

July 1, 1999 EAP

News # 63

### The Truth About Bankruptcy

**O**ver 1.1 million Americans file for personal bankruptcy in a 12- month period. While bankruptcy is a legitimate, legal way to get rid of debts, it does have a downside.

#### Myths and Realities

**Myth:** You'll be a better credit risk after filing for bankruptcy because you'll have no debts.

**Reality:** Bankruptcy is listed on a credit report for seven to ten years. Most lenders consider it the single most negative credit problem, even more negative than having too much debt.

**Myth:** It's easy to get credit after filing for bankruptcy.

**Reality:** Loans are available after you have filed; however, they come at a steep price. These loans may require large down payments and charge interest rates as much as double the normal rate.

**Myth:** Once you file for bankruptcy and get rid of all your debts, you'll be "home free."

**Reality:** People who file bankruptcy once often do so again. Credit counseling can help you bring your debts under control, and learn money management skills that will help you avoid bankruptcy.

**Myth:** Bankruptcy doesn't hurt anyone, those big credit card companies can afford it if I don't pay them back.

**Reality:** We all pay for bankruptcies through higher prices on goods and services, including credit card loans.

### Stepfamily Facts

- ? Nearly half of all first and second marriages end in divorce.
- ? 75 percent of divorced persons eventually remarry.
- ? 40 percent of all marriages are remarriages for at least one of the adults.
- ? 64 percent of American families are stepfamilies, making it the leading family type in the United States.
- ? One in three Americans is now a stepparent, a stepchild, a stepsibling or some other member of a stepfamily, and one in two Americans will be in a step situation at some time.
- ? About 65 percent of remarriages involve children from a prior marriage.
- ? One out of six children under the age of 18 is a stepchild.
- ? 45 percent of children show no signs of emotional trauma following divorce. Forty-one percent of children do poorly, evidenced by high anxiety, underachievement and poor anger control.
- ? The fastest growing marital status category is divorced persons.
- ? Rates of alcoholism in divorced and redivorced persons are three times that of those from first marriages.
- ? Suicide rates are triple the norm for those who are divorced.

**REMEMBER!**  
**Bicycle helmets save lives. Be safe  
wear a helmet.**

## Ibuprofen Safety

Ibuprofen has become the drug of choice for the over-35 athletes. But how safe is it?

The Penn State Sports Medicine Newsletter (October 1998) says that general recommendations should be based on a person's age, weight, medical condition and individual reaction to drugs.

It should always be taken with food since on an empty stomach, ibuprofen can cause stomach ulcerations. The over-the-counter daily maximum dose is 200 mg four times a day. When three different pharmacists were asked how long a person could take 800mg per day, there were three different answers, ranging from two weeks to three months. Even though it is an OTC drug, it can cause liver malfunction.

### WEST POINT BLISTER RELIEF

Six hundred West Point cadets applied either an antiperspirant or a placebo to their feet for five nights before going on a 13-mile hike. Those that applied the antiperspirant had half as many blisters as those who applied the placebo.

## My Dog Won't Bite

Regardless of age, breed or size, any dog can bite if provoked. As many as 1 million people in North America require medical attention for dog bites each year. Attacks can usually be avoided when both humans and their dogs are properly trained. Here are some suggestions for you and your family:

- ? Never leave a baby or small child alone with a dog.
- ? Teach children to ask permission before approaching any dog.
- ? Don't run from or past a dog.
- ? Never disturb a dog that is sleeping, eating or caring for puppies.
- ? If you are threatened by a dog, remain calm and still, never scream or run.
- ? If you fall or are knocked to the ground, curl into a ball and protect your face.

## Pay Down Your Mortgage

**1. Prepay principal.** Add \$25 to monthly payments for a 30-year, 9%, \$100,000 mortgage and you'll repay the loan about four years early and save almost \$30,000. Add \$100 instead of \$25 and you'll repay the loan more than 10 years early and save over \$75,000.

**2. Refinance.** Suppose you have 18 years left on a 30-year, 11%, \$100,000 mortgage. Refinance the outstanding balance (about \$90,000) with a 15-year, 8% loan, and you'll save about \$14,000 after expenses. The loan will be paid for near the original pay-off date.

**3. Make biweekly payments.** Paying half your monthly mortgage amount every two weeks is like making 13 monthly payments per year. By doing this, you can trim a 30-year mortgage to 20 years. Depending on the loan amount and interest rate, you could also save about as much money as you originally borrowed.

**4. Do it yourself.** If your lender won't accept biweekly payments, simply divide the principal and interest portion of your monthly mortgage payment by 12 and add this amount to each payment. The effect will be the same.

**5. Save lump sums.** Do you receive a year-end bonus or extra money doing odd jobs? Instead of prepaying principal once a month, pay a little extra whenever you can.

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HBA is your 24-hour employee assistance program. Eligible employees and family members may call for confidential assistance with personal, legal, childcare, financial, alcohol/drug and other problems. HBA has identified a variety of community resources and self help associations. Also available is a panel of professional counselors and hospitals who have agreed to provide free or low cost counseling and treatment services to persons who have been referred by Human Behavior Associates. Dial 1-800-937-7770 for information or assistance.

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