

Lifestyle Spending Accounts

Looking to attract and retain quality employees? Is the health and well-being of your employees important? A Lifestyle Spending Account may be your answer.



Maximum Benefit's Lifestyle Spending Account (LSA) can differentiate your business in today's competitive job market. Employees are seeking out companies with strong values and purpose. They're looking to work for a company with a heartbeat. How better to show them you care than by contributing to their personal development and well-being. How better to let your employees know you're environmentally conscious than by providing them with a sustainable living allowance.

It's difficult as an employer to suit everybody's needs when considering benefits. Implementing an LSA is a cost effective way to show your employees you care about what uniquely interests them as individuals. You give your employees choice and flexibility and create a happier, healthier, more productive environment, providing your employees with a solid foundation for wellness and encouraging healthy life choices.

HOW DOES A LIFESTYLE SPENDING ACCOUNT WORK?

- **The LSA expense list is fully customizable. You may already offer something similar, whether it's money for gym memberships, or work boots to employees in a construction company. Are you worried about your employee's work-life balance? Choose to add personal development expenses, child care, or even pet care.**
- **Plan costs are established at a predetermined, manageable level. You select the dollar amount available to employees, but top-ups are available at any time.**
- **Employees submit their claims through online submission, making the claim process quick and convenient.**
- **Claims from these expenses are taxable to your employees, with tax reports provided by Maximum Benefit.**
- **LSAs are available under all Maximum Benefit programs.**

Lifestyle Spending Account Q&A

WHAT ARE THE ADVANTAGES OF AN LSA?

An LSA allows employers to provide additional support to their plan members by investing in their health and well-being. Innovative offerings, such as these, attract and retain quality employees.

WHAT TYPES OF EXPENSES CAN BE INCLUDED?

You can customize your LSA to meet the unique needs of your employees to include such items as:

Fitness equipment, fitness instruction, fitness classes and memberships, nutritional programs and counseling, smoking cessation products, health assessments, health practitioners, alternative healing treatments, professional memberships or dues, language training, tutoring, general interest course costs, child care expenses, rehabilitation costs, public transit costs, sustainable living reimbursements, pet care, accounting fees, estate planning, financial counseling, and much more.

DO I HAVE TO OFFER IT TO ALL EMPLOYEES?

All employees are eligible for an LSA, however, you can limit the amount of employees who receive the benefit at the division, class, or individual level.

WHAT HAPPENS TO UNCLAIMED BALANCES?

LSA balances must be claimed within the calendar year, unless the employer adds a carry-over provision. Employees are given a period of one month after the calendar year to claim expenses from the previous year, after which their balance will be lost and unused credits forfeited.

ARE LSA CLAIMS TAXABLE?

All amounts claimed through LSA are a taxable benefit to the employee. Maximum Benefit provides a report to help tax employees appropriately.

CARRY OVER

Carry over of any unused portion of the maximum that is not used within the calendar year.

Employee has used \$800 of a \$1,000 calendar year maximum; the balance of \$200 can be used towards the next year's calendar year maximum, allowing \$1,200 for the following calendar year. If the additional \$200 is not used by the end of the second calendar year, that additional amount is lost.

Health and wellness benefits lead to happier and healthier employees. Together with a lifestyle account, you can create a solid foundation for wellness as Maximum Benefit members also have access to our **my-benefits health**[®] website, providing reliable health tools and resources and empowering employees to make knowledgeable decisions about their family's health care.

Add a Lifestyle Spending Account as part of your progressive employee benefit program. Let your Maximum Benefit advisor show you how.

Visit us online at maximumbenefit.ca

