Psychological Health Roanoke PC

Advantage EAP

Employee Assistance Program

November 2009

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Overwhelmed by Debt?

With the holidays quickly approaching, money is definitely on most of our minds. For some, using a credit card seems a lot less stressful, until the end of the month, where repayment can turn into a nightmare. Learning how to use credit in a proper and responsible way is extremely important. Debt can easily spiral out of control and can affect you not only financially, but also psychologically. The following newsletter offers you some tips on relieving financial stress and how to start to pay off credit card debt.

Relieving Financial Stress

You may, like many other individuals, feel like you have gotten yourself into an out of control use of your credit cards. Although you are feeling swamped, do not give up hope. There are still many options that can help you keep your head above water including: using assistance programs to help with budgeting, create a management system that will responsibly use credit and learning to deal realistically with your finances.

Once you have decided that credit card debt has become too much, realize that you do have some legal rights as a user of credit:

- Credit card companies may not harass you. They are not allowed to make serious threatening statements to you or call you at unreasonable times. Your credit information is also completely confidential. Companies are not allowed to share this information with anyone else, including your employer.
- Getting credit history checks have become much easier. You may obtain this information from online sources or even from local agencies.
- Bankruptcy is also your legal right, but should only be used in cases of ***serious*** financial crisis. There are multiple types of bankruptcy including: chapter 7, which eliminates most debts, except child support and unpaid taxes and chapter 13, which is a debt repayment plan. Filing for bankruptcy should only be done after consultation to a professional.

Contact Us

Hours: Monday – Friday, 8:30-5:00pm. Evening hours are available on a limited basis.

(540) 989-6605 or 800-699-9396

Nights and weekends call RESPOND:

(540) 776-1100 or 800-541-9992

Advantage EAP does not necessarily endorse any products or services mentioned.

5 Ways to Pay off Credit Card Debt[1]

Instead of making minimum payments, reduce your debt by:

1. Paying as much of your credit card as you can
2. Prioritizing the credit cards that have the highest interest rates
3. Only using your credit card for "life and death" emergencies
4. Negotiating your debt if you can't make your minimum payments
5. Creating a budget, and disciplining yourself to stick to it

How does debt affect me psychologically[2]?

Emotional distress from debt can be overwhelming to some. Stress may be caused by not being able to pay bills, frustration of not being able to overcome debt, and uncertainty about the future of your financial situation. If these emotions, along with many others, become chronic they may lead to additional problems including health conditions and psychological disorders. Depression can be spurred on by financial upset, grief associated with one's inability to live a full financial life and despair. Depending on one's psychological health and debt factors, this may or may not have a large influence on your emotional wellbeing. It is very important that if you are feeling overwhelmed by debt, that you seek professional help right away.

Getting Help

As your Advantage Employee Assistant Program, Psychological Health-Roanoke can offer you help. We offer confidential support and counseling services to employees who find themselves in stressful or trying situations, especially those related to stress from credit card debt. If you or someone you know is suffering from credit card debt, getting help can be extremely beneficial.

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Or Visit our website at: www.psychhealthroanoke.com

References:

1. 5 Ways to Pay Off Credit Card Debt, http://psychology.suite101.com/article.cfm/5_ways_to_pay_off_credit_card_debt
2. How Debt Affects Your Emotional Wellbeing, http://www.helium.com/items/669312-how-debt-affects-your-emotional-well-being