

Planning and Funding Your Funeral

When a loved one dies, grieving family members and friends often are confronted with dozens of decisions about the funeral, all of which must be made quickly and often under great emotional stress. What kind of funeral should it be? What funeral provider should you use? Should you bury or cremate the body, or donate it to science? What are you legally required to buy? What other arrangements should you plan? And, practically, how much is it all going to cost?

Each year, people grapple with these and many other questions as they spend billions of dollars arranging funerals for family members and friends.

Planning and funding your own funeral arrangements is a considerate way to ease the burden on your family. Thinking ahead helps you make informed and thoughtful decisions without time constraints. It allows you to choose the specific items you want and need and determine what you wish to afford. Best of all, it spares your survivors the stress of making these decisions under the pressure of time and strong emotions, eliminating unnecessary disputes as well as potential overspending based on uncertainty or feelings of obligation.

Many people say that discussions with a lawyer about preparing or updating their will, living will or powers of attorney (including a durable power of attorney for health care) - or conversations with a financial advisor about investment strategies for retirement - prompt them to think about making arrangements for their own funerals.

Your Rights Under the Federal Funeral Rule

The Funeral Rule, enforced by the US Federal Trade Commission (FTC), makes it possible for you to choose only those goods and services you want or need and to pay only for those you select. The Rule allows you to compare prices and makes it possible for you to select the funeral arrangements you want at the home you use. (The Rule does not apply to third-party sellers, such as casket and monument dealers, or to cemeteries that lack an on-site funeral home.) The Funeral Rule gives you the right to:

Buy only the funeral arrangements you want. You have the right to buy separate goods (such as caskets) and services (such as embalming or a memorial service). You do not have to accept a package that may include items you do not want.

Get price information on the telephone. Funeral directors must give you price information on the telephone if you ask for it. You don't have to give them your name, address or telephone number first. Although they are not required to do so, many funeral homes mail their price lists, and some post them online.

Get a written, itemized price list when you visit a funeral home. The funeral home must give you a General Price List (GPL) that is yours to keep. It lists all the items and services the home offers, and the cost of each one.

See a written casket price list before you see the actual caskets. Sometimes, detailed casket price information is included on the funeral home's GPL. More often, though, it's provided on a separate casket price list. Get the price information before you see the caskets, so that you can ask about lower-priced products that may not be on display.

See a written outer burial container price list. Outer burial containers are not required by state law anywhere in the U.S., but many cemeteries require them to prevent the grave from caving in. If the funeral home sells containers, but doesn't list their prices on the GPL, you have the right to look at a separate container price



list before you see the containers. If you don't see the lower-priced containers listed, ask about them.

Receive a written statement after you decide what you want, and before you pay. It should show exactly what you are buying and the cost of each item. The funeral home must give you a statement listing every good and service you have selected, the price of each, and the total cost immediately after you make the arrangements.

Get an explanation in the written statement you receive from the funeral home that identifies and describes any legal, cemetery or crematory requirement that compels the purchase of any funeral goods or services for which you are being charged.

Use an "alternative container" instead of a casket for cremation. No state or local law requires the use of a casket for cremation. A funeral home that offers cremations must tell you that alternative containers are available, and must make them available. They might be made of unfinished wood, pressed wood, fiberboard, or cardboard.

Provide the funeral home with a casket or urn you purchase elsewhere. The funeral provider cannot refuse to handle a casket or urn you bought online, at a local casket store, or somewhere else — or charge you a fee to do it. The funeral home cannot require you to be there when the casket or urn is delivered to them.

Make funeral arrangements without embalming. No state law requires routine embalming for every death. Some states require embalming or refrigeration if the body is not buried or cremated within a certain time; some states don't require it at all. In most cases, refrigeration is an acceptable alternative. In addition, you may choose services like direct cremation and immediate burial, which don't require any form of preservation. Many funeral homes have a policy requiring embalming if the body is to be publicly viewed, but this is not required by law in most states. Ask if the funeral home offers private family viewing without embalming. If some form of preservation is a practical necessity, ask the funeral home if refrigeration is available.

Paying in Advance

Millions of Americans have entered into contracts to prearrange their funerals and prepay the expenses involved. Doing so:

- ☞ Lets you make your wishes known so your loved ones don't have to guess or worry whether they made the right choices.
- ☞ Eliminates emotional overspending due to grief or guilt.
- ☞ Gives you a chance to personalize your funeral and make it a celebration of your life.
- ☞ Relieves your family from future financial responsibility. There are several payment options even if you don't have all of the money now.

Laws of individual states govern the prepayment of funeral goods and services; various states have laws to help ensure that these advance payments are available to pay for the funeral products and services when they're needed. Some state laws require the funeral home to place a percentage of the prepayment in a state-regulated trust or to purchase a life insurance policy with the death benefits assigned to the funeral home.

Important questions to ask as part of your funeral pre-funding arrangements include:

What are you paying for? Are you buying only merchandise, like a casket and vault, or are you purchasing funeral services as well?

What happens to the money you've prepaid? States have different requirements for handling funds paid for prearranged funeral services.

What happens to the interest income on money that is prepaid and put into a trust account?

Are you protected if the firm you dealt with goes out of business?

Can you cancel the contract and get a full refund if you change your mind?

What happens if you move to a different area or die while away from home?

The items in the following chart should be part of the detailed price list your funeral home must provide.

Traditional, full-service burial or cremation:	Other Services:
Basic services fee for the funeral director and staff	Forwarding body to another funeral home
Pickup of body	Receiving body from another funeral home
Embalming	Cost of lot or crypt (if you don't already own one)
Other preparation of body	Perpetual care
Casket , with description and model number	Opening and closing the grave or crypt
Outer Burial Container (vault) , with description	Grave liner, if required
Visitation/viewing - staff and facilities	Marker/monument (including setup)
Funeral or memorial service - staff and facilities	
Graveside service, including staff and equipment	
Hearse	
Other vehicles	

Funeral costs also include:

1. Basic services fee for the funeral director and staff

The Funeral Rule allows funeral providers to charge a basic services fee that customers cannot decline to pay. The basic services fee includes services that are common to all funerals, regardless of the specific arrangement. These include funeral planning, securing the necessary permits and copies of death certificates, preparing the notices, sheltering the remains, and coordinating the arrangements with the cemetery, crematory or other third parties. The fee does not include charges for optional services or merchandise.

2. Charges for other services and merchandise

These are costs for optional goods and services such as transporting the remains; embalming and other preparation; use of the funeral home for the viewing, ceremony or memorial service; use of equipment and staff for a graveside service; use of a hearse or limousine; a casket, outer burial container or alternate container; and cremation or interment.

3. Cash advances

These are fees charged by the funeral home for goods and services it buys from outside vendors on your behalf, including flowers, obituary notices, pallbearers, officiating clergy, and organists and soloists. Some funeral providers charge you their cost for the items they buy on your behalf. Others add a service fee to their cost. The Funeral Rule requires those who charge an extra fee to disclose that fact in writing. The Rule also requires funeral providers to tell you if there are refunds, discounts or rebates from the supplier on any cash advance item. If the funeral provider doesn't know the cost of the cash advance items at the time, he or she is required to give you a written "good faith estimate." This statement also must disclose any legal, cemetery or crematory requirements that you purchase any specific funeral goods or services.

The Funeral Rule outlined in this guide does not require any specific format for this information. Funeral providers may include it in any document they give you at the end of your discussion about funeral arrangements.

Veterans Cemeteries

All veterans are entitled to a free burial in a national cemetery and a grave marker. This eligibility also extends to some civilians who have provided military-related service and to some Public Health Service personnel. Spouses and dependent children also are entitled to a lot and marker when buried in a national cemetery. There are no charges for opening or closing the grave, for a vault or liner, or for setting the marker in a national cemetery. The family generally is responsible for other expenses, including transportation to the cemetery. For more information, visit the Department of Veterans Affairs' website at www.cem.va.gov. To reach the regional Veterans office in your area, call 1-800-827-1000.

In addition, many states have established state veterans cemeteries. Eligibility requirements and other details vary. Contact your state for more information.

Beware of commercial cemeteries that advertise so-called "veterans" specials." These cemeteries sometimes offer a free plot for the veteran, but charge exorbitant rates for an adjoining plot for the spouse, as well as high fees for opening and closing each grave. Evaluate the bottom-line cost to be sure the special is as special as you may be led to believe.

Please ask your funeral provider about LCBA funeral pre-funding options. Or call our PreNeed Department directly at 1.888.425.7763 with any further questions or to receive a list of LCBA partner funeral providers in your area.

Solving Problems

If you have a problem concerning funeral matters, it's best to try to resolve it first with the funeral director. If you are dissatisfied with the funeral services you receive, the NFDA Help Line, and the ICFA Cemetery Consumer Service Council may be able to provide informal mediation of a complaint.

You also can contact your state or local consumer protection agencies. Check the Blue Pages of your telephone directory for the phone number or check www.naag.org for a list of state Attorneys General.

In addition, you can file a complaint with the FTC. Visit www.ftc.gov or call 1-877-FTCHELP (382-4357); TDD: 1-866-653-4261. Although the Commission cannot resolve individual problems for consumers, it can act against a company if it sees a pattern of possible law violations.

Source: US Federal Trade Commission - "Funerals: A Consumer Guide"; "Paying Final Respects: Your Rights When Buying Funeral Goods & Services". To view either of these documents in full, visit www.ftc.gov