



# Consumer News

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University of Illinois  
Extension  
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Economics Educators

"Helping You Put  
Knowledge to Work"

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Newsletter Prepared By:  
Jennifer Hunt  
Extension Educator  
East Peoria Extension Center  
727 Sabrina Drive  
East Peoria, IL 61611

Phone: 309-694-7501 ext. 228  
Fax: 309-694-7882  
Email: [jlhunt@uiuc.edu](mailto:jlhunt@uiuc.edu)

We're on the Web!  
[http://www.ace.  
uiuc.edu/cfe/](http://www.ace.uiuc.edu/cfe/)

## Introducing—Plan Well, Retire Well: Your How to Guide <http://www.retirewell.uiuc.edu>

Making saving and planning for retirement easier as well as assisting individuals in making informed investment decisions is the goal of a new University of Illinois Extension website. "Plan Well, Retire Well" is at: <http://www.retirewell.uiuc.edu/>.

On the website, users can go step-by-step at their own pace through an information and planning process.

Among the site's sections are those explaining the impact of time and compound interest on savings, how

people can begin saving, how to target savings toward retirement, how to choose investments, how to maintain the savings habit and in-depth information on how to make informed investment choices.

Plan Well, Retire Well's interactive site can be accessed at <http://www.retirewell.uiuc.edu>. Visit Today!

*Plan Well, Retire Well is part of USDA's national initiative, Financial Security in Later Life.*

## Winter Driving—Are You Ready?

The earth is covered with a beautiful white blanket. Yes, the snow has fallen. While the snow looks nice and covers gray pavement, driving in winter conditions is different than driving during other seasons of the year.

The Federal Citizen Information Center has a consumer article on winter driving. Topics covered include: Do I Need Snow Tires, Tips for Driving in

Snowy or Icy Conditions, and If You Decide to Pull Over in a Snowstorm.

The information can be accessed at <http://www.pueblo.gsa.gov/cfocus/cfwinterdriving03/focus.htm>. Also, visit University of Illinois Extensions Urban Web Site that provides Illinois forecasts at <http://www.urbanext.uiuc.edu/winter/weather.html>.

### Quick Tip

If you are planning on driving a long distance, especially during the winter months, check out the National Weather Service for what type of weather to expect on your trip.

National Weather Service website is: <http://www.weather.gov/>.

## Saving Money Through Informed Decision Making

Insurance can cost a lot of money. While we all may need insurance, we do want our dollars to be used effectively. Unfortunately, too many people who buy long-term health care insurance end up canceling the policy before it is useful. Research done at the University of Illinois by Paul McNamara and Nayoung Lee indicates that a significant percentage of people who purchased long-term care insurance dropped their policy during the next five years. To address this problem an educational information packet and seminar was developed by the CFE Team Health Care Decisions workgroup. During the last three years, 413 people have received the information packet and approximately 275 people have participated in the teleconference seminar. The goal of this program is to provide consumers with quality, unbiased information about long-term care insurance so that consumers can make informed decisions *before* they make any purchases.

Seminar participants were asked to complete evaluations. Of the 104 par-

ticipants who responded, 94 percent agreed with the statement “I gained new knowledge or insights from the seminar.” Ninety-two percent agreed, “The seminar will be useful to me personally.”

The evaluation data from this program shows that the seminar helps consumers throughout the decision-making process: from collecting information, comparing options, and to the point of deciding whether long-term care insurance is an appropriate financial tool for their situation.

**You too can participate in a teleconference seminar to learn more about long-term health care insurance. The next teleconference is schedule for Thursday, March 18, 2004 from 7:00 to 8:30 p.m. Questions you may be asking yourself about long-term health care insurance will be addressed, such as :**

- How likely am I to need long-term health care?

- How can I better understand terms used in long-term care insurance policies?
- Can I afford to pay long-term care insurance premiums?
- What do I need to know about insurance companies who sell LTC policies?
- What is important to include in a policy?
- How can I be creative to design an affordable plan policy to fit my needs?

For more information about the teleconference, visit the Consumer and Family Economics website at <<http://www.ace.uiuc.edu/cfe/health/lhci.html>>.

### In the Spotlight

Looking for Internet sites to help teach your children about money? Visit <<http://www.kids.gov/>>. The website is maintained by the Federal Citizen Information Center and has many interactive activities and educational information for children.

### Mark Your Calendar

Learn more about long-term care insurance at the next teleconference on **Thursday, March 18, 2004** from 7:00—8:30 PM. For more information visit <<http://www.ace.uiuc.edu/cfe/health/lhci.html>> or contact your local Extension office.

### Hot Off the Presses—Cool Cash Adventure Book

Cool Cash Adventure is a credit adventure book for an adventure book for 5<sup>th</sup> – 8<sup>th</sup> grade aged youth. Concepts covered include credit terminology, saving, and decision making skills. A single copy including worksheets (Item #SETCC-BS) can be purchased for \$7.00 plus shipping through University of Illinois Publications Plus at 1-800-345-6087.



### Money Tip of the Month

Pay off your credit card debt. Remember, paying on a credit card balance that costs you 18% in annual interest rate charges is the same as earning 18% on an investment -- a very good rate of return!

## Giving Gift Cards.... Beware

Many people are giving gift cards as gifts all year long. Many people are receiving gift cards too. But read the fine print. Some cards lose their "value" over time. Other cards honor the gift cards. In a recent Consumer Reports article, two children found out their "\$25" gift card was only worth \$15 due to a bank who issued the card a levy of \$1.50 monthly "maintenance fee" after six months. After complaining to the Better Business Bureau, the difference was paid with a note from the bank – **READ THE FINE PRINT.**

In 2003, it is anticipated that over \$45 Billion in gift cards sales will be issued. Many stores offer their own gift cards. They are easier to handle than paper gift certificates. Consumers find them easier to use. They can be "reloaded" with more cash.

### What Can You The Consumer Do

- Pay attention to gift card ground rules.
- Details about fees are on the card itself or accompany sleeve or store's or bank's web site. Get out the magnifying glass.
- Keep the receipt you get when you get the card. Write down the card's ID number.
- Use the card. Consumers only redeem about 90% of the money on the gift cards. (Based on this year's information, that is \$4 Billion windfall for retailers and banks.)
- Know the type of card. Visa and MasterCard cards can be used everywhere. Store cards must be used at that store.
- Consider the fees. Store gift

cards are usually free. Visa and MasterCard from banks cost a few dollars. There may be a fee for checking your balance. Watch out for the monthly "inactivity", maintenance or service fee after a specific date.

- Hold on tight. If the card is lost or stolen, you could be out the entire amount loaded onto the card. Some retailers don't replace gift cards. If they do replace it, they charge a fee and you'll need to document cards purchase and ID number.

In Illinois, the state treasurer's office has a program called EVERCASH. At places where you see the logo, your gift certificates are good as new, even gift certificates that are already past their expiration date. It's as simple as that. Gift certificates from participating businesses are valid without any time limitations. If you would like further information and to search for your name on our unredeemed gift certificates list. Check the State of Illinois Treasurer website for more information at: <http://www.state.il.us/treas/>.

There are a number of retailers who are a part of the EverCash program. **For more information about EverCASH contact Illinois State Treasurer Judy Baar Topinka's office at 1-866-ILTREAS ( 1-866-458-7327 ).**

*Source: Consumer Report, Illinois Treasurer's Office*

*Article Provided By: Susan Taylor, Consumer & Family Economics Educator, Matteson Center*

### Highlight on Research

A follow-up survey was recently published by Dr. Steve Anderson, Professor of Social Work at UIUC, on the curriculum Your Money & Your Life.

Your Money & Your Life was developed and is taught by University of Illinois Extension Consumer & Family Economics Educators. Educators provide train the trainer workshops to agency personnel throughout the state, who use the curriculum directly with clientele. The goal of the curriculum is to help persons manage money more effectively.

Follow-up surveys from graduates of the program included the following: 84.3% changed how the household budgeted and 76.5% were very confident they could manage their finances well. Survey results indicate that Your Money & Your Life is meeting the goal of helping limited-resource audiences manage their money.

### Coming Attractions Consumer News April 2004

Be sure to read Consumer News in April, when featured articles will include:

- ◆ Update on the Fair and Accurate Credit Transactions Act of 2003
- ◆ Latest research on college student credit card usage



University of Illinois at Urbana-Champaign College of Agricultural, Consumer and Environmental Sciences  
United States Department of Agriculture Local Extension Councils Cooperating  
*University of Illinois Extension provides equal opportunities in programs and employment.*



## 66 Ways to Save Money

In this economy, every penny counts. Not only do you have purchases and needs to pay for now, but you've also got to save now for things you'll need later - sending your kids to college, buying a home, even retirement.

Use **66 Ways To Save Money**, a publication from the Consumer Literacy Consortium and the Federal Citizen Information Center, to get practical tips on how to cut the everyday costs of transportation, insurance, banking, credit, housing, utilities, food, and more. A little planning and comparison-shopping can go a long way, and the extra dollars you put aside each month can add up over time.

Saving hundreds of dollars each year can be as simple as shopping around

for the cheapest car loan or comparing gas prices at different stations and pumping it yourself. Do you want to open a new credit card account? Look for a credit card with low fees and a low annual percentage rate. If you already have credit cards, reduce your interest charges by paying off your bills each month. If you make more than a few long distance calls each month, call several long distance companies and compare their calling plans. And when it comes to food, you can save a lot of money by comparing price-per-ounce or other unit prices on shelf labels. Stock up on nonperishable items with low per-unit costs, and stay out of convenience stores, which often charge the highest prices.

This publication costs 50 cents. That's less than 1 cent per tip! There are

three easy ways to get your copy of **66 Ways To Save Money**.

- Call toll-free **1 (888) 8 PUEBLO**. That's **1 (888) 878-3256**, weekdays 8 a.m. to 8 p.m. ET and ask for **Item 347K**.
- Send your name, address and a check or money order for 50 cents to **Federal Citizen Information Center, Department 347K, Colorado 81009**.
- Visit [www.pueblo.gsa.gov](http://www.pueblo.gsa.gov) and read or print these and hundreds of other FCIC publications for free.

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