



WHAT IS A LIFESTYLE SPENDING ACCOUNT (LSA)

FREQUENTLY ASKED QUESTIONS

It sure is easy.

WHAT IS A LIFESTYLE SPENDING ACCOUNT?

- + A Lifestyle Spending Account (LSA) is a spending account for your well-being. It is a post-tax spending account, funded by your employer, with eligible expenses that will depend on your particular plan. Eligible expenses for LSAs will differ from plan to plan, but in general, eligible expenses are purchases that promote a healthy lifestyle.

DOES THE SURENCY BENEFITS CARD WORK WITH A LSA?

- + Yes! Please check with your benefits administrator to see if the Surency Benefits Card is applicable to your plan.

ARE THERE ANY TAX IMPLICATIONS?

- + Since your employer funds an LSA with post-tax dollars, the dollars you spend is considered taxable income.

WHAT DOCUMENTATION IS REQUIRED FOR THESE EXPENSES?

- + Documentation requirements are determined by your employer. Surency Flex could require proof of documentation to ensure that purchases meet the list defined by your employer.

IF AN EMPLOYER DETERMINES CERTAIN EXPENSES ARE ELIGIBLE FOR PRE-TAX REIMBURSEMENT, HOW DO WE HANDLE THESE?

- + If your employer would like to contribute pre-tax dollars to you for specific eligible expenses, they should establish a separate pre-tax benefit to do so to take advantage of the tax benefits that are allowed. For example, commuter benefits, tuition reimbursement, adoption assistance, etc. are eligible for tax benefits and should be separated from the LSA. While these examples could be considered as part of an overall lifestyle program that your employer offers to help you with where you are at in life, they should be separate from an LSA.

WHAT ARE COMMON ELIGIBLE EXPENSES?

- + Listed below are common eligible expenses, but can be customized beyond what is listed based on what your employer is looking for. Eligible expenses for LSAs will differ from plan to plan. Please check with your employer for your eligible expenses.

Physical Wellness:

- + Athletic Equipment and Accessories
- + Exercise Equipment
- + Gym, Health Club, Spa and Fitness Studio Memberships



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Physical Wellness (cont.):

- + Fitness Classes
- + Lessons
- + Personal Trainer
- + Fitness Trackers
- + Entry Fees
- + Passes

Financial Wellness:

- + Student Loan Reimbursement
- + Home Purchase Expense Reimbursement
- + Financial Advisor and Planning Services
- + Financial Seminars and Classes
- + Identity Theft Services
- + Pet Insurance Premiums

Emotional Wellness and Other:

- + Meditation Classes
- + Non-Medical Counseling Services (marital, parental, etc)
- + Retreats
- + Pet Care
- + Camping
- + Personal Development Classes
- + Annual Park Pass
- + Hunting and Fishing Licenses

WHAT ELIGIBLE EXPENSES AREN'T INCLUDED?

- + Eligible expenses that only apply to a very small population of employees and are used to supplement health insurance should not be scoped into the LSA. Your employer may look to supplement their health insurance with additional funds to help you with specific needs either because their medical plan does not cover them at all or it does not provide adequate coverage. While we can support a reimbursement account for specific supplemental expenses, it should be separate from the LSA.