



## *Guide to Choosing a Debt Relief Plan*



Realizing you need help with your debt is an important first step in the process of becoming debt-free. But choosing the right option for achieving this goal is not a decision to be taken lightly. We can help you determine which option is best for you by following some simple steps.

*First, it is important to understand your options:*

## *1. Going It Alone*

Depending on how much debt you have, what your disposable income is, and how disciplined you are – you may be able to get out of debt by tightening your budget, and increasing the amount of money you pay to your creditors each month. This is generally not a practical solution for most people who find themselves in debt, or they wouldn't be in debt in the first place. Because of high interest rates and other fees, most people find that it takes much too long to pay off their debt on their own. Making minimum monthly payments, it could take 20 years or more to pay off a typical credit card balance.

## *2. Debt Management Plan (DMP)*

We work with you to consolidate all of your unsecured debts into a single monthly payment. The goal is to receive better repayment terms from most creditors, such as lower interest rates and waived late fees, allowing you to pay off your debt faster than you could on your own, paying the minimum monthly payments required by your creditors.

### 3. Debt Settlement Plan (DSP)

We negotiate with your creditors on your behalf to accept payment of a percentage of your unsecured debt to satisfy your entire unsecured debt. You make a monthly payment to us, which is held in an escrow account to build in value until your creditors agree to accept our settlement offers. This is an attractive alternative to bankruptcy for those who want to pay back at least a portion of their debt and cannot afford the DMP payment.

### 4. Bankruptcy

A complex legal process created by Congress to provide relief from financial distress when you can no longer pay your debts. This is the most drastic choice, but if you feel that your debt and financial situation are going to prevent you from making regular payments to your creditors, you should consult an attorney to discuss whether bankruptcy is a viable option.

*Next, CareOne will help you with valuable and free financial management tools if you decide to go it alone, and we offer DMP, DSP, and bankruptcy services should you require expert assistance with your debt.*

When you call CareOne, or visit [careonecredit.com](http://careonecredit.com), you will go through a simple guided process to determine which option is best for your financial situation based on:

- Your total and eligible debts
- Your income (total and disposable)
- Your expenses
- Your payments statuses
- Your budget details

To ensure that we recommend the best debt relief option to fit your needs, you will have to provide details about your income and expenses. We will also need accurate information about your debt, so we'll need either your most recent creditor statements, or we can get a fairly accurate picture of your debts by obtaining your credit file from a reporting agency at no cost to you.

You do not have to decide which program is best for you before contacting CareOne, we'll help you decide that, but it is helpful to understand the benefits of each. We recommend that you review our other informative guides to educate yourself on available debt relief options.



[Click here to view all of our informative guides.](#)

**Deciding which program is right for you depends on a number of factors, but is ultimately based on the severity of your financial situation and your ability to repay your creditors.**

**Visit [careonecredit.com](http://careonecredit.com), or call us at 1-866-866-1389 today and we'll help you determine your best option for getting control of your debt.**



# CareONE



**1-866-866-1389**

**[careonecredit.com](http://careonecredit.com)**

To learn about your debt relief options, contact one of our certified credit counselors during the following operating hours:

**Monday through Friday 8:00am to 12:00am EST**

**Saturday 9:00am to 7:00pm EST**

**Sunday 9:00am to 6:00pm EST**

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