



UNITED
BEHAVIORAL HEALTH

Wellness Monthly

Healthy matters to keep in mind.

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After the Pile of Gifts: a Pile of Debt? Get Your Finances Back on Track after the Holidays

It's easy to get caught up in the bright lights and tinsel, and go overboard shopping for the holidays. Unless we plan carefully, holiday cards are followed by holiday bills.

Taming the Holiday Debt Monster

Many people end up with extra credit card debt after the holidays. Here are some tips for paying down credit card debt:

- **Start a payment journal.** Write down the total owed on each credit card, and the minimum payment due. Record each payment and watch debt disappear.
- **Pay more than the minimum.** Get rid of debt sooner by paying as much as you can. (By the way, this responsible behavior can improve your credit rating.)¹
- **Study the credit card bills.** What's the highest interest card? What's the lowest? If possible, transfer the balance from the card with the highest interest rate to the one with the lowest (be aware that this may involve a transaction fee). Or, concentrate most of your payments on the highest interest card.^{1,2}
- **Pay on time.** Avoid late fees and finance charges. Be sure to allow adequate mailing time to ensure a timely delivery.
- **Communicate with the credit card company.** Call them right away if you can't pay the minimum payment. Let them know how much you can pay. Work together to come up with a plan.³
- **Ask the credit card company to lower your interest rate.** If you've been a good customer, it never hurts to ask.⁴

Start the New Year with a Spending Plan

It's never too early to plan for next year's holiday shopping. If you overspent this year, ask yourself why.

Give Events Instead of Things

The latest happiness research shows that giving people experiences and not things leads to greater, longer-lasting happiness.⁵ Here are five great substitutes for a box with a bow on top:

1. Dinner at home and a night looking at old family pictures
2. A notebook that contains copies of favorite family recipes, with an afternoon of baking
3. A day volunteering with the charity of your choice
4. Baby-sitting tokens
5. A "movie marathon" day featuring rentals of the person's favorite movies, complete with popcorn

Upcoming Articles

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"Less-Stress" Lifestyle

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Did you get caught up in the holiday excitement? Were you trying to buy extra-special treats for your loved ones? Do you buy more when you shop in the mall or online? Does credit make it easier to overspend?

Whatever your reasons, you are not alone. Use your payment journal to sort

through your thoughts and your gift list. Make a written plan for upcoming holidays and birthdays. Some people find it helpful to open a special savings account just for gifts. Read on for more hints to help keep gift giving within reason.

Dealing with financial stress isn't always easy. But you

don't have to go it alone. UBH is here to help. Call or log on any time for help with any of life's challenges.



Love Comes from Your Heart. Not Your Wallet.

A gift doesn't have to cost a lot to be special. Here are some ideas to help make gift giving more meaningful and less costly, no matter what the occasion.⁶

Trim your list. Do you spend time and money trying to buy the perfect present for the person who has everything? Are you still giving presents to your adult siblings or their adult children? You probably know people who would welcome the chance to stop exchanging gifts just out of habit.

Shop at the last minute. Or don't. Last-minute presents are a great idea if you're able to take advantage of seasonal price slashing. But if you

tend to impulse buy, or you overspend out of guilt, last-minute shopping is not for you.

Get creative. Say, "I was thinking about you" with something you made yourself. There's a wealth of craft ideas online and at your public library. Why not have a craft party with friends? You can share ideas, supplies and holiday cheer.

Spend time, not money. What would you give if you couldn't give a thing? Time is the answer! Take your grandchildren to a park or museum. Invite friends over for a home-cooked meal. Make a regular date to do something special with a friend.

Say "no" to plastic. Savvy shoppers set their budget in advance. Leave credit and debit cards at home and carry only the cash you need for the gifts on your list. You won't be tempted to overspend.

Shop early. Ship early. Shopping for out-of-town loved ones? Avoid extra hassles and charges for priority shipping by wrapping things up a month before the crowds. You'll beat the lines at the post office, too.

Resources

United Behavioral Health

Ask your HR representative for your access code and toll-free number.

www.liveandworkwell.com

Use the search phrase "gift giving" for low-cost yet meaningful gift ideas.

All of the financial strategies referenced herein are those of the sources named below, not UBH, its parent or affiliates. The information provided is for educational purposes only and are not meant to be used in place of professional consultations for individual needs. Consult with your financial professional and/or credit card institution for specific information to tailor to your specific situation. Your specific terms and conditions of your credit cards and other financial institutions should be consulted to understand the specifics about your account transactions since penalties, transaction charges and the like may apply for transfers or failure to pay bills timely or in full. UBH does not recommend or endorse any financial strategy, specific or otherwise. Certain services may not be covered in some benefit plans. Check your health plan regarding your coverage of services.

1 Orman S. Managing Debt: Paying off Debt, 2009. Available at <http://www.suzeorman.com/igsbase/igstemplate.cfm?SRC=MD012&SRCN=aoedetails&GnavID=84&SnavID=20&TnavID=&AreaofExpertiseID=5>.

2 Irby L. Two credit card payment methods that work, about.com (a part of the New York Times Company) 2009. Available at <http://credit.about.com/od/reducingdebt/qt/payccdebt.htm>.

3 KeyBank. Personal Banking: Everyday Banking: 10 Steps to Eliminate Debt. Adapted from *Today's Focus*, Time, Inc. Winter 2004. Available at <https://www.key.com/html/eliminating-debt-article.html>.

4 Padron A. CreditFactor: Reduce your debt, 10 Steps to reduce personal debt, April 2009. Available at <http://www.credit-factor.com/debtfree/10-steps-to-reduce-personal-debt>.

5 <http://www.sciencefriday.com/program/archives/200902135>.

6 liveandworkwell.com. Gift Giving Made Easy, April 2009. Available at <https://www.liveandworkwell.com/member/browse/showArticle.asp?TopicID=4&BucketID=51&ArticleID=7189>.