase in 2025, even with plan adjustments potentially reducing that figure to 6.6%—the highest projected increase in over 15 years. By 2025, healthcare costs will be more than 50% higher than 2017 levels⁴ and employers are understandably hesitant about expanding benefits programs further.

Maximizing Value in Existing Benefits Programs

Many companies already offer a variety of benefits, but low utilization rates raise concerns about whether these programs truly meet employees' needs. As a result, employers are shifting their focus from adding more benefits to evaluating existing offerings. They're determining what works, what doesn't, and where they can reallocate resources to maximize impact.

As a result, nearly all new Espresa clients launching LSAs in the past year have chosen to repurpose or redirect existing budgets rather than allocate new funds. Employers are focusing on optimizing current resources to enhance the perceived value of employee benefits without increasing overall costs. This approach ensures that future investments in benefits, like LSAs, align with both company goals and employee preferences.

We didn't jump straight to \$1,200; we started small and scaled up based on how our employees engaged with the program. By reassessing what works and what doesn't, we've streamlined our offerings and prorated our budgets to ensure every dollar spent truly benefits our people.

Tabitha Mondragon, Director of Global Benefits, Avalara



⁴ [Business Group on Health, Healthcare Strategy Survey, 2024](#)

Building an LSA Budget

To fund LSAs, employers are finding creative ways to repurpose or redirect existing budgets.

Common strategies include:

- ✓ **Consolidating Budgets**
Streamline spending by focusing on high-value offerings and merging disjointed solutions to boost engagement
- ✓ **Reevaluating Perks and Stipends**
Align current perks with employee needs and well-being goals for greater impact
- ✓ **Repurposing Incentives**
Shift from outdated incentives to more meaningful rewards programs that resonate with employees
- ✓ **Rethinking Benefits Contributions**
Reallocate existing contributions to offer more flexible and impactful benefits
- ✓ **Redistributing HSA Contributions**
Rechannel underutilized HSA funds toward broader lifestyle benefits
- ✓ **Making Plan Design Changes**
Adjust deductibles, copays, or coverage limits to free up resources for LSAs
- ✓ **Leveraging Available Carrier Credits**
Offset administrative costs or supplement employee funding by utilizing carrier credits
- ✓ **Maximizing Savings from RX Rebates or Programs**
Use savings from RX programs or rebates to support LSA funding
- ✓ **Rethinking In-House Admin Costs**
Assess transaction fees and internal admin costs for managing programs like home office or internet expenses
- ✓ **Replacing On-site Perks**
Adapt on-site perks to fit the evolving workplace while retaining high-value offerings

Proactively reallocating resources is a key component to the productivity and success of any organization—and finding the budget for an LSA can drastically enhance the employee experience. Launch timing also helps stretch a first-year program budget.

Off-cycle launch dates are a strategy chosen by 53% of Espresa's new clients, helping them assess participation while minimizing their initial investment.

Modern Workforce

Benefits for Today's Workforce

LSAs are a key part of a modern, holistic approach to employee well-being, extending beyond traditional health and wellness programs. Today's strategies address multiple dimensions of well-being—family, mental, social, physical, and financial—offering employees greater personalization and flexibility in their benefits.

These strategies include support for mental health through mindfulness apps or coaching support, fostering social well-being connections through Employee Resource Groups (ERGs) and community engagement, and promoting financial wellness through education and tuition reimbursement. Lifestyle benefits, such as flexible work arrangements and Lifestyle Spending Accounts (LSA), are increasingly central to this well-rounded approach.

LSAs give employees the autonomy to allocate well-being funds in ways that meet their unique needs. These lifestyle benefits are quickly becoming a cornerstone of modern benefits packages, empowering employees to take control of their well-being in a way that aligns with their personal and professional lives.



Well-being strategies continue to evolve alongside organizational culture and values, promoting a cohesive employee experience that reflects the company's mission and purpose



Companies are rolling out **purpose-driven programs** that increasingly favor more inclusive and supportive incentives that foster a positive work environment



The focus is shifting from outcome-driven models to creating an engaging and positive **employee experience**



The goal is now to **reward participation and prioritize holistic well-being** over specific health metrics, creating an overall culture of personal welfare within the organization



LSAs are the modern engagement vehicle, flexibly and creatively meeting people where they are. They're an empathetic and monetary vehicle that directly speaks to your culture, mission, vision, and values.

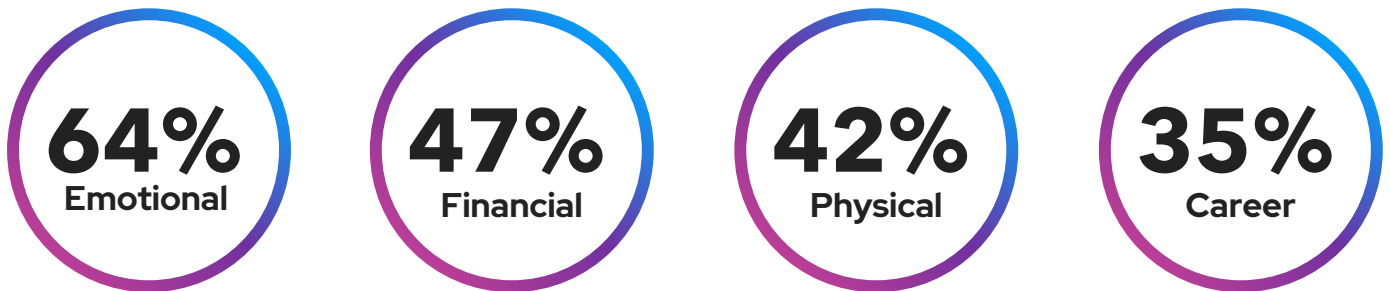
Susan Lovegren, Fortune 500 CPO

The Importance of Well-Being

Well-being isn't just a perk—it's a strategic advantage for retention, engagement, and productivity in a modern, rapidly changing workplace.

Research backs this up— 57% of global companies are focusing on well-being solutions.⁵ And, according to a [Wellness Report](#), most employees say workplace well-being is as important as their salary.⁶ 85% of employees with well-being support say they're likely to stay with their organization, and 65% report better productivity because of it. And 93% of employees at companies prioritizing well-being say they'd leave if well-being was ignored.

A recent workforce survey highlights the well-being dimensions that have gained importance this year:⁷



How LSAs are Winning Over Global Workplaces

[Airbnb](#) launched an off-cycle LSA program for nearly 7,000 employees, across 23 countries, aiming to boost well-being, flexibility, and productivity. With an impressive 91% engagement rate and 93% satisfaction, the program met a wide range of employee needs without requiring additional point solutions.

By offering benefits that go beyond the traditional, Airbnb cultivated a more productive and engaged workforce, with LSAs playing a pivotal role in meeting the diverse needs of its global workforce. This shift toward well-being focused benefits has not only enhanced employee satisfaction but also fostered a healthier, more resilient team.

I've had Espresa in place at four different employers. It can be as broad or narrow as you want it to be. If you get approval in the beginning and your team can only have ten things included or whatever the number is, that's fine, and you can evolve that over time.

Tracy Desmond, Head of Global Benefits and Wellbeing, Airbnb

⁵ Aon, [Global Benefits Trend Study, 2024](#)

⁶ GymPass, [WorkLife Benefits Report, 2024](#)

⁷ [Gallagher, Workforce Trends Survey, 2024](#)

Global Scalability

As companies grow, there is an increasing demand for scalable benefits solutions. LSAs are emerging as a key tool for multinational organizations to promote fairness, equity, and consistency.

As organizations expand globally, delivering equitable and competitive benefits becomes essential to handle regional compliance requirements. The appeal of LSAs is their ability to cultivate a unified employee experience with localized adaptations and benefits.

This balance between consistency and customization ensures that employees receive comparable rewards, no matter where they're based. It also places more power in the hands of local HR teams, allowing them to focus on regional priorities while addressing global employee needs.

Globally, one in three multinationals is focusing on a global benefits strategy. Growing focus areas such as DEI, employee well-being, and ESG are driving this. Regions like Asia-Pacific (APAC) are leading these trends, particularly in employee well-being. 71% of companies stated that well-being is a current strategic priority.⁸

Only 53% of companies globally have a clearly articulated global benefits strategy. This presents an opportunity for organizations to expand their strategies with broader offerings. This flexibility is a key differentiator for multinational companies looking to future-proof their benefits programs.



Being a global company has incredible challenges regarding HR and people operations. We need personalization designed with employee-friendly automation. Teva wants our employees to have freedom of choice and relevant benefits wherever they are. Espresa delivers that.

Beth Barrett, Assoc. Director of Benefits, Teva Pharmaceuticals

⁸ [Aon, Global Benefits Trend Study, 2024](#)

LSAs on a Global Scale

Espresa's experience highlights this global trend: 80% of our clients operate globally across 99 countries. Additionally, 70% of Espresa clients who joined in the last year operate globally with 45% launching global programs from the start. Many others plan to expand their LSA offerings, reflecting the growing demand for scalable, flexible benefits across diverse markets.



**2024: 80% of Espresa
Clients Operate
Globally**



By prioritizing a unified employee experience aligned with company cultures and values, LSAs offer a centralized platform for managing personalized benefits. This not only simplifies administration by reducing vendor complexity but also enhances consistency and governance across regions. Studies show that companies using consistent benefits platforms experience higher employee satisfaction and engagement due to the cohesive, streamlined experience.

As a multinational organization, the importance of a cohesive global benefits strategy cannot be overstated. Balancing diverse compliance requirements, cultural nuances, and local benefit designs is crucial to creating a unified, engaging employee experience. A strong global benefits program ensures consistency, enhances employee satisfaction, and drives retention, all while respecting the unique needs of each region.

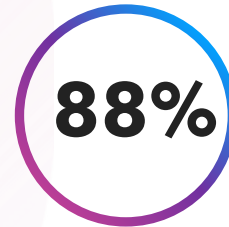
Emma Tekstra, Independent Researcher,
Former WTW Global Health Consultant



Simplifying Global Benefits Administration

LSAs simplify the complexity of managing global benefits programs by consolidating offerings into one easy-to-manage account. With the ability to quickly adjust strategies to meet evolving needs, companies can adapt without major redesigns or added overhead.

While many well-being platforms see engagement rates of around 20-30%, **comprehensive programs that incorporate choice with well-being challenges, incentives, and communities, consistently reach over 80% engagement worldwide—often exceeding 90%**. This highlights the effectiveness of LSAs as a powerful tool for managing global benefits across diverse regions and workforces.



Median Participation Rate of Comprehensive Programs Globally

Our main goal was to bring equity into our benefits strategy. Previously, nothing was centralized—each country managed its own benefits, leading to inconsistencies even within the same country. We wanted one unified platform that covered benefits like medical, life, and retirement, while also offering a range of other benefits like meal vouchers, gym reimbursements, and car allowances. Providing employees with the same resources and platform globally was crucial for us and our team. That was a major driver for this change.

Tabitha Mondragon, Director of Global Benefits, Avalara

Top Countries with LSA-Eligible Populations

With a presence in almost 100 countries, our programs have flourished globally. The highest adoption of LSAs among our clients is seen in key regions including:

- Australia
- Brazil
- Canada
- China
- Czechia
- France
- Germany
- India
- Ireland
- Israel
- Japan
- Korea, Republic of
- Romania
- Singapore
- Spain
- Sweden
- Switzerland
- Taiwan, Province of China
- Thailand
- United Kingdom

Industry Adoption

Widespread Expansion Across Diverse Industries

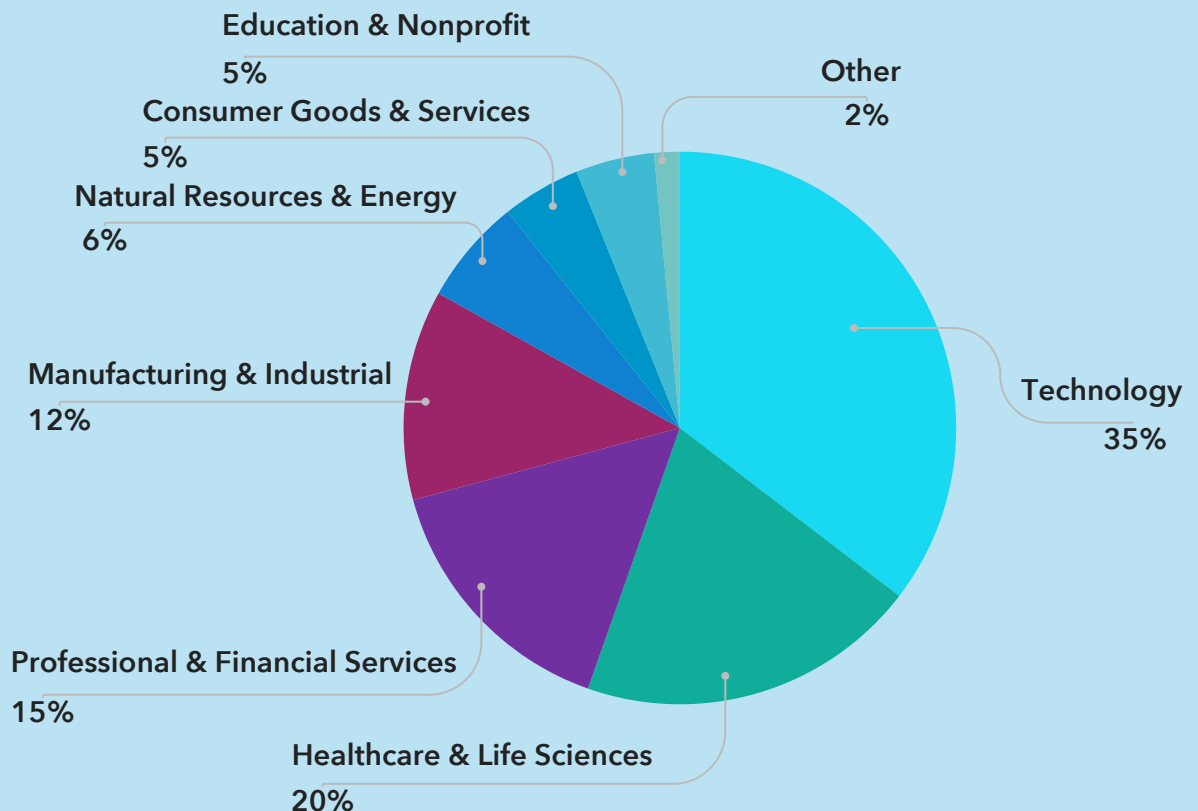
LSAs are gaining traction beyond early adopters, with notable growth across various industries. Over the last few years, the diversity of our clientele has grown significantly.

- **Technology:** 35%
- **Healthcare and Life Sciences:** 20% (primarily pharmaceuticals, hospitals, and healthcare organizations)
- **Professional and Financial Services:** 15% (led by insurance, banking, and engineering)
- **Manufacturing and Industrial:** 12%
- **Natural Resources and Energy:** 6% (including energy, utilities, and mining)
- **Consumer Goods and Services:** 5%
- **Education and Nonprofit:** 5%
- **Other:** 2%

Client Sizes: Distribution Across Small, Mid-Level, and Enterprise Companies



Current LSA Client Portfolio by Industry:



Adapting to Diverse Employee Needs

As workforces become more diverse and the job market more competitive, employers are increasingly valuing flexible and customizable benefits. Despite the growth in our portfolio, recent survey data shows that **only 13% of companies currently offer lifestyle benefits.**⁹ However, interest is rising, with **38% planning to implement LSAs soon or considering them by 2025.**¹⁰ This momentum is particularly strong in industries like tech, professional services, and pharmaceuticals, and is spreading to sectors such as healthcare and manufacturing, making **LSAs a strategic priority for attracting and retaining talent.**

In addition to talent retention, employers are focusing on streamlining benefits programs by consolidating point solutions, optimizing budgets, repurposing fees, and unifying stipends, incentives, and allowances into a cohesive experience.

Growth of New Clients Across Diverse Industries

	Industry	% of New Clients
	Professional and Financial Services	→ 28%
	Technology	→ 17%
	Manufacturing and Industrial	→ 17%
	Healthcare and Life Sciences	→ 14%
	Natural Resources and Energy	→ 14%
	Consumer Goods and Services	→ 7%
	Education and Nonprofit	→ 3%

⁹ Mercer, Health and Benefits Survey, 2024


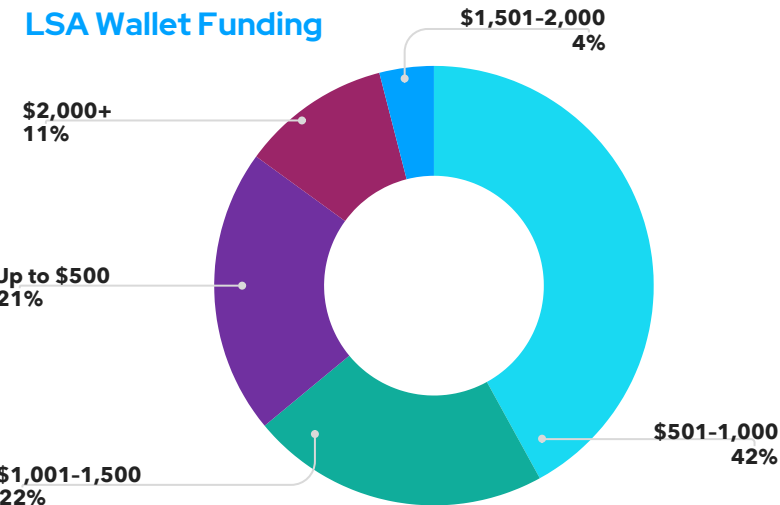
¹⁰ Willis Towers Watson, 2024

Trends in LSA Funding Levels


LSA Wallet Funding

While the median well-being wallet funding level remains stable at \$750 per-employee-per-year (PEPY), employers continue to tailor LSA funding based on goals and budget, with well-being plans ranging from \$125 to \$1600 PEPY.

Many clients start with lower initial funding levels. A “starter fund” of \$200 or \$250 per employee is common, especially for companies with limited budgets. This flexible approach encourages organizations to gradually scale their investment as they measure utilization and plan for future growth.

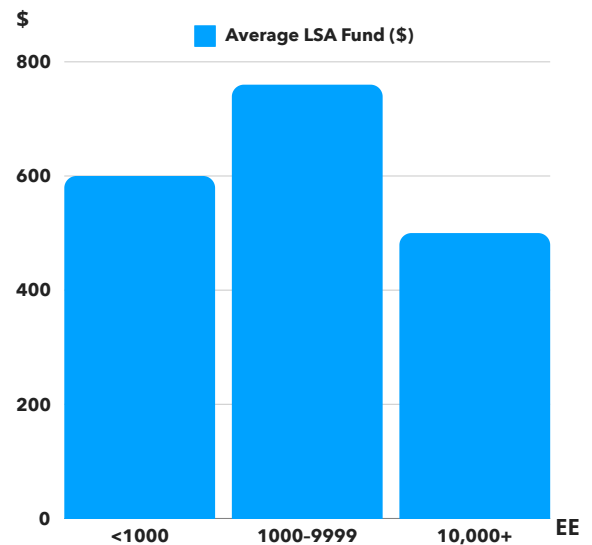


\$750 median well-being wallet funding level, per-employee-per-year (PEPY)



64% offer LSA funding **under \$1,000** with lower amounts driving comparable engagement

Median Funding by Company Size



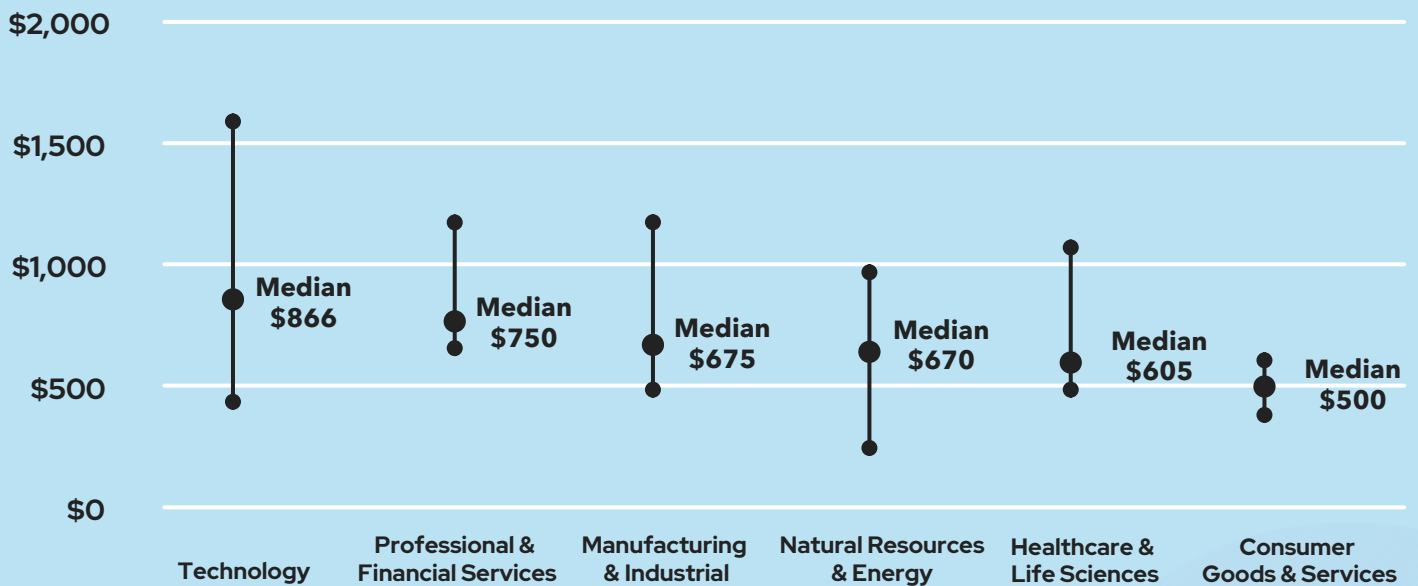
Participation rates are robust, with a **median of 80% at funding levels of \$500 or more**, indicating that even modest budgets can provide high-value, personalized benefits. Average annual LSA funding varies by employer size: companies with **fewer than 1,000 employees have a median fund of about \$600**, while those with **1,000-9,999 employees offer around \$760**.

Interestingly, median funding for organizations with **over 10,000 employees drops to \$500**, allowing larger companies to align well-being initiatives with their workforce needs.

LSA Well-Being Funding by Industry

Recent data indicates a move toward standardized LSA funding across industries. Slightly higher funding in technology and financial services may reflect efforts to attract top talent in competitive markets while lower funding in sectors like consumer goods suggests tighter budgets or differing benefit priorities.

Well-Being Wallet Funding Amount by Industry



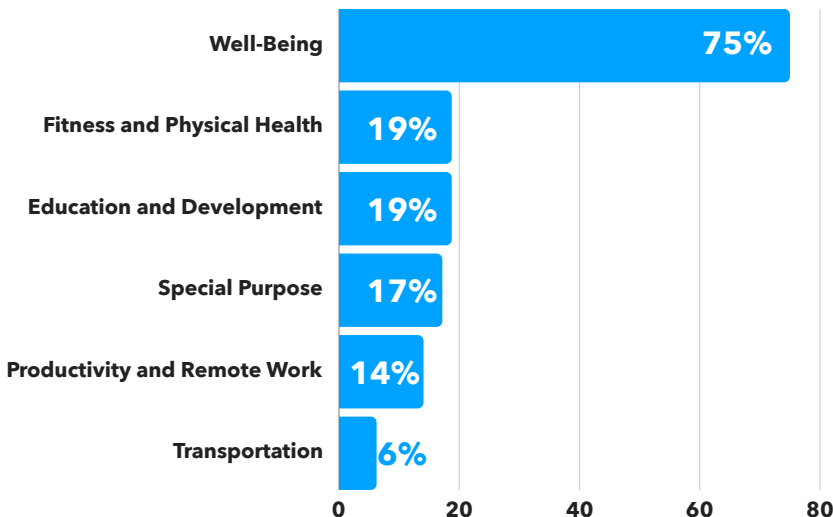
Deployment and Results

How Employers Utilize LSA

Well-being extends far beyond traditional health-related benefits. It encompasses a comprehensive approach to supporting an employee's overall quality of life, including emotional, physical, financial, and social health. A holistic benefits strategy integrates these dimensions into one cohesive program, recognizing that each aspect of well-being contributes to an employee's engagement, productivity, and satisfaction at work.

With 75% of programs now offering comprehensive well-being wallets, it's clear that wellness is a top priority across industries. While fitness-related expenses are often covered within broader wellness wallets, only 19% of employers offer programs focused exclusively on physical fitness. This trend reflects a growing preference for holistic wellness solutions that go beyond physical health.

Clients Offering Wallet Categories by Type



“Our LSAs are more than a gym reimbursement. We meet you wherever you're at. We're going to help if you're going to have to put money on a lease. We're going to assist you with your closing costs on a house. We're thinking about you as a whole person, not just you at work. Employees are looking beyond the basics, and we're building our benefits to meet all the generations.”

Stephanie Moore, Director of Global Benefits, Mapbox



Leveraging Focused Wallets for Specific Needs

Employers are increasingly using LSAs to address targeted workforce needs. Currently, **56% of Espresa clients have adopted focused wallets**, providing tailored support for high-cost benefits like education, family expansion, and surrogacy.

By zeroing in on key needs like education and family planning, targeted LSAs offer high-impact, personalized support that provides deeper, meaningful benefits where they matter most.

Ryan Ramsey, Head of Strategic Alliances,
Espresa

Creative Uses of Lifestyle Benefits Programs

Espresa clients are finding innovative ways to maximize the potential of LSAs. The most common include:

- **Education and Development (19%)**
- **Productivity and Remote Work (14%)**
- **Transportation (6%)**
- **Commuter and Work-from-Office Incentives (12%) – including a new WFO Allowance for 2024**

Forward-thinking employers are also using LSAs to meet a wide range of employee needs, tapping into their creativity to provide more tailored support, including:

- **Inflation Support:** Fuel, utilities, groceries
- **Family Support:** Night nurses, lactation consulting, parental supplies
- **End-of-Life Care:** Doulas and care services for loved ones
- **Backup Care:** Financial support for unexpected dependent care needs
- **Work-from-Office:** Meals from local vendors, commuter assistance, or incentives for on-site presence

In today's economic landscape, inflation support is becoming increasingly vital, allowing employees to manage rising costs effectively. Multinational employers are particularly active in using LSAs for country-specific programs like vision testing, daycare, meal vouchers, and vaccinations, reducing administrative complexity across regions.

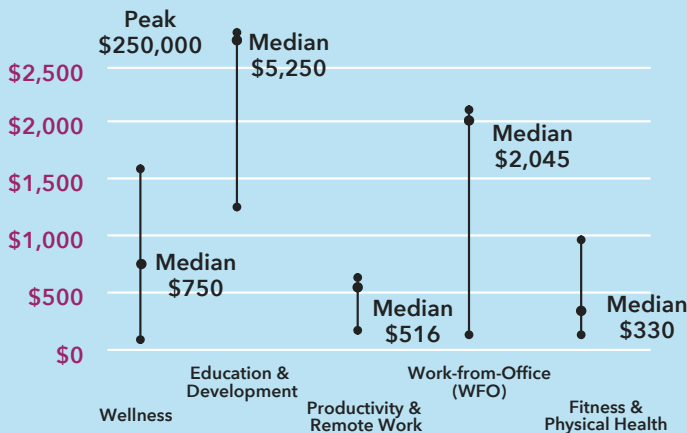
Beyond Well-Being

LSA funding for non-wellness wallets varies significantly, reflecting the program’s scope and goals. Broader programs with diverse options typically have lower funding to encourage participation, while more targeted initiatives, aimed at specific employee needs, feature higher funding for a greater impact.

Additionally, many employers are recognizing the value of offering perks beyond traditional well-being, such as financial support for family care, transportation, and personal development, to create a more comprehensive and configurable benefits package.

Funding Levels by Wallet Type

- Education and Development**
 Funding varies widely depending on program offerings. Broader plans that include a wide range of choices—such as workshops, skill-building, leadership training, and online courses—designed to appeal to a broader audience tend to have lower funding limits.
- Productivity and Remote Work**
 Focused on enhancing remote work comfort and efficiency, these wallets offer funding between \$200 and \$600 PEPY. Covered expenses include internet services, home office furniture and equipment, technology, and smart tools for productivity.
- Fitness and Physical Health**
 These wallets support active lifestyles, with annual funding between \$150 and \$1,000. Some common expenses include workout equipment, personal trainers, event fees, and health monitoring devices.
- Work-from-Office**
 As return-to-office (RTO) policies evolve, progressive employers creatively support in-office work with benefits like parking, public transportation, alternative transportation, carpooling, and fuel costs.



All companies offer the core benefits of medical, dental, and 401(k) – but now, more than ever, it’s critical to create a benefit offering that focuses entirely on employee experience. And it’s no longer just about the life people live at work. It’s everywhere they are.

Joe Farris, Co-Founder, Nua Group, xMercer Leader

Dynamic Plan Design

Versatile LSA Offerings

LSAs stand out for their versatility, allowing employees to personalize their benefits based on life stages, generational needs, and individual priorities. Thoughtful LSA plan design is crucial in ensuring that these accounts meet the diverse needs of unique and multigenerational employees.

Today's workforce includes five generations, with Millennials, Gen X, and Baby Boomers comprising the current workforce majority. LSAs address the unique challenges faced by each of these groups, providing a flexible and adaptable solution for the modern workforce.

Tailoring Benefits Across Life Stages

✓ Millennials (1981-1996) face student loan debt, commuting costs, and career development expenses. With LSAs, they can direct funds towards these needs, which align with their desire for financial stability and personal growth.



Thea, Seattle, 29

- Student loan repayment
- Ongoing education
- Commuter benefits

✓ Gen X (1965-1980) is balancing family, home, and professional responsibilities. For them, LSAs provide flexibility to spend on childcare support, home office equipment, or health and wellness memberships, reflecting the desire to support work and family life.



Joseph, Atlanta, 48

- Financial planning
- STEM tutor
- Standing desk
- Peloton membership

✓ Baby Boomers (1946-1964) may be more focused on planning for retirement or addressing healthcare needs, such as preventative care or fitness programs. LSAs allow them to direct their benefits toward these priorities while still maintaining flexibility.



Charlotte, NYC, 57

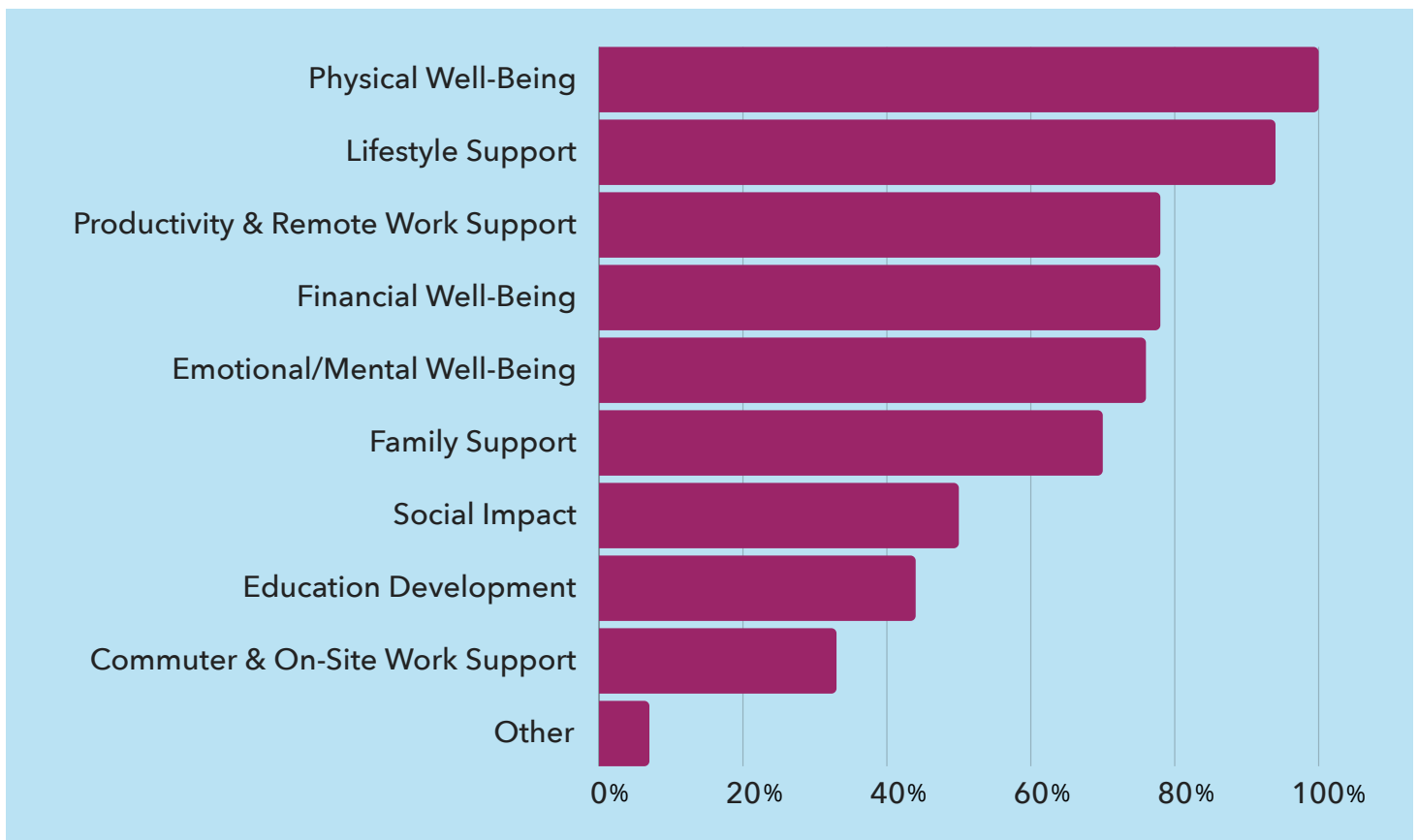
- Caregiving stipend
- Charitable donation
- Nutrition counseling
- Pet hotel/daycare

By addressing the unique needs of each generation, LSAs offer a holistic, inclusive strategy for employees at every professional and life stage.



Dynamic Plan Design

Popular Categories in Well-Being Wallets



Holistic Well-Being

95% of companies include lifestyle expenses like outdoor activities, park passes, and entertainment, reflecting a broader support strategy



Family Support

70% of companies offer childcare, eldercare, and pet care benefits, extending wellness beyond the workplace



Remote Work Support

78% of organizations provide benefits for home office equipment and tech services, catering to a hybrid workforce



Social Impact

50% of companies include benefits like charitable giving, volunteerism, and first aid training, promoting community involvement and corporate social responsibility

These trends are consistent across industries, indicating a universal shift toward comprehensive employee support.

Popular Benefits

Notable Insights and Trends

Fitness Takes the Lead:

Fitness remains a core focus, dominating the top five categories in nearly every well-being wallet.

Employers are not just promoting traditional workouts; they're expanding to encourage active lifestyles. This reflects a robust commitment to diverse fitness experiences that resonate with employees.

Fulfilling our employee well-being journeys is essential to Nielsen's cultural goals. Espresa has played a key role in our DEI initiatives and the launch of 'Nspired Wellness' LSAs. We need partners who think outside the box, just like we do.

Tom Moran, VP Global Benefits and Mobility, Nielsen

Top 20 Expense Types

% of Client Base	Top Categories
98%	→ Fitness, Sports, Dance Classes
98%	→ Personal Trainer Fees
96%	→ Fitness and Sport Equipment (purchase, rental, repair)
94%	→ Fitness Activities and Events (race fees, sports leagues)
85%	→ Winter Sports Passes (ski, snowboard, snowshoe)
85%	→ Spa Services (massages, manicures, pedicures)
81%	→ Nutrition Programs
78%	→ Hiking and Camping Equipment
76%	→ Financial Advisor and Planning
76%	→ Smart Watch, Smart Phones, E-reader
70%	→ Meditation, Mindfulness, Cognitive Improvement Apps, Classes
70%	→ Scale, Smart Scale
67%	→ Pet Care, Pet Support Services
67%	→ Tax Preparation Services
67%	→ National, State Park Passes
63%	→ Sleep Support/Equipment (mattress, blackout curtains, sleep mask)
61%	→ Music Classes, Instruments, or Equipment
52%	→ Headphones, Earbuds, AirPods
48%	→ Vitamins and Supplements
46%	→ Language Classes

Holistic Support for Overall Well-Being

Employers are broadening their focus to support employees' well-being inside and outside of work, recognizing the importance of addressing the needs of both employees and the ones they care for.

This approach encompasses a wide array of benefits:

85%

Self-Care:

A significant 85% cover self-care services, emphasizing the importance of mental and emotional wellness

67%

Pet Care:

Recognizing the role pets play in well-being, 67% offer coverage for pet care expenses

78%

Outdoor Activities:

78% include equipment for hiking and camping

39%

Childcare Support:

39% provide supplemental childcare options, such as sitters and backup care, and 26% cover summer camp fees for dependents, easing the burden on working parents

76%

Financial Wellness:

76% include financial planning support, helping employees navigate their financial journeys with confidence

33%

Eldercare Assistance:

33% support eldercare services, addressing the needs of employees caring for aging relatives

70%

Mindfulness and Resilience:

70% support expenses related to mindfulness, cognitive improvement, and resilience training

20%

Student Loan Repayment:

20% assist with student loan payments, recognizing the financial stress many employees face

Additional Popular Benefits

By Category

- ✓ Lifestyle Support
 - Water Sports Equipment and Passes
 - Hiking and Camping Equipment
 - National and State Park Passes
 - Language Classes
 - Hobby-Related Fees (e.g., cooking, crafting)
 - Entertainment and Events Tickets
 - Leisure Books
- ✓ Commuter and On-Site Work Support
 - Public Transportation
 - Parking Expenses
 - Alternative Transportation Costs (e.g., bicycles, scooters)
 - Meals (e.g., takeout, delivery)
 - Transit and Bridge Tolls
- ✓ Emotional and Mental Well-Being
 - Meditation, Mindfulness, Cognitive Improvement Apps, Classes
 - Personal and Life Coaching
 - Retreats
 - Therapy and Counseling (couples and family)
- ✓ Caregivers
 - Pet Care and Support
 - Supplemental Childcare (babysitters)
 - Summer Camp Fees
 - Tutoring (school-related)
 - Night Nurse and Lactation Support
 - House Cleaning Services



Benefits Employees Value

Effectively Designing LSA Programs

LSA programs are increasingly popular, and in a sample of over 250,000 claims representing \$42M in expenses, this data reveals how employees leverage these funds to support their personal and professional needs. Here's a look at where LSA funds are going and how employers can strategically enhance their offerings to align with evolving workforce needs.

Physical Well-Being: A Top Priority

41.1% of LSA spending goes toward physical well-being, making it the largest category. To maximize impact, employees are prioritizing their health through options like gym memberships and fitness programs.

Strategic employers are expanding options to include virtual fitness classes or wellness wearables to meet diverse employee needs.



41% of LSA Spending Allocated to Physical Well-Being

Meeting Everyday Practical Needs

LSAs help employees cover daily expenses, with notable categories including:

- **Commuter Support (5.4%)**
- **Family Support (4.7%)**
- **Lifestyle Expenses (13.4%)**

These benefits provide immediate value by easing financial burdens in areas where employees are already spending—encouraging flexibility to apply funds where it matters most to your people.



Supporting Productivity and Remote Work

With **17.3% of LSA dollars directed towards productivity**, employees use these funds to improve their home or hybrid work setups. Employers can capitalize on this trend by offering targeted support for remote work, including ergonomic furniture, coworking space access, and technology tools to further support remote workers.



Rising Interest in Financial and Mental Well-Being

Though smaller in percentage, there is still notable spending on:

- **Financial well-being (7.6%)**
- **Mental and emotional well-being (2.4%)**

These categories are rising, indicating **growing employee awareness of total well-being**. Employers can enhance these offerings, providing access to financial planning tools, debt management resources, and mental health programs to foster a supportive workplace culture.



Learning and Development—An Area of Growth

6.5% of LSA dollars are dedicated to learning and development, showing that employees seek opportunities for personal and professional growth.

Traditional tuition reimbursement programs focus on formal education, but LSAs can offer broader support. By covering diverse learning opportunities, such as online courses, certifications, and skill-building platforms, LSAs encourage career growth while driving engagement.



Strategic Approach to LSA Plan Design

LSA programs play a crucial role in supporting employee well-being, productivity, and everyday expenses like commuting or family support. As employees continue to rely on these funds for personal and professional enrichment, employers should focus on flexible, diverse, and inclusive offerings to boost engagement, retention, and satisfaction.

If there are any things we can have so that people have more flexibility to move around the world, that's one of the things we're trying to do.

Tracy Desmond, Head of Global Benefits and Wellbeing, Airbnb

We've seen a positive impact from our financial well-being initiatives. Employees are now more proactive in seeking financial advice, contributing to their retirement plans, and understanding their budgeting. It's rewarding to see our programs making a real difference in their lives!

Sarah Schutzberger, Wellness and Benefits Manager, Samsung

Configuration and Marketplace Trends

Key Influences Today



Fund Allotment

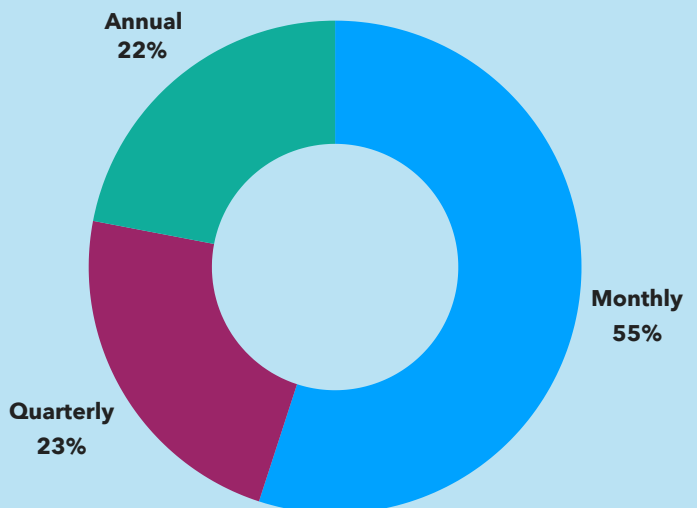
Plan periods define how frequently employers allocate LSA funds throughout the plan year.

The most common allocation frequencies are:

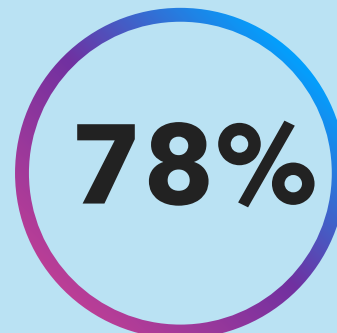
- Monthly: **55% distribute funds monthly**, e.g., \$100/month
- Quarterly: **23% provide funds every quarter**, e.g., \$250/quarter
- Annual Upfront: **22% offer the full amount at once**, e.g., \$1,000/year

While offering funds upfront was once a common practice, a majority of Espresa clients now opt for periodic funding, with most preferring monthly distributions.

Historically, nearly half of clients made all funds available at the start of the plan year. However, **78% of Espresa clients now allocate funds periodically**, with the majority opting for monthly distribution. This reflects a move toward more controlled funding practices that reduce financial liability during the plan year.



Common Fund Allocation Frequencies



Clients Allocating Funds Periodically

Carry Forward Funds

Employers can decide if unused LSA funds roll over, or carry forward from one period to the next within a plan year. Allowing funds to carry forward boosts value, letting employees save for larger purchases. While **35% of Espresa clients allow carry forward, up from 27% last year**, most clients don't allow it, prioritizing cost management.

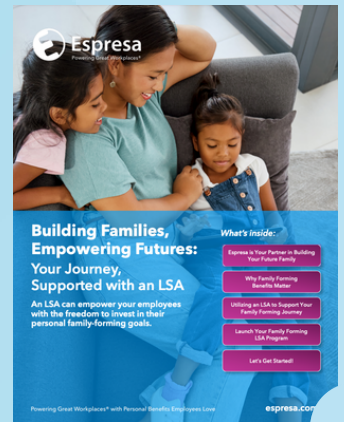
Notably, certain targeted wallets, such as those focused on family-forming or education, may be considered lifetime wallets, as these journeys often require extended periods of financial support.

Runout Periods

Most employers (87%) offer a runout period after the plan year ends, giving employees extra time (typically 1-30 days) to submit final claims. Longer periods exist but can complicate the transition to new benefits.

LSA Empower Inclusivity with Lifetime Wallets

An LSA can empower your employees with the freedom to invest in their personal family-forming goals. With Lifetime Wallets, they can tailor their benefits to meet unique needs—whether it's for fertility treatments, adoption, or surrogacy.



Enhanced Experience with Marketplace Integration

Marketplace integration is becoming increasingly popular, with **20% of clients using our built-in marketplace**. This feature gives employees direct access to discounted products and services, simplifying the purchasing process.

We expect **marketplace usage to grow by 30-40%** next year as more employers adopt this user-friendly platform.

Key Benefits of the Espresa LSA Marketplace:

- **Convenience:** In-platform purchases with automatic approvals and expense deductions—no out-of-pocket costs
- **Value:** Discounts of 5-30%, with no markups or hidden fees
- **Brands:** Access to globally recognized and trusted local brands

This combination of convenience, savings, and zero transaction fees enhances the perceived value of LSAs without increasing employer costs.



Clients Leveraging Our LSA Marketplace Today



LSA Marketplace Users Deploy Globally

Popular Marketplace Vendors

- 24 Hours Fitness
- Apple
- Audible
- Calm
- Chewy
- ClassPass
- Dick's Sporting Good
- Fitbit
- Headspace
- Hello Fresh
- ID Shield/Legal Shield
- Kiwi Co.
- Lululemon
- MasterClass
- Peloton
- Samsung
- TurboTax
- Uber

Expanding Global Reach Within Marketplace

Our marketplace operates in over 100 countries, with 40% of clients using it outside the U.S., offering localized benefits tailored to cultural and regulatory needs for a personalized employee experience.

Partnering with in-country vendors ensures access to locally relevant, trusted products, while reducing taxes and tariffs to lower costs for employers and enhance affordability. This streamlines the benefits process, allowing companies to focus on supporting their global workforce.

Top 5 Global Leaders in LSA Marketplace Engagement

- 1 Canada
- 2 Germany
- 3 India
- 4 Spain
- 5 United Kingdom

Measuring Success

Evaluating ROI and VOI

Our Return on Investment (ROI), or Value on Investment (VOI), focuses on the strategic integration of LSAs into your organizational culture and total rewards framework.

We **measure success** through several key pillars:



Employee Engagement

Participation is key. Our best practices help clients achieve 85–95% employee engagement, a critical measure of success



Cost Efficiency with LSA Plus™

Our LSA+ offering consolidates Well-Being, Challenges, Rewards, and Recognition into one solution, maximizing impact and reducing costs



Alignment with Organizational Objectives

We work closely with clients to tailor LSAs that align with specific organizational goals, enhancing VOI by driving employee engagement, attraction, and retention



Global Scalability and Support

Our global expertise allows us to support multinational clients, adapting LSAs to various regulatory environments and cultural contexts for seamless implementation across regions

In essence, our VOI proposition leverages LSAs to enhance cost efficiency, align with organizational goals, boost employee engagement, integrate seamlessly with existing programs, and scale globally—all while contributing to a robust, inclusive workplace culture and sustained organizational success.

Successful Programs

Learn how diverse client bases define and measure success in today's evolving landscape. Discover key metrics and insights that reveal what's working—and why—in LSAs globally.

Read **Espresa** case studies to see these insights in action!



It's not just about entitlement; it's about the freedom to choose. A program's true success lies in keeping the flame of engagement alive and inspiring for our team.

Jenny Stamm, Director of Benefits, Procore

Key Factors Influencing Engagement

High participation is a key measure of success, demonstrating strong employee interest and perceived value.

Several factors influence participation rates:

- Plan Design:** Offering a broad range of eligible expenses increases engagement by 40%, compared to narrower options. The more personalized the plan, the higher the participation
- Funding Levels:** Both higher and modest funding levels are effective. For example, a \$500 contribution can achieve 80% participation, similar to plans offering over \$1,000—proving thoughtful funding strategies drive engagement without inflating budgets
- Configuration:** Factors such as funding frequency and runout periods influence employee usage. Employers should tailor these features to match desired outcomes
- Communication Strategy:** Clear, consistent communication is essential. Employees need to know what’s available and how to use it
- User Experience:** With a user-friendly platform, employees can easily access and utilize their LSAs, boosting satisfaction and participation



By focusing on these factors and ensuring that claims are processed accurately and efficiently, employers can maximize the value and effectiveness of their programs, leading to higher employee satisfaction and broader participation.

Range of Choices - Participation

Range of Choices	Median Participation
Broad	88%
Limited	62%
Narrow	4%

Funding Level - Participation

Funding Level	Median Participation
Up to \$500	67%
\$501-1,000	80%
\$1,001+	80%

Balanced Budget Utilization with Flexible LSA Design

Beyond participation rates, budget utilization measures how much of the allocated LSA budget employees actually spend. While some employers aim for full utilization, others prefer a balanced approach that controls costs. Importantly, employers only incur costs for the funds employees use, making budget utilization an effective tool for cost management.

Factors Influencing Budget Utilization

- ✓ **Broader Program Offerings**
A wider range of eligible expenses increases utilization:
 - Wellness-focused programs with comprehensive offerings see a **median budget utilization of 74%**
 - Narrower programs typically see only 20% to 40% utilization
- ✓ **Communication Strategy**
Targeted communication drives engagement:
 - Periodic reminders and balance updates encourage employees to spend unused funds
 - Reducing reminders helps control usage, allowing for a more moderated approach
- ✓ **Program Configuration**
How the plan is structured plays a crucial role in spending behavior:
 - Upfront or carry over funds lead to higher utilization
 - Monthly funds or no carry over tend to have lower utilization, as employees may spend less consistently
- ✓ **Dynamic LSA Funding**
Incorporating incentives into your LSA can enhance employee engagement:
 - Tying a portion of LSA funding to required activities, such as well-being challenges, helps manage overall utilization while promoting healthier behaviors
 - This strategy can boost participation rates while effectively controlling utilization

By designing LSAs with these factors in mind, employers can strike the right balance between high participation and controlled budget utilization, maximizing both employee satisfaction and cost management.



Achieving Success Through Outstanding UX and Support

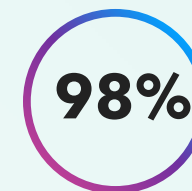
In addition to participation rates and budget utilization, satisfaction is a crucial measure of Lifestyle Spending Account (LSA) program success. This satisfaction can be assessed through two metrics:

1. **Member Satisfaction (MSAT)**
2. **Customer Satisfaction (CSAT)**

Both metrics are vital for ensuring employees and employers find value in their LSA experience.



Member Satisfaction



Customer Satisfaction

Member Satisfaction: A Seamless, Purpose-Built UX

High MSAT levels stem from a user-friendly and responsive LSA platform. With a recent **MSAT of 95%**, our platform significantly outperforms traditional vendors using legacy systems. **Key factors driving member satisfaction include:**



User-Friendly Access:

Our mobile app, with a 4.8-star rating in the App Store, offers a seamless user experience, enabling employees to manage their benefits effortlessly. One user noted, "The app elements are intuitively arranged and easy to navigate."



Streamline Simplicity:

Purpose-built LSA platforms prioritize simplicity, with 99% of claims reviewed within one business day and an impressive 99.9% accuracy rate. Employees trust that their claims will be processed quickly and accurately, as one member shared, "Everything was handled promptly, the response was immediate. Reimbursement within a day!"



Responsive Support:

Quick response times are vital for member satisfaction, with a median reply time of 5-10 minutes for support inquiries. Our in-claim chat feature allows direct communication with reviewers, providing real-time support. As one member stated, "Thank you for the prompt responses. It's refreshing to receive such quick and efficient customer service."

To maximize employee engagement with LSA programs, it's crucial to prioritize mobile-friendly, user-centric platforms that provide rapid support and accurate claims processing. Data indicates that employees are more likely to engage with benefits when the experience is seamless and intuitive.

Measuring Success: CSAT

For employers, **Customer Satisfaction (CSAT)** is built on strong vendor-client partnerships, underpinned by transparency, collaboration, consultative service, and accountability. Our **CSAT of 98%**, reflects how proactive support and low turnover in account management foster trust and continuity.

Client feedback underscores the importance of these factors in nurturing strong relationships:



Espresa Customer Satisfaction: 98%—Delivering Excellence!



- **Access to Account Teams:**

Employers value direct communication with their account teams. One client shared, "Our CSM is super supportive and easy to work with." Another noted, "Our CSM has been a great partner to work with; even if she doesn't know something right away, she will find out and get back to me. I feel like I'm her only client."



- **Consultative Service:**

Proactive, solutions-driven guidance is essential for maintaining trust. One client said, "Our CSM is so helpful, responsive, and knowledgeable of the platform. She always tries to find a solution for us that drives more value." Another added, "Our CSM is awesome—she responds promptly, is flexible, and always offers suggestions and ideas."



- **Low Turnover in Account Management:**

Consistency in account management strengthens long-term relationships and supports evolving client strategies. One client wrote, "Our CSM has been a great partner over the years in supporting our strategy. From adding the marketplace to scheduling calls with the dev team, our voice is heard, and we continue to see growth as our program evolves."

Ensuring Accuracy: The Foundation of Trust

Accuracy in claims adjudication is key to building client trust.

We maintain trust through rigorous, proactive processes:

- ✓ **Daily Audits**
At the end of each day, we audit claims to address potential issues in real-time
- ✓ **Random Sampling**
We follow AICPA guidelines for random sampling, adjusting based on claim volume. For example, a plan with 500 claims requires 12% sampling to ensure a 90% confidence level
- ✓ **Enhanced Sampling**
In 2024, we reviewed 20% of claims across our entire book of business, exceeding the industry standard
- ✓ **Independent Reviews and Continuous Improvement**
Independent reviews help catch errors and identify opportunities for process enhancement
- ✓ **100% Transparency**
Clients have full access to claims data and documentation via our portal, ensuring real-time visibility and tailored reporting
- ✓ **Claims Accuracy**
99.9% accuracy guaranteed, ensuring LSA funds are applied correctly, maintaining compliance and employee satisfaction

Ultimately, fostering strong partnerships through consistent communication and collaborative problem-solving is essential for delivering sustained value to employers. This combination ensures employers can effectively manage their LSA programs while feeling supported and empowered.



Unlocking the Full Potential of LSAs



Opportunities for LSAs to Thrive

As employers have expanded their benefit offerings through the addition of new programs and point solutions to better support employees, they often encounter high costs, increased complexity, and a heavy administrative burden.

Repurposing Existing Well-Being Program Administrative Fees and Incentives

Traditionally, employers have used costly, outcomes-focused well-being programs that offer generic rewards like gift cards or premium reductions. However, low engagement persists due to their lack of personalization. Now, as the market shifts, **employers are seeking more flexible, cost-effective, and inclusive ways to boost engagement.**

Flexible and Incentivized LSAs: The Future of Employee Well-Being

A growing trend is **consolidating well-being incentives into LSAs.** By offering a flexible benefits wallet, employers can replace rigid, standardized rewards with personalized choices for wellness services like fitness memberships and mental health support.

Many employers also incorporate incentivized components into LSAs, providing a base allowance and allowing employees to earn additional LSA dollars by completing tasks related to well-being or organizational goals.

Incentivized Wallets integrates LSAs with Well-Being and Challenges, enabling employees to earn extra funds by completing activities like learning about nutrition or preventive care. Employers can also use data from vendor partners to enhance engagement. Currently, 20% of Espresa clients use this approach, with strong interest signaling its future growth.



Clients Combine LSA with Well-Being



Offer Incentivized Wallets as Part of their LSA Program

Consolidating Budgets and Reducing Points Solutions

As employers expand their benefit offerings, many now manage multiple point solutions, each targeting different aspects of employee well-being, such as financial wellness, mental health, fitness, family support, or discounted perks. While these solutions can provide value, they often come with separate contracts, administration fees, and vendor management complexities.

Additionally, these narrowly targeted solutions may not appeal to the broader workforce, leading to underutilization and diminished appreciation.

This fragmented approach is costly, cumbersome for employers, and confusing for employees, resulting in well-intentioned programs that ultimately fail to deliver meaningful value.

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Streamlining traditional benefits into a modular, global hub with incentivized wallets and a comprehensive well-being marketplace empowers companies to offer diverse benefits tailored to employee needs, including mental health, family support, financial planning support, and commuting reimbursements.

- Chris Renz, Partner, Nua Group



Streamlining Benefits: Maximizing Impact and Efficiency Through LSAs

Lifestyle Spending Accounts offer a significant opportunity for employers to consolidate point solutions, creating a more streamlined, engaging, and cost-effective benefits program.

To maximize this opportunity, employers can:

- ✓ **Evaluate Current Benefits for Consolidation**
Review existing offerings to identify programs that can be consolidated under an LSA. Wellness incentives, fitness programs, mental health services, financial well-being, and family support initiatives can be more impactful when integrated into a single, flexible platform.
- ✓ **Consider Administrative Efficiency**
Managing multiple point solutions often incurs hidden costs, including administrative fees, time spent on management, and frequent communication efforts to boost engagement. Consolidating these programs under an LSA reduces administrative burdens, freeing HR teams to focus on strategic initiatives. Additionally, employees may gain access to these services at a discounted rate through an LSA marketplace, increasing the perceived value of the offerings.
- ✓ **Enhance the Employee Experience**
Simplifying benefits through an LSA leads to higher engagement and greater appreciation of available benefits. A single platform with diverse choices allows employers to meet the needs of a varied workforce more effectively. The flexibility of an LSA empowers employees to select benefits that align with their priorities, driving higher utilization and satisfaction.



Incorporating an LSA into your benefits strategy not only streamlines administration but also enhances the employee experience. By reducing complexity and offering personalized options, LSAs transform underutilized programs into valued and impactful components of the benefits package.

Rethinking Existing Stipends and Allowances

- Many organizations offer stipends for home office setups, phone and internet costs, commuting, and wellness expenses
- Managing these individually often leads to inconsistent governance, administrative complexity, and tracking challenges
- These programs typically use expense reimbursement platforms not suited for such purposes, resulting in **transaction fees of \$2 to \$10 per reimbursement**
- The administrative burden, combined with unnecessary overhead, drives employers to seek more efficient solutions
- Multinational employers face additional challenges with ad-hoc programs across different countries needing to comply with local regulations
- Automatic stipend deposits to paychecks can lead to guaranteed expenses, regardless of benefit usage
- Finance, accounting, and IT teams bear the burden of compliance, disbursement, and troubleshooting, creating inefficiencies and diverting focus from core business functions

Exploring Opportunity

By consolidating separate stipends into an LSA, employers can create a more efficient and streamlined benefits program. These programs can remain targeted for specific needs, or in some cases, multiple programs can be combined into a single offering. This simplifies administration, reduces transaction fees, and provides employees with a more intuitive benefits package.

Consider Budget Savings and Administrative Efficiency:

Transitioning from automatic stipends to an LSA allows employers to pay only for what employees actually use, increasing budget efficiency. Instead of guaranteed expenditures, funds are distributed based on actual utilization, leading to more impactful spending and potentially significant program savings. This shift also reduces the need to manage multiple reimbursement systems, improving governance through centralized tracking and reporting.

Consolidating or repurposing various stipends and allowances into an LSA improves the efficiency and effectiveness of benefits programs. This streamlined approach cuts costs, simplifies administration, and provides employees with greater flexibility and personalization, ultimately increasing engagement and satisfaction.

For Multinational Employers

LSAs deliver a consistent, compliant solution for centralized management across countries, streamlining administration. They can replace country-specific perks like meal vouchers and transportation allowances, easing the burden on finance, accounting, and IT teams. Additionally, employers can add wallets for key countries, enhancing flexibility and aligning benefits with organizational priorities.



Where LSAs Thrive

Consolidation and Integration to Maximize Total Rewards



Many employers initially view Lifestyle Spending Accounts in a limited way, often comparing them to traditional spending accounts like pre-tax healthcare or commuter benefits. While those programs are valuable, they are typically employee-funded, tightly regulated, and limited to specific, prescribed expenses—often leading to confusion and a frustrating user experience.

LSAs offer greater potential. As employer-funded, flexible, and personalized accounts, LSAs are increasingly recognized as tools that go beyond traditional spending accounts. They align better with experience-driven and engagement-focused strategies. By integrating LSAs with other benefits, employers can enhance their total rewards strategy, creating a more impactful and personalized experience that resonates with employees, and boosting satisfaction and engagement.

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We don't need more point solutions. We need more benefits that support our employees and say, 'We care about what you care about.' That's why we partner with Espresa. They care about what we care about. And our employees are happy to see themselves represented in their benefits.

Beth Barrett, Assoc. Director of Benefits, Teva Pharmaceuticals



Worthy of Consideration

Espresa LSA Plus is the first personal benefits platform to offer Lifestyle Spending accounts alongside other culture-focused solutions, such as Well-Being and Challenges, Rewards and Recognition, and Employee Resource Group Communities—in a single unified experience designed for global enterprises.

This bundled approach creates opportunities to reduce costs and administrative complexity while enhancing the employee experience by offering multiple programs on a single platform.

Employers are increasingly adopting LSA+, with 53% of Espresa clients opting to pair LSAs with one or more additional programs.

Among these clients:



Employees expect typical healthcare benefits, but adding a well-being program from Espresa packs more punch than any other platform on the market. With LSAs, earned allowances, and challenges added, they've proven their well-being app delivers what employees love to engage with.

Nancy Vitale, CHRO, Omada Health

Key Benefits of LSA and LSA Plus™



Greater Overall Engagement

Well-designed LSAs naturally drive high engagement by motivating employees to spend employer-funded money on things they value. This increased engagement often leads employees to explore additional offerings—like well-being challenges, colleague recognition, and community initiatives. By consolidating multiple programs into a single platform, the experience is simplified, encouraging broader participation across benefits.

More Value for the Investment

Espresa offers significant bundling discounts for employers who combine multiple solutions. Many organizations already budget for traditional wellness platforms and recognition initiatives, but these can become stagnant and expensive over time. Employers are often surprised to find that they can modernize their Well-Being or Rewards platforms while implementing an LSA program, frequently at the same cost as their previous standalone offerings.

By pairing LSAs with culture-enhancing solutions, employers unlock more opportunities than traditional pre-tax programs allow. The flexible, employer-funded LSA model boosts engagement and personalization, streamlining administration, and reducing costs. This unified, employee-centric approach enhances total rewards strategies and strengthens the employee value proposition.



We're here to tackle real challenges, and Lifestyle Spending Accounts are our answer to a big one: creating meaningful employee benefits. With tech driving personalization, LSAs offer a flexible way to support your team's diverse needs—meeting the evolving expectations of today's workforce.



Raghavan Menon, CTO and Co-Founder, Espresa

What's Next for LSA?

Employers are increasingly looking at LSAs as a way to support DEI initiatives and SDoH. As these topics gain prominence in workforce strategies, leveraging LSAs can be an innovative solution to address some of the pressing challenges employers face today, positioning organizations to create a more inclusive and supportive work environment.

As more industries adopt LSAs, employers who want to stay competitive in attracting and retaining top talent must rethink their approach to benefits and employee well-being. To remain at the forefront, companies need to evolve their benefit offerings to meet the modern workforce's expectations and create a more personalized, impactful benefits experience.

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Innovation thrives when companies adapt to meet the evolving needs of their employees. That's why forward-thinking organizations are embracing Lifestyle Spending Accounts (LSAs) — an innovative way to align benefits with employee well-being. By evolving their benefits to match the modern workforce's expectations, companies can create a more personalized and impactful employee experience that attracts and retains top talent.

Alex Shubat, CEO and Co-Founder, Espresa





Ready to empower your employees and elevate benefits?

Implementing an LSA can be a transformative way to enhance employee benefits, particularly when supporting diverse and multinational workplaces. By simplifying budgets, increasing engagement, and enhancing life experiences, Espresa enables organizations to foster workplaces where employees can thrive and celebrate life to the fullest.

Let's create a flexible and inclusive benefits program that aligns with the diverse needs of your workplace.

Contact us today to get started.

If you are an employer reach out to:
sales@espresa.com

If you are a consultant reach out to:
consultants@espresa.com