

# Tips

## DITCH THE DEBT MONTH

Try sending our CORE Solutions Tips of the Week to your employees for quick, easily digestible health and well-being tidbits they can incorporate into their daily lives.

– Your CORE Solutions Team



**Set a goal.** All successful projects start with a clear goal. You may have a goal of eliminating all of your debt or getting rid of one debt in particular. Whatever the case, write it down and put it somewhere that you can see every day. This will help keep you focused.



**Make a list of your current debts.** To get rid of your debt, you need an accurate and complete list of your debt. You may need a copy of your three credit reports from Equifax, Experian and TransUnion. And remember to include debts that don't show up on your credit reports, like loans from family members or payday lenders.



**Gather information on debt repayment.** First, learn about your state's statute of limitations. This is the length of time a creditor can legally collect a debt. This is especially important if you have debts in collections. Do not stop paying a debt because it is close to this limit. You may want to get legal guidance regarding how to handle debts close to or past the statute of limitations.



**Make a plan.** There are two general methods for reducing or getting rid of debt:

- **High-interest rate (avalanche) method.** With this approach, you list your debts from highest interest rate to lowest, and make all of your regular payments. Then, if you have any money left in your budget, you apply it to the debt with the highest interest rate.
- **Low balance (snowball) method.** With this approach, you list your debts from lowest total balance to highest, and make all of your regular payments. Then, if you have any money left in your budget, you apply it to the debt with the lowest balance.



**Stick with your plan.** Each month you will get closer to your goal of reducing or eliminating your debt. Like any challenging goal, at times you may experience setbacks. This is okay. The key is to get back on track. Use support if you need it. Turn to trusted friends, family, or a counselor to share your successes and struggles.

Source: [United Way](#)