

Faculty and Employee Assistance Program Newsletter

Finances and Your Health

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Are your finances making you sick?

Recent studies have measured the impact of financial stress on a host of medical/emotional factors. It may not be surprising that in a recent AP poll, many health concerns that we associate with stress have an even stronger relationship to illness when we are also experiencing financial worry. For example:

- 44% of study participants reporting high debt stress also reported experiencing migraines
- Only 4% of the participants with low debt stress reported migraines

Statistics are equally concerning for other health factors: 6% of study participants with high levels of debt stress reported heart attacks--double the rate of those reporting low debt stress.

The results for increased frequency of severe anxiety and severe depression were also profound:

- Only 4% of participants reported either concern when debt was a low stressor
- The numbers jump to 23% for severe depression and 29% for severe anxiety when finances are a high source of stress

The challenge often becomes trying to manage your physical and emotional health and your finances at the same time.



Where can you turn?

Certainly your personal physician is the first person to contact to address any symptoms or medical concerns. At FEAP, you can also get connected with resources to address your mental health needs. Additionally, we can assist you in finding direction to address your financial worries. Often finances are a source of fear; fear that we're in worse shape than we thought, fear that we will never get on our feet, fear that we can't learn to manage our finances. For some, an additional concern is the self-talk that we have made too many mistakes to ever get out of the situation, and we are too embarrassed to discuss it with anyone. FEAP offers individual counseling on steps to take to get back on our feet, and resources that can be of assistance to your personal situation. Additionally, we offer group sessions that look at budgeting basics and how to manage credit. These are offered throughout the year at various locations.

Where do you begin?

The first step should be to figure out your financial goals. This can be likened to picking a destination when we start on any trip. Most of us have a vague idea where we want to go, but hope that it will “just happen”. So, what is important to you now and in the near future? It is nice to plan further out, but a plan for this year, is the priority. Once you have a goal, you can begin to put your papers in order and develop a realistic budget. To start, write down all monthly expenses. Then total your monthly take-home pay. These numbers should either be equal or you should have more income than expenses. It’s no surprise that most of us often have higher expenses than our income. This is the reason many of us have ever-increasing debt. If your expenses are greater than your income, you clearly only have two choices. Either increase your income or reduce your spending.



Once you have established your plan, it is time to attack your debts and figure out how to pay them off. First make a list of all your debts-- whether you are paying on them or not. Look up the interest rates and any other fees. One simple step that many of us have used to get some control of these expenses is to call the credit card companies and negotiate a lower interest rate. This only works if you are in good standing on the account. Then, you can best determine your personal payment plan using one of two approaches. You can either start working on paying off the balance with the highest interest rate first. You will be reducing the monthly amount of interest that you continue to accrue far more quickly using this approach. Or, you can attack the smallest balances to get them out of the way and give yourself a psychological boost. Either way, you can take control. The other important step is to reduce, or even eliminate, continued use of credit.

Let’s start today, in taking charge of our finances and its affect on our health. For an individual appointment call FEAP or watch our website for upcoming group sessions.

**AP IMPACT: AP-AOL poll: Debt hurts your body, too” by Jeanine Aversa, Washington Post, June 9, 2008.



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If you need help with this or other personal issues, please contact the FEAP at (434) 243-2643 or visit our website at <http://uvafeap.com>.