



PacifiCare®
Behavioral Health

Wellness Monthly

Healthy matters to keep in mind.

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Overspent and Overstressed? How to Live within Your Means

Out-of-control finances can take a toll on your wallet and your health. Overspending now can lead to financial troubles tomorrow — as well as headaches, anxiety and sleepless nights. In fact, money worries are among the most common sources of personal and family stress.

A brighter financial future can be yours if you start living within or below your means today. Examining spending habits, setting goals and finding ways to cut back can help you reduce stress and build your savings. Start by asking yourself these questions:

1. Where's it all going?

A clear picture of how much

money you're spending — and what you're spending it on — can open your eyes to savings opportunities. Start by tracking one month of expenses. Include your mortgage or rent, car payments, food, gas, clothing and all other expenses.

Once you've tracked for a month, take a closer look by putting each expense into one of these categories:

Fixed expenses — such as rent, house or insurance payments — are consistent amounts paid each month.

Flexible expenses — including food, gas and utilities — can vary in cost

each month or each time you purchase them.

Periodic expenses — like holiday spending, subscriptions and license renewals — occur annually, semi-annually or quarterly. You may need to look back over your expenses for the last year to track these.

2. What's important to me?

Maybe you dream of retiring to a beachfront condo, or you might just want to pay off that big-screen TV. Whatever your financial dreams may be, writing them down is the first step to making them a reality. If you're in a relationship, talk

Tips for Cutting Credit Card Debt

- **Pay high-rate cards first.** These cards are costing you more in finance charges than lower-rate cards.
- **Ask for a lower rate.** Call your credit card companies to see if you qualify for a reduced interest rate.
- **Pay more than the minimum payment.** You'll pay off more of the principal and lower your balance much faster.
- **Stop making new charges.** Do whatever it takes — hide cards, freeze them in ice or even cut them up.
- **Get a cheaper credit card.** Find one or two lower-rate cards and store the others in a safe place.

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openly with your partner. Both of you may need to make compromises to come up with shared goals.

3. How can I get there?

Making a plan is key. First, figure out how much money you'll need to save each month to reach your goals. Next, compare your monthly income to your expenses. If there isn't enough left over to reach your goals, look at how

you can balance the equation. There are two ways to save more money — add income or cut back on spending. You may be able to get another part-time job or sell items you don't need, but increasing cash flow isn't realistic for everyone. However, you may be able to save money by cutting back on spending. Look for opportunities where you can reduce or eliminate costs.

Carrying only cash and cutting back on unnecessary expenses can ramp up your savings. See below for more ways to save.

You can live within or below your means by taking the time to plan and set realistic goals. PacifiCare Behavioral Health is here to help. Call or log on any time for help with any of life's challenges.



Six Strategies for Saving

With determination and creativity, you can save money and achieve your goals. Use these strategies to get started.

1. Pay yourself first.

Deposit part of your paycheck in a savings account before you spend any of it.

2. Think big.

Take a closer look at large expenses. You could save a lot by making changes such as scaling down auto insurance coverage or installing energy-efficient appliances.

3. Sweat the small stuff.

Little expenses can add up.



Try carpooling or bringing a mug of home-brewed java to work.

4. Empty your pockets.

At the end of the day, drop your change in a jar. You'll be surprised at how much your nickels and dimes add up.

5. Seek out freebies.

Check out books and movies from

the library. And, visit local museums on "free days."

6. Find the best deal.

Comparison shop — look at several stores, catalogs or online merchants for the best price.

You can save money without sacrificing your lifestyle. Use these strategies and watch your savings grow.

Resources

PacifiCare Behavioral Health

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

www.liveandworkwell.com

Use the search word "budget" to learn more about controlling expenses, stretching your budget and planning for your financial future.

Use the search word "debt" to learn more about credit cards and managing debt.

The information and therapeutic approaches in this article are provided for educational purposes only and are not meant to be used in place of professional clinical consultations for individual health needs. Certain treatments may not be covered in some benefit plans. Check your health plan regarding your coverage of services.