

# 2020 MILITARY MONEY *Guide*

PRESENTED BY **Ameriforce Media**



FINANCIAL  
RESOURCES



BUYING A  
HOUSE



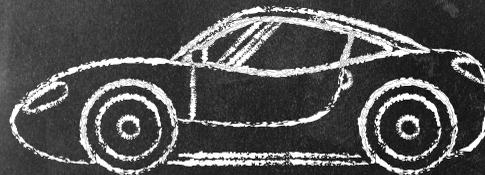
HEALTHCARE  
SPENDING



IMPROVING  
YOUR CREDIT



SAVING



CAR  
INSURANCE

Serving those who serve this great nation since 1947.



**You serve your country.  
Now, allow AFBA to serve you.**

**AFBA proudly protects active duty military, retirees and veterans with access to life insurance coverage\* and other member benefits.**

- No exclusions for combat, terrorism, occupation or geography
- Fast track emergency death benefit to help loved ones
- There are no occupation restrictions, so regardless of what you do after the military, you're protected
- Available coverage for spouse and children

VISIT US ONLINE  
[www.AFBA.com](http://www.AFBA.com)

OR CALL US  
**1-800-776-2322**



\* Coverage funded by life insurance underwritten by 5Star Life Insurance Company (a Lincoln, NE company) with an administrative office at 909 N. Washington Street, Alexandria, Virginia 22314. Life insurance coverage may not be available in all states and U.S. Territories.

Group Master Policy: LT 050197 (Rev)

AmeriForce Reserve/Guard FlyerR0418



**This year has been crazy to say the least. But as military families, we know how to roll with the punches. Plans are made. Plans change. Plans are made again. Plans change again. And this cycle would typically repeat several more times in a normal year, let alone 2020.**

It seems like so much this year is beyond our control. But as military families, we were made for this moment. Deployments continue and our soldiers, marines, sailors and airmen continue to serve on the front lines. This year, we are dealing with ROMs, quarantines, extended deployments, virtual learning and disrupted plans. There are unexpected joys in this time too - homecomings have never been sweeter and in some ways this extra time with family has been a gift.

One thing we can control is our finances. There's never been a better time to get our own financial houses in order. Whether it's refinancing your auto loan, improving your credit score, thinking about life insurance, or how to save when you live paycheck to paycheck - now is the time.

Speaking of houses, in this issue, you'll read about two families who used the power of VA loans to make owning a home a reality. One

of the good things about 2020 is that interest rates are at an all-time low, making homeownership more attractive to military families.

One of the people I interviewed for this issue, Katy Stevick, a financial advisor and Army spouse, said there is power in financial planning as a military family. "It can help you accomplish your goals and dreams," she said.

Cheers to overcoming the challenges of 2020 and making your financial dreams come true.

Best,

*Susan Malandrino*  
Susan Malandrino

# CONTRIBUTORS



**Jessica Manfre** is a licensed master social worker, author and Co-Founder of the nonprofit Inspire Up. She's married to an active duty Coast Guardsman and has two energetic young children. When she isn't busy working, you can find her drinking too much coffee and reading her favorite books.



**Lila Quintiliani**, is an Accredited Financial Counselor AFC® and is the Military Saves Program Manager at Consumer Federation of America. She holds a Bachelor's Degree in East Asian Studies from Columbia University in New York City and a Master's Degree in History from the University of California, Los Angeles. As both an Army veteran and a military spouse, Lila feels strongly about helping military families find financial success.

**Teal Yost** is a former television anchor turned freelance writer and content strategist. She holds a master's degree in journalism from Columbia University in New York. She received a B.A. in political science and theatre at Millikin University. She loves cooking and traveling and is currently living the island life in Hawaii with her husband and son.



**Kate Lewis** is a journalist and essayist whose work on parenting, travel, and life has been featured in The New York Times, The Washington Post, and more. She reviews books monthly for Military Families Magazine. Find her online @katehasthoughts.



# CONTENTS

2020 MILITARY  
**MONEY** *Guide*



## 06 Financial advice for newly-married couples

by Susan Malandrino

## 07 How to teach your military kids about money

by Kate Lewis

## 09

## Military families realize dream of home ownership with low rates, VA loans

by Teal Yost

## 12 How to save when you're living paycheck to paycheck

by Lila Quintiliani AFC

## 13 Is refinancing your auto loan right for you?

by Jessica Manfre

## 15 3 reasons to buy life insurance in your 20s and 30s

by Susan Malandrino

## 16 Don't let digital convenience sabotage your budget

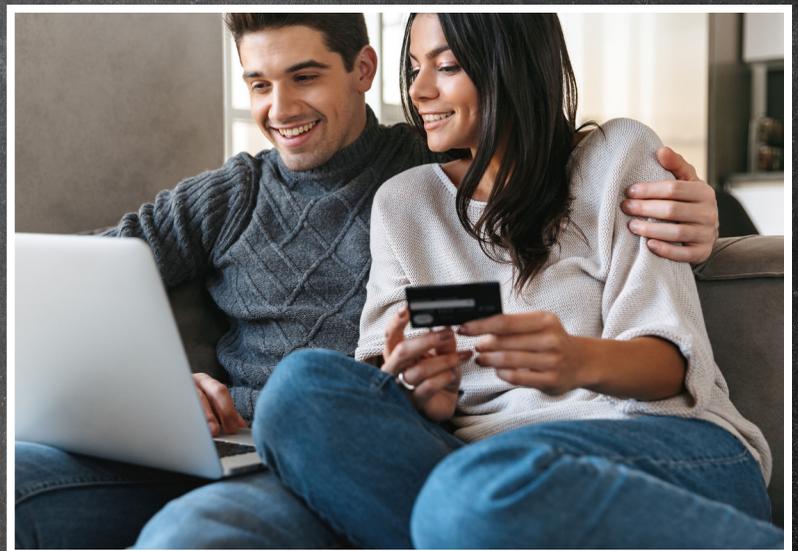
by Teal Yost

## 20 Navigating military insurance

by Jessica Manfre

## 21 Financial resources for military families

by Ameriforce Staff



## 18 6 ways to improve your credit score, today

by Susan Malandrino

# FINANCIAL ADVICE

## — FOR NEWLY — MARRIED COUPLES

By Susan Malandrino



Katy Stevick and her family used financial planning to purchase a turn of the century farm house. She and her family are currently restoring it and plan on opening a bed and breakfast.

**You've walked down the aisle, you've said your "I dos," you may have even packed up boxes for your first PCS. How do you and your new spouse now marry your finances? While the answer is different for every couple, financial literacy and communication remain key ingredients for a successful financial marriage.**

"The biggest thing I recommend is to have a plan," Katy Stevick, a financial advisor and Army spouse, said. She recommends that couples share the plan with a source, be it a financial advisor or trusted family member. The last step, one that is so important and often forgotten, is to write the plan down to reflect and assess goals going forward.

Stevick, who was the 2018 Armed Forces Insurance Military Spouse of the Year for Fort Bragg, feels passionate about the power of financial. When you and your spouse are starting out, communication is key. As a way to get started, Stevick recommends that couples review their YTT - yesterday, today and tomorrow:

- **Yesterday:** What is your financial background? Do you have debts or student loans?

- **Today:** How are we managing cash flow as a couple? Who pays the bills? Where is the login information held for our accounts?

- **Tomorrow:** Where are we going as a couple and what are our goals?

When asked what couples should know about financial literacy, Stevick recommends an assessment of monthly spending as it relates to cash flow and taking the time to understand compound interest.

"Cash flow is a stumbling block for so many couples," she said. She recommends budgeting and communicating clearly with your partner. "Compound interest is a topic that people should know about. It can work both positively and negatively, the compounding interest you accrue through saving or the compounding interest that builds on debt."

Where can couples find resources for financial literacy? Often, many bases offer financial classes and every military installation has a financial counselor that couples can utilize. Stevick even recommends watching YouTube videos on the subject. She stressed that, ultimately, money is a tool that can help you and your spouse

decide where you are going and where you want to be in the future.

"I went into this field because I wanted to help people. I wanted to teach people how to use these tools to make their lives better," Stevick said.

When Stevick and her spouse were newly married, they met with a financial advisor to plan their goals. Eight years later, she's seeing some of those plans come to fruition. They've recently purchased and restored a turn of the century farm house that they plan to turn into a bed and breakfast.

**Financial planning as a couple is such a great thing. It can help you accomplish your goals and dreams," she said.**





HOW TO  
**TEACH**  
YOUR MILITARY KIDS  
ABOUT MONEY

*By Kate Lewis*

## Teaching kids about money can be a daunting task. Here are five ways to give your children a good financial foundation.

### Start with financial literacy

From understanding coin values to the finer points of investing, ensuring your kids are financially literate is a good starting point. Make discussions about money part of your routine, even with small children, and add children's books about money into your bedtime reading to teach five concepts: earning, spending, saving, investing and generosity.

Personal finance guru Dave Ramsey offers practical tips to teach kids of every age, from putting young kids' savings in a glass jar so they can watch it grow, to helping teens set a budget and open a bank account. For older children, the Council for Economic Education's offers lesson plans that can be done at home. Generation Wealthy breaks down more complex topics for teenagers with videos and free resources for budgeting, bill paying and tracking spending.

### Making choices with money

Ramsey advocates teaching 'opportunity cost' starting in elementary school - the idea that you have a finite amount of money, and you must make choices about how to spend it.

With our young kids, we frame choices in ways they'll understand. If we buy candy at the store now, it takes money away from a toy they're hoping for later.

Having the discussion each time a choice comes up lets kids be part of money decisions, sometimes in unexpected ways. Our six-year-old son reminded us we had groceries at home one night my husband and I were exhausted and planned to order takeout, and we ended up making a \$4 pizza we had in our freezer instead of ordering a \$30 delivery.

### Set family savings goals

Once kids understand opportunity cost, set goals as a family for what you'd like to save toward, and include your kids in the planning and payoff. Each PCS is an opportunity for a fresh start.

Deployments are a great opportunity for teenagers to step up with babysitting and 'parent helper' services that keep younger kids occupied during the dreaded witching hours. If you live on base, check the rules about private businesses, and let your kids follow their interests - crafty kids might find great satisfaction in selling their handiwork on Etsy and talented bakers might earn extra cash from a birthday cake business. ●

During our time stationed in Japan, many families with older kids worked together to save toward trips through Asia. Their kids handled budgeting, comparing prices on plane tickets and hotels to find deals, and came up with creative ways to earn and save to meet their goal. For our family's next move to coastal Norfolk, Virginia, we're saving as a team toward a paddleboard.

### Make sure spending aligns with your values

After your kids understand the basics of how money works, teach them to make wise choices with it.

If you donate to charity, make donation decisions as a family. As you change duty stations, find local ways to give so they can visit personally and see the difference their time and money can make.

### Give kids a chance to learn

From tried-and-true businesses like lemonade stands and summer lawn-care services, running a small business gives kids first-hand experience in the value of dollars and the hard work it takes to earn them.



# *Military families realize dream of home ownership*

*with low rates, VA loans*

*By Teal Yost*



With interest rates at an all-time low and the benefits of using a VA loan, military families are finding that their dreams of home ownerships are becoming a reality.

*Full Send*

Sandy and Phil Caswell and their sons stand in front of their new house. Through low interest rates and a VA loan, the couple was able to make their dream of home ownership in Hawaii a reality.

“In our six moves as a family, Hawaii was the place that gave us that feeling of being home,” Navy spouse Sandy Caswell said.

So, when her husband was offered an opportunity to return to Oahu again for his final duty station before retirement, the family jumped at the chance. “We were blessed to find post-Navy jobs here that allowed us to start thinking about buying a home and planting our roots here,” Caswell said.

“With the interest rates dropping the way that they have, we thought, this is the time! Why wait any longer?”

Those interest rates are dipping to record lows.

According to Erica Dzikowski, a loan officer with Fairway Independent Mortgage Corporation in Honolulu, now is a great time to buy. During her 17 years in the business, she’s never seen rates this low.

To put it into perspective, she explains, “About 18 months ago the rates were roughly 2% higher. Now that they’ve come down . . . the average customer is seeing their buying power increase by approximately \$120,000.”

The Caswells chose to take advantage of a VA loan to purchase their forever home.

“The benefits that the VA loan offers you, specifically if you choose the ability to put zero-down in a market like this, it makes buying right now that much more appealing,” Caswell said.

VA loan rates change daily based on market conditions but are hovering around 2.5% for a 30-year fixed purchase. If you already own a home

# What is a VA? LOAN?

*By Teal Yost*

A Veterans Affairs Home Mortgage Loan, otherwise known as VA loan, benefits active-duty service members, veterans, and some surviving spouses. VA loans are backed by the federal government but are issued through private lenders such as mortgage companies and banks. On average, VA loan rates are lower than both FHA and conventional loan rates due to the Department of Veterans Affairs backing a portion of each loan against default.

## **Additionally, the terms of a VA loan are generous and can include:**

- No down payment
- No mortgage insurance
- No prepayment penalties
- Limited closing costs

but want to take advantage of these record-low interest rates, you can use a VA loan to refinance.

If you think you're interested in purchasing a home using a VA loan, Dzikowski recommends going through the process of getting pre-approved.

The steps to do that, she said, are simple. Your lender will get your personal information on income and assets, pull your Certificate of Eligibility (a document provided by the VA as proof of qualification), ask for your LES and bank statements and review your credit. Getting pre-approval before you start looking at homes can help you avoid disappointment.

"You may fall in love with a home you tour or see online, but the market is so competitive right now. You might not be able to get your documentation together fast enough to put an offer in," Dzikowski explains.

She also recommends having serious conversations about what kind of mortgage you're willing to take on. "What you are pre-approved for versus what you are comfortable with could be two very different numbers. Don't let your loan officer dictate what you can afford," she said.

"A good lender will sit you down and

ask what kind of monthly payment you're comfortable with."

Historically, some sellers have been cautious about accepting VA financing due to misconceptions about the program. However, Dzikowski said that's changing.

"Over the course of the last seven to eight years, the real estate community has done a fantastic job of educating their clients on the VA loan and how advantageous it is."

The Caswells said it helped that their realtor, Erin Ellis, is a military spouse, and familiar with the ins and outs of VA loans.

"Military families face new and unique challenges every time they move to a new duty station. For those families who want to use their BAH to invest in real estate in a location they are unfamiliar with, it is crucial to work with a lender and realtor who understand VA benefits," Ellis said.

VA loans can be even more appealing to sellers in the current climate as COVID-19 hasn't negatively impacted military incomes and retirement in the way it's hit other industries.

Nearly 5,000 miles away in North Carolina, the pandemic was the catalyst for a young Marine Corps

family to purchase a home using a VA loan.

Joy Liu says she and her husband, Wesley Sweeney, who works at Camp Lejeune, had grown weary of spending much time in their small apartment during their state's mandatory stay-at-home order.

"We decided life was too short to keep living in our dark apartment if we didn't have to," Liu said.

She works as a financial advisor and said while low interest rates weren't the reason they chose to take the plunge into homeownership, it was an added benefit, making purchasing this summer an even better decision.

The couple bought a home on the water in Sneads Ferry, just a short drive from Camp Lejeune.

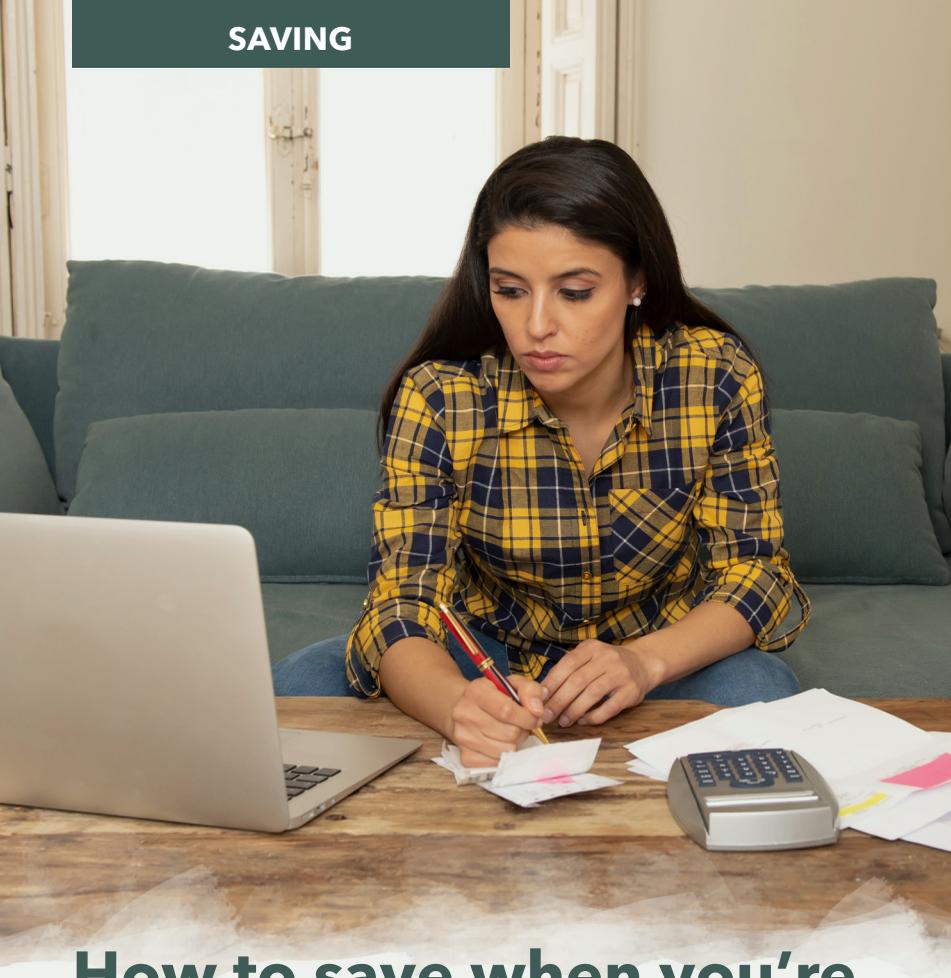
"It's so nice to come home to a beautiful home and the water and the wildlife. Plus, we have more space and the ability to make the space our own, which is such a source of happiness."

Back in Hawaii, the Caswells finally feel like they are home too.

"It still feels surreal that we did it. We're homeowners, and because Phil is retired, for the first time in 20 years, we don't have to move." ●



For more information, visit  
[www.benefits.va.gov/homeloans](http://www.benefits.va.gov/homeloans)



## How to save when you're living paycheck to paycheck

By Lila Quintiliani, AFC®  
Military Saves Program Manager

**We all know we ought to save, but the idea of saving when we don't feel like we have anything left in our bank account at the end of the month can seem overwhelming. Here are some tips to get your savings on track.**

### **Start with an emergency fund.**

Confused about where to start your savings journey? Sometimes it's hard to know what to prioritize. What should we save for first - our retirement, our kids' education or should we pay down debt?

Why not start with an emergency fund? It can be a lifesaver - literally. A rainy-day fund can stand between you and financial ruin.

An emergency fund should be at least \$500-1,000 that is set aside in a separate savings account, one that you can access if necessary, but is not the same account you pay bills from.

### **Save automatically each pay period.**

This is the quickest - and most painless - way to save. By setting aside an amount to be deducted from either your paycheck or transferred from your bank account each pay period, you can steadily build up your savings. You won't miss

it because you won't ever "see" it or be able to spend it. Even saving \$20 each pay period will get you to a \$500 emergency fund in less than a year. Once you've built up your emergency fund, move on to other goals.

**Cut back whenever and wherever you can and REALLY transfer that money to your savings account.**

There are dozens of ways to cut back on your spending: you can start by ordering out less often and doing away with unnecessary subscription services and memberships. But the key is once you have reduced that expense, transfer those savings to your savings account. Otherwise, the extra money is way too tempting to spend!

### **Don't be afraid to ask for help.**

Finances are super personal, and for some reason are seen as a taboo subject. We have all struggled with saving, and we all need help sometimes. The good thing is that military families have lots of resources available to them. Every military installation has a financial counselor and there's free, confidential financial counseling available through Military OneSource and when you take the Military Saves Pledge, the start of a simple savings plan.

Each military relief society (AER, Coast Guard Mutual Assistance, Navy-Marine Corps Relief Society, and Air Force Aid Society) has emergency grants or interest-free loans available, both way better options than turning to high interest credit cards or loans. ●

**Want more inspiration and information on growing your savings? Take the Military Saves Pledge and then visit [www.militarysaves.org](http://www.militarysaves.org) or follow us on social media.**

# Is refinancing your auto loan right for you?

*By Jessica Manfre*

For many, the idea of redoing vehicle loan paperwork is a tedious process. But it doesn't have to be. With rates in the current financial market dropping, it is the perfect incentive to consider refinancing your car loan.





**So, when and why should you consider refinancing? The answer to this question typically revolves around saving money. Higher interest rates mean higher loan payments for borrowers. With these kinds of rates, it also means more of your payment is going toward the interest rather than the principal of your loan each month. When you refinance and receive a lower interest rate, you not only save money each month, but you actually pay off your loan faster depending on how you set it up.**

You may qualify for a lower auto loan interest rate for a few reasons. One is that the rates are naturally going down with the market, but many people also find themselves with an improved credit score. By demonstrating that you can pay on time for six months or more, your score should increase and qualify you for a better rate.

Military families should also consider looking into the Servicemembers Civil Relief Act to see if it can assist them in lowering any high interest rates. The act forces lenders to reduce rates for debts (including auto loans) to at least 6%. Although lenders can challenge this, most don't. This process is a little easier than refinancing the loan and requires simply asking to speak to

your lender's SCRA representative to get the ball rolling.

It's important that borrowers understand the process and know there still may be some cost involved in refinancing. Joe Pendergast, Vice President of Consumer Lending for Navy Federal Credit Union, weighed in on fees associated with refinancing vehicle loans.

"Be aware of an application fee the new lender may charge and a prepayment penalty you may incur from the original lender if you pay off the loan before your agreement ends. When refinancing, there could be lien placement and registration fees from the DMV, which typically range from \$5-\$100, depending on the state," he explained.

Maybe you've decided that you are ready to refinance and it is your best option. The first step should be to utilize an auto refinance calculator to see if you can personally benefit from refinancing. Do some research on current rates offered and plug in your information. It's also important to know that rates are lower on newer vehicles, so waiting too long to refinance may cost you more in the long run.

"It's more advantageous to refinance

early into the loan because that's when you're paying the most interest," Pendergast said.

Refinancing may offer some unexpected benefits too. For example, Navy Federal Credit Union gives new borrowers that move their auto loan to them \$200. They also don't charge an application fee, unlike some lenders. Do shop and compare various military lenders before making a decision.

"Refinancing may not be right for everyone, and sometimes it can prove more costly down the road. For example, extending your loan term with the refinance beyond the original term with the old lender, could have you paying more interest over time, even though the monthly payment might be lower. In other words, try to keep the new loan term the same as what the remaining loan term is on your existing loan," Pendergast said.

Making the decision to refinance your auto loan doesn't have to be completely painful or complicated. With the interest rates lower than ever and the added perks from lenders, now may be the best time to refinance. Examine your budget today and see if refinancing your auto loan works for you. ●

# 3 REASONS TO BUY LIFE INSURANCE IN YOUR 20S AND 30S

By Susan Malandrino



some cash value too over time, so a piece of your premiums is paid back later if you cash it in."

## 2. BUT WHAT ARE THE BENEFITS?

The tangible benefits of life insurance can be felt when the unexpected happens, but Markovich says there's value in the intangible of life insurance too.

"What is often expressed is a sense of reassurance, comfort that having life insurance provides," she said. "Knowing that if something happens, now or years from now, the financial part of dealing with the loss of a loved one (or of yourself) is lessened or eliminated. Even a young single person can have financial obligations or wish to help those who helped them – with college loans, buying a house, a car, children – any number of expenses we accumulate over the years."

## 3. IS THIS RIGHT FOR ME?

A common misconception is that life insurance is for older generations, which is simply untrue.

"It's not just something your grandparents need. It's for you. Now," she said.

By purchasing life insurance at a younger age, veterans and military spouses can benefit from it being less expensive and easier to apply for because your health is typically better. Plus, there is peace of mind in being better prepared for the unexpected.

"At younger ages, it may never be cheaper. Buy it while you qualify, put it away and rest easy knowing you've planned for the unexpected," Markovich added. ●

**You're young. You're healthy. Why should you consider buying life insurance now? A longtime financial expert said the answer is simple: now is the best time to buy.**

Let's take a look at the top three questions to consider when adding this investment to your financial portfolio in your 20s or 30s as compared to later in life.

### 1. WHY NOW?

No one wants to think about getting older, but proactive planning is a key component of financial readiness.

"Your 20s or 30s ironically is a great time to buy life insurance – you're often your 'healthiest you,'" says Connie Markovich, executive vice

president and chief operating officer of USBA – a not-for-profit association that provides a family of affordable insurance and financial products and services to military personnel, federal employees, National Guard and reserve members, veterans and their families.

She adds that being in this age demographic helps you qualify for life insurance.

"It makes the whole application process easier typically – and can help you snag the best rates out there, even preferred rates on select plans," Markovich said. "If you buy whole life insurance, the premium is locked in for your whole life; the younger you are, the less you pay, age for age on that policy. It builds

# DON'T LET DIGITAL CONVENIENCE SABOTAGE YOUR BUDGET

By Teal Yost

Spending money is easy, especially when we don't even have to swipe our credit cards, write a check, or dig out cash. Between online retailers that save your credit card information and cell phone apps that make our lives more convenient, it is easy to bust a well-intentioned budget.

For example, let's look at how easy it is to spend on an ordinary Tuesday:

**7:45 a.m.** You're late to work after school drop off but need caffeine to get through the day. No cash, no problem. You can pay for that latte with the Starbucks app on your phone. Bonus: order through the app, and your caffeine fix will be ready for pick-up without having to wait in line.

Damage: \$4.70.



**10:10 a.m.** An e-mail from J. Crew tempts you with a 30%-off promo code and free shipping. You hadn't planned on doing any shopping today, but you head to the website to browse. Twenty minutes later and – Point. Click. Done. A new dress and sweater are on the way. Damage: \$132.85 (but hey, the shipping is FREE).



**6:15 p.m.**

The fridge and pantry are bare, a trip to the grocery store isn't happening tonight, so you head to the DoorDash app on your phone. Once your family battles it out over whether to order Mexican or Chinese, dinner is on its way.

Damage: \$68.50 including delivery fee and tip.



**8:30 p.m.** The kids are in bed. Lunches are packed for tomorrow. Laundry is in the washer. You've poured yourself a glass of wine and kick back on the couch for the first time all day. The movie you've been wanting to see isn't on Netflix or Prime but is streaming on-demand via your cable provider. With one click of a button on your remote, it's yours for the next 48 hours – with the charge added to your monthly bill. *Damage: \$5.99.*

**Total damage: more than \$210 you had no plans to spend. Gone, on a Tuesday.**

If only socking away savings was as simple as spending it.

Accredited Financial Counselor Andi Wrenn has a few tips to help get those unexpectedly expensive days under control. Wrenn's been mentoring military spouse financial counselors for more than a decade.

**Coffee app.** Indulging in that latte just three times a week adds up to more than \$730 annually. Think about how much you can afford and are willing to spend on your caffeine fix each month and load that amount on a gift card. When it's gone, it's gone.

**Tempting e-mails from your favorite retailers.** There's a reason retailers clog up your inbox daily. They're banking on the "spend to save" theory to get you to buy that pair of jeans you don't actually need. Wrenn recommends unsubscribing from those retailer e-mails. If you don't see the e-mails, it's less likely you'll be tempted to shop. And when you are in the market for a new pair of running shoes or black pants, a quick Google search will alert you to



any discount codes, promo codes, or free shipping offers out there.

Wrenn offers one more tip when it comes to online shopping. Google, Amazon, Shopify, PayPal and retail websites offer to save your credit card information making online shopping as easy as possible. "Don't opt-in to that feature," she says. Forcing yourself to grab your wallet and manually insert that credit card number and expiration date gives you more time to think about the purchase you're about to make.

"Having that additional hurdle is going to make you more aware of what you're spending."

With new statistics from the Federal Reserve showing the average credit card debt for an American household is more than \$8,500, Wrenn advocates even another hurdle to keep credit card spending in check. "Wrap a piece of paper around that credit card, with the words "Do I

really need this?" written on the front.

It's important to decide if you really need to order groceries online, subscribe to those fitness apps or pay for video streaming subscriptions. Wrenn admits there are times the cost of convenience is worth it. "The important part is to make sure it's in your budget," she said.

The one digital convenience Wrenn does push?

"Use a spending app. Track what you spend. It's the best way to figure out exactly where your money is going each month. Then, set aside a certain amount for these conveniences."

"I never tell people to give up everything they love, whether it's online shopping, getting your groceries delivered, or coffee shop lattes, but set a specific amount for those treats," Wrenn concluded. ●



# 6 WAYS TO IMPROVE YOUR CREDIT SCORE, TODAY

By Susan Malandrino

From getting an auto or home loan, to accessibility of credit or even maintaining your security clearance, credit impacts all areas of your life. The good news is, with patience and planning, your credit score is something you can control. If you've made mistakes in the past or want to elevate your score in advance of an upcoming life event, here are six tips to improve your score.

## 1. Pay your bills, on time

This may sound overly simple, said Accredited Financial Counselor Lacey Langford, "but pay your bills on time." Langford, a military veteran and military spouse, runs a personal finance blog and coaching practice

specializing in the unique needs of service members and their families. She is also the creator and host of The Military Money Show, a podcast dedicated to helping the military community with personal finance.

"Paying your bills in a timely fashion each month is the biggest component in how your credit score is calculated. To the company you borrowed from, it shows you are fulfilling your promises," Langford said.

## 2. Set up automatic payment

"You never know what the day or your job will bring, especially in the military. Don't let an assignment,

deployment or exercise out in the field, cause you to miss a payment."

Langford stresses that automated bill payment (through USAA, your financial institutions or your lenders) will ease the stress and elevate your credit as you will be much more likely to pay bills on time and less likely to miss payments.

## 3. Experian boost

Langford recommends opting in to this free service run by Experian, one of the three major credit monitoring bureaus. Experian boost helps you build credit for the payments you are currently making that would not typically be factored into your

FICO credit score. Each time have a positive payment history with your rent or cell phone, that information is passed along to the bureaus to increase your credit score.

“The good news is, that if you miss a payment, negative information is not shared,” Langford said. “But if you follow steps one and two above, you’re showing the credit bureaus that you have consistency in paying debts thus raising your score.”

Langford noted that this may take a while but it is a great thing to do while you’re working towards the greater goal of increasing your credit score.

#### 4. Apply for a credit builder loan

Langford’s next piece of advice is to consider taking out a builder loan to build credit. One great resource is self.inc. They offer a 12-month CD loan.

After applying for a loan, you can chose the payment term and dollar amount that fits your budget. Each monthly payment is reported to all three credit bureaus. Once you’ve paid off your account, your CD unlocks and the money is yours.

“The great thing about a loan like this



is that you’re building interest, saving for an emergency fund and not taking out a credit card,” Langford said. “If you cannot get credit, this is a good way to start.”

#### 5. Obtain a secured credit card using a savings account

Another option Langford recommends is securing a credit

card using a savings account versus a loan. The specifics will depend on your bank but this is a great way to build credit without taking on debt. This type of account will require that you have cash save that can be allocated to a savings account.

#### 6. Don’t apply for new credit

“More debt will drive down your credit score. It may be tempting to get 20% off at the store when you sign up for a credit card but be patient, be strategic.”

In the end, improving your credit score is not going to happen overnight. If you have a less than desirable credit score, it took a while to get here. “Within a couple of months, you’ll see some type of improvement. Keep thinking about your larger goal, take these tangible steps and you’ll improve your credit score,” she concluded. ●



**Lacey Langford** is a U.S. Air Force veteran, military spouse, speaker and a financial coach. She’s an Accredited Financial Counselor® with over 15 years of experience in financial planning, counseling, and coaching. Find her at <https://laceylangford.com>.

# NAVIGATING MILITARY INSURANCE



By Jessica Manfre

**As America's military members focus on mission readiness requirements, their spouse dives into theirs: maintaining the home front. This role includes navigating things like the headbanging experience of coordinating life with military insurance.**

When a military spouse says "I do," they don't typically really know what they'll be taking on – including they might forget their own social security number because their sponsor's social becomes the primary for everything, especially those associated with TRICARE and dental insurance needs. Understanding how to utilize military insurance is one of the first lessons every military spouse learns.

## Enrollment for medical insurance

First, there has to be a "qualifying life event" (QLE) which opens up health plan options within TRICARE. The first QLE you may experience will probably be the marriage to the service member followed by the birth of any children. Others include change in service, divorce or death. When things like this occur, you

have 90 days to enroll or change things within TRICARE. After that, you are quite literally stuck until open enrollment occurs. Open enrollment begins on the Monday of the second full week of November through the Monday of the second full week in December. It's imperative that you either make the decision within 90 days of your QLE or during open enrollment, otherwise you can only receive care at a military hospital or clinic if space is available.

Then you must decide which plan is best for you and your family. There are a few to choose from with the most popular being TRICARE Select and TRICARE Prime. Read through each carefully before making your decision, because once you do you are stuck with it until the following year's open enrollment period.

## Enrollment for dental insurance

Fun fact: dental insurance providers change periodically for military dependents. As of August of 2020, the dental provider of record is Untied Concordia. Dental is a voluntary benefit and the service member has to enroll the spouse and dependents, which can be done

at any time. The only caveat is that the dental coverage is maintained for at least 12 months, with some exceptions.

## Vision insurance

TRICARE Prime offers vision checkups with glasses, but glasses are only provided if there is a serious medical condition. If dependents have vision needs, the sponsor can enroll in a voluntary vision insurance program during open enrollment beginning on the Monday of the second full week of November through the Monday of the second full week in December or if you experience a QLE.

Once you've got your medical and dental coverage, then the hard work of finding providers that will accept it begins. Oh, and finding said providers who will actually bill things correctly so that you don't end up with heart-palpitation inducing bills. ●

**If you have questions about TRICARE, you can meet with benefit coordinators on your base or call TRICARE directly. You can even do a secure online chat.**

# FINANCIAL RESOURCES FOR MILITARY FAMILIES

By Ameriforce Staff

If you've hit a financial hardship, need educational resources or you're about to undertake a large financial obligation, we've collected these resources specifically geared toward the military community to help you and your family.

**Military One Source** is a leader in providing free confidential help to service members, immediate family members and, in some cases, Department of Defense civilians. Their financial services include tax consultation and filing services, health and wellness coaching and financial counseling. More information can be found at [www.militaryonesource.mil](http://www.militaryonesource.mil) or by calling (800) 342-9647.

**MilSpouse Money Mission** provides free financial resources for military spouses. Their site, vetted by the Department of Defense Office of Financial Readiness, offers blogs, videos, financial calculators and Spanish resources designed to educate and empower. More information can be found at <https://www.milspousemoneymission.org>.

**Military Saves**, a component of America Saves, and a participant in the Department of Defense Financial Readiness Network seeks to motivate, support and encourage military families to save money, reduce debt and build wealth. More information can be found at <https://militarysaves.org>.

**MilCents** is a social learning program created to empower military families in personal finance through free resources, online events and conversations with peers and experts. More information can be found at

<https://militaryfamilyadvisorynetwork.org/milcents>.

**Operation Homefront** is a national nonprofit dedicated to building strong, stable and secure military families. They offer critical financial assistance and transitional housing programs, permanent housing and caregiver support services and recurring family support programs. More information can be found at <https://www.operationhomefront.org> or by calling (210) 659-7756.

**Veterans of Foreign Wars (VFW)** offers financial grants through their unmet needs program, designed to help America's military families who have run into unexpected financial difficulties as a result of deployment or other military-related activity or injury. The program provides financial aid grants of up to \$1,500 to assist with basic life needs in the form of a grant so no repayment is required. To further ease the burden, VFW pays the creditor directly. For more information, visit: <https://www.vfw.org/assistance/financial-grants>.

**USA Cares** is provides financial and advocacy assistance to post-9/11 active duty US military service personnel, veterans and their families. Their services work to improve quality of life and to reduce potential factors that contribute to veteran suicide. For more information, visit: <https://usacares.org>.

**Federal Student Aid** has gathered scholarships and loan repayment assistance resources available to military families. Both the federal government and nonprofit organizations offer money for college to veterans, future military personnel, active duty personnel, or those

related to veterans or active duty personnel. For more information visit: <https://studentaid.gov/understand-aid/types/military>.

**The American Red Cross** works in partnership with military aid societies to provide quality, reliable financial assistance to eligible applicants 24/7/365. Assistance can include funds for emergency travel, burial of a loved one, emergency food and shelter, etc. More information can be found <https://www.redcross.org/get-help/military-families/financial-assistance.html> or by calling (877) 272-7337.

**The Air Force Aid Society** is the official charity of the U.S. Air Force and has been meeting the unique needs of airmen by providing emergency financial assistance, educational support and community programs. More information can be found <https://afas.org> or by calling (703) 972-2650.

**Army Emergency Relief** offers zero-interest loans, grants and educational scholarships for Army families. More information can be found at <https://www.armyemergencyrelief.org> or by calling 866-878-6378.

**Navy-Marine Corps Relief Society** provides financial, educational and other assistance to members of the Naval Service of the United States, eligible family members, and survivors when in need. More information can be found at <https://www.nmcrs.org> or by calling (800) 654-8364.

**The Coast Guard Mutual Assistance** empowers families to meet their future financial challenges by promoting financial stability and education. They offer counseling, short-term interest-free loans, financial grants, referrals and other related means to Coast Guard families. More information can be found at <https://www.cgmahq.org> or by calling (800) 881-2462. ●



**AmeriForce Media** is always accepting submissions for your financial readiness stories. Got a resource to help military families improve their bottom line? Are you a service member who has money tips to share with others? Submit your story at [susan.malandrino@ameriforcemedia.com](mailto:susan.malandrino@ameriforcemedia.com).