





U N I T E D

BEHAVIORAL HEALTH

Life Balance

Healthy matters to keep in mind.

March 2012

Outlasting the Economic Downturn Cut Your Costs to Trim the Stress

According to the American Psychological Association, as aftershocks of the Great Recession continue to be felt, money is the most often named source of stress for Americans. In fact, in 2010, more than 75% of Americans named money as a significant cause of stress.

At the same time, an American Psychological Association survey in August 2010 found that 73 percent of parents report family responsibilities as a significant source of stress.³

Combine stress from money worries with stress from family concerns and you have a

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serious situation. Not only can this kind of prolonged stress be emotionally draining and harmful to your family relationships, it can literally make you sick.

One way to manage the stress is by taking steps to save money. When unexpected money problems arise, some simple cost-cutting measures can free up money for the essentials. Shifts in your standard of living can be uncomfortable; however, it's important to view each of your expenses objectively and be realistic about what you can afford.

What you need to remember is to keep a level head, act immediately and plan your finances accordingly. Hesitating or putting your budget planning aside could make things worse. You owe it to yourself to remain confident and in control.

The Big Cuts

Home Mortgage — If you feel your ability to keep your home is at risk, immediately contact your mortgage holder or a certified HUD counselor to discuss your financial situation. You may qualify for a deferral, a loan modification or alternative payment plans.

The Car — Can your family become a one-car family? Letting go of one of your vehicles could create significant cost savings (payments, gas, insurance, maintenance, etc.).

Recreation — You can still enjoy life without all the perks. Luxuries like dining out and weekend getaways can be replaced by home cooking, backyard parties, and exploring local parks, museums, and attractions.

More Tips for Managing Financial Stress

- Don't get caught in a negative thought pattern of "doom and gloom," constantly watching TV news and reading newspaper articles about the economy. Take a break from bad economic news.
- Avoid either overreacting to your financial situation or ignoring signs that you need to make changes. Remain calm, so you can think clearly.
- Make a family austerity plan and stick with it. Review your progress once a month.
- Sit down at the kitchen table and talk to your kids about your money problems. Children often feel their parents' stress, so it's important to be honest with them, while communicating in an age-appropriate way that doesn't frighten them. Let them know that the whole family has to pull together.
- Take a breather go for a walk when you're feeling stressed or prepare a sitdown meal with your family.

Creative Financing

Cash Only — Fair warning; it will be difficult, but try to pay for everything in cash or with a debit card. Using your credit cards unwisely during financial difficulties only digs you deeper in the hole.

Credit Surfing — Evaluate all of your credit card balances and interest rates. Find the cards with the lowest rates and transfer your balances. Weigh the cost of the transfer fee – will it be greater than the

interest you save? – and be aware of the impact on your credit score of closing accounts vs. keeping them open. Finally, focus on not running your credit card balances back up.

Negotiating Lower Rates —

Contact each of your credit card companies and ask if your interest rate can be lowered based on past payment history. If not, ask if there are alternative payment plans available based on financial hardship.



Trim Your Household Costs

One thing that's certain is that household costs are on the rise. Just take a look at what you're spending on food and gasoline today compared to two years ago.

Adjust Your Minutes —

Evaluate your mobile phone plan in detail. Call your provider to ask if there is a less expensive plan. Also, consider if you can live without either your cell phone or your land line.

Cut the Cable — Reduce your monthly cable/satellite bill by eliminating premium cable.

Clip Coupons — Using coupons at the supermarket is a smart and easy way to save money. Just be sure that the final price (using the coupon) is less than the generic or store-brand alternatives.

Buy in Bulk — Consider shifting your focus to the future when purchasing household items. Lower-priced, higher-volume choices make sense for products that you need now and will need in the future (toilet paper, cleaning supplies, etc.). The same goes for select food items, especially those that keep well or can be frozen.

Thrift Shopping — Consider a trip to your local thrift store before you head off to the mall. Many second-hand clothing and household items are in good condition and cost substantially less than those in typical retail stores.

Save Gas, Drive Less — Keep in mind that every time you drive your car, it costs you money. Consider car pools, ride shares, etc. Walk or bike to local destinations. It will save in fuel costs and save the environment too!

During tough times make sure to take care of your emotional and physical health, as well as your fiscal health. Recognize that not dealing with stress effectively could lead to unhealthy activities such as smoking, drinking, gambling or eating disorders. Be aware of this and seek help if you think you're seeing the signs of a problem.

Coping with financial hardship isn't always easy. But you don't have to go it alone. We're here to help. Call or log on any time for help with any of life's challenges.

Resources

United Behavioral Health

www.liveandworkwell.com

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¹ American Psychological Association. Key Findings. http://www.apa.org/news/press/releases/stress/key-findings.aspx. Accessed October 11, 2011.

² American Psychological Association. Managing Your Stress in Tough Economic Times. http://www.apa.org/helpcenter/economic-stress.aspx. Accessed Oct 11, 2011.

³ American Psychological Association, Managing Stress for a Happy Family. http://www.apa.org/helpcenter/managing-stress.aspx, accessed October 11, 2011.