

**Title:**

Debt Help - Using Online Debt Management Services

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348

**Summary:**

Choosing to eliminate your consumer debt is the best financial decision you can make. Having excessive debt is the cause for much worry and stress. In order to free themselves from this huge burden, many consumers acquire debt consolidation loans. Unfortunately, getting a loan to consolidate debt requires a good credit rating, homeownership, or collateral. If you do not meet the criteria for obtaining a loan, online debt management services may be the way out.

What are Deb...

**Keywords:**

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**Article Body:**

Choosing to eliminate your consumer debt is the best financial decision you can make. Having excessive debt is the cause for much worry and stress. In order to free themselves from this huge burden, many consumers acquire debt consolidation loans. Unfortunately, getting a loan to consolidate debt requires a good credit rating, homeownership, or collateral. If you do not meet the criteria for obtaining a loan, online debt management services may be the way out.

What are Debt Management Services?

Debt management services are agencies that assist consumers in their endeavor to become debt free. There are two types of debt management services. These include agencies that charge a monthly fee for their services, and non-profit agencies. To avoid scams and fraudulent companies, it may be wise to select a non-profit agency.

The main goal of debt management services is to reduce your debts and put you on the path toward becoming debt free. To accomplish this goal, a representative from the agency will request information about your creditors and debt amounts. Once you submit this information, the representative assigned to your account will contact each creditor. Through negotiating, the agency will be able to get late fees waived and interest rates reduced.

After the debt management service and your creditors reach an agreement, the agency will lump all your debt into a single loan. Your existing credit accounts will be temporary frozen; thus, you are unable to acquire additional debt. If you decide to no longer use the debt management service, your accounts are unfrozen. Each month, payment is sent to the debt management agency, and not your existing creditors.

#### How to Choose an Online Debt Management Service?

Research and compare services before selecting a debt management agency. The internet is a valuable resource for finding information on various programs. Each program is different. Some programs require a minimum or maximum debt amount. Furthermore, other programs solely work with individuals who have several missed or late payments.

When comparing different debt management services, request quotes that include detail information pertaining to estimated payoff dates and monthly payments.