

# 5 trends shaping the future of flexible benefits



Employees are overwhelmed with too many point solutions and sub-optimal reimbursement methods, often disengaging from the very perks designed to support them. How can you cut through the benefits complexity? With Lifestyle Spending Accounts. They give employees freedom of choice while simplifying admin and optimizing spend.

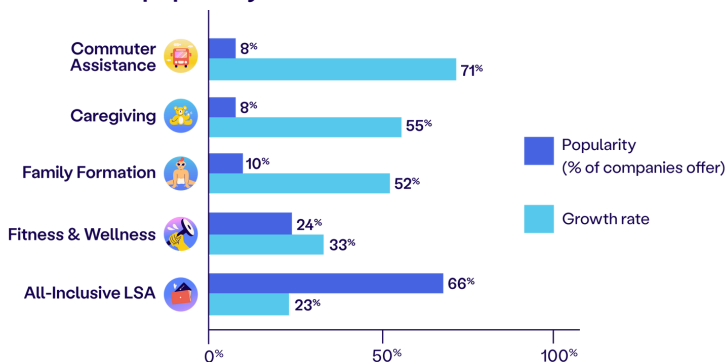
Read on to explore five key insights from Forma's 2025 benchmark analysis, derived from 275+ companies and 600K employees using LSAs globally, that can guide you in designing the most impactful flexible benefit programs.

## Insight #1

### Dedicated account growth eclipses All-inclusive LSAs

Organizations have started to shift from All-inclusive LSAs that cover all aspects of wellbeing to dedicated accounts targeting specific needs like commuting and caregiving.

#### Accounts with highest growth rates compared to account popularity



## What is a Lifestyle Spending Account?

An LSA is a customizable, employer-sponsored spending account that employees use to pay for various expenses.

- + Employers align accounts to goals, define eligibility rules, and set the budget.
- + Employees choose how to use their funds based on what matters most.

## Insight #2

### Employers are getting serious about consolidation

Organizations are using one place to manage all their spending accounts, with 54% of companies consolidating two or more LSAs in a unified platform. The approach saves costs, improves engagement and utilization, and supports individual needs at scale.



# 54%

of companies have consolidated two or more LSAs in a single platform.



Scan to access the full LSA benchmark report

The most comprehensive set of LSA infographics, benchmark data, and emerging trends available

# Customizable spending accounts. Better benefits.

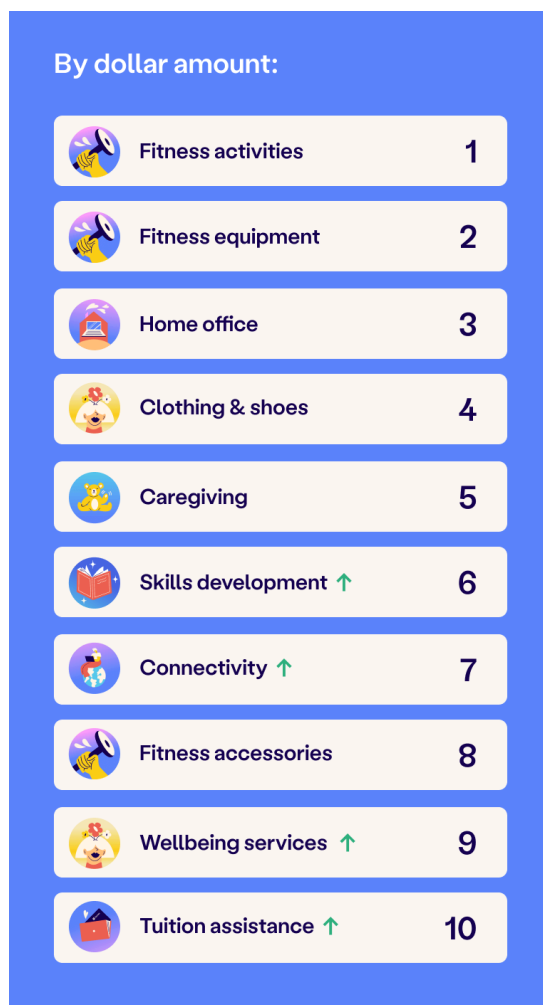
## Insight #3

### LSAs are for essential needs, not just luxuries

Spending trends reveal that employees are using LSAs for essential support and financial health. Individuals are prioritizing LSA spending on high-impact categories like caregiving, skills development, and tuition assistance.

#### Top 10 LSA spending categories

Arrows indicate change in position from last year








## Insight #4

### LSA budgets are shifting

Funding adjustments highlight a shift toward strategic budget reallocation amid economic uncertainty and return-to-office dynamics.

#### Accounts with biggest year-over-year changes in median annual funding per employee

Spending account type	Median annual funding per EE	% change year-over-year
 Belonging & Connection	\$550	↑ 25%
 Medical Travel	\$3,670	↑ 22%
 Home Office Setup	\$510	↓ 48%
 Insurance Assistance	\$1,500	↓ 54%
 Rewards & Recognition	\$500	↓ 61%

## Insight #5

### LSAs now span every industry

LSAs are not unique to the tech industry or startups – you can find LSAs across all industries, offering global reach and flexibility for diverse, changing workforces.



#### Who's offering LSAs?

59%

non-tech companies

11%

have more than 5K employees

46%

offer LSAs in more than 1 country

#### About the benchmark report:

The Forma platform has data-gathering capabilities that provide insights into customizable spending accounts from more than 275 companies with active accounts and 600K users of the Forma platform. This data is a snapshot of observations from December 2024 and January 2025. Results are subject to change.