

FUNERALS: A CONSUMER GUIDE

FROM THE FEDERAL TRADE COMMISSION

Each year, Americans arrange more than 2 million funerals for family and friends. Initially consumers may not be concerned about funeral expenses. Yet, at a potential cost of more than \$30000, consumers may want to be aware of regulations that help protect them.

The Federal Trade Commission (FTC) developed a trade regulation rule concerning funeral industry practices, which went into effect April 30, 1984. It is called the Funeral Rule and its purpose is to enable consumers to obtain information about funeral arrangements.

In general, the rule makes it easier for you to select only those goods and services you want or need and to pay for only those you select. For example, you can find out the cost of individual items over the telephone. Also, when you inquire in person about funeral arrangements, the funeral home will give you a written price list of the goods and services available.

When arranging a funeral, you can purchase individual items or buy an entire package of goods and services available. If you want to purchase a casket, the funeral provider will supply a list that describes all the available selections and their prices. Each of these areas is described in greater detail in the following sections.

The FTC Funeral Rule also helps you obtain information about the cost and availability of individual funeral goods and services.

Telephone Price Disclosures

When you call a funeral professional and ask about terms, conditions or prices of funeral goods or services, they will:

- Tell you that price information is available over the telephone.
- Give you prices and any other information from the price lists to reasonably answer your questions.
- Give you other information about prices or offerings that is readily available and reasonably answer your questions.

By using the telephone, you can compare prices among funeral providers. Getting price information over the telephone may help you select a funeral home and the arrangements you want.

General Price List

If you inquire in person about funeral arrangements, the funeral provider will give you a general price list. This list, which you can keep, contains the cost of each individual funeral item and service offered. As with telephone inquiries, you can use this information to help select the funeral provider and funeral items you want, need and are able to afford.

The e price list also explains important legal rights and requirements regarding funeral arrangements. It must include information about embalming, cash advance items (such as newspaper notices or flowers), caskets for cremation and required purchases.

Embalming Information

The Funeral Rule requires funeral providers to give consumers information about embalming that may help you decide whether to purchase this service. Under the Funeral Rule, a funeral provider:

- May not falsely state that embalming is required by law.
- Must disclose in writing that, except in certain cases, embalming is not required by law.
- May not charge a fee for unauthorized embalming unless it is required by state law.

- Will disclose in writing that you usually have the right to choose a disposition such as direct cremation or immediate burial if you do not want embalming.
- Will disclose to you in writing that certain funeral arrangements, such as a funeral with a viewing, may make embalming a practical necessity and, thus, a required purchase.

Cash Advance Sales

The Funeral Rule requires funeral providers to disclose to you in writing if they charge a fee for buying cash advance items. Cash advance items are goods or services that are paid for by the funeral provider on your behalf. Some examples of cash advance items are flowers, obituary notices, pallbearers and clergy honoraria. Some funeral providers charge their cost for these items. Others add a service fee to their cost. The Funeral Rule requires the funeral provider to inform you when a service fee is added to the price of cash advance items, or if the provider gets a refund, discount, or rebate from the supplier of any cash advance item.

Caskets for Cremation

Some consumers may want to select direct cremation, which is cremation of the deceased without a viewing or other ceremony at which the body is present. If you choose direct cremation, the funeral provider will offer you either an inexpensive alternative container or an unfinished wooden box. An alternative container is a non-metal enclosure used to hold the deceased. These containers may be made of pressboard, cardboard, or canvas.

Because any container you buy will be destroyed during the cremation, you may wish to use an alternative container or an unfinished wood box for direct cremation. These could lower your funeral cost since they are less expensive than traditional burial caskets.

Under the Funeral Rule, funeral directors who offer direct cremations:

- May not tell you that state or local law requires a casket for direct cremations.
- Must disclose in writing your right to buy an unfinished wood box (a type of casket) or alternative container for direct cremation.
- Must make an unfinished wood box or alternative container available for direct cremation.

Required Purchases

You do not have to purchase unwanted goods or services as a condition of obtaining those you do want unless you are required to do so by state law. Under the Funeral Rule:

- You have the right to choose only the funeral goods and services you want, with some disclosed exceptions.
- The funeral provider must disclose this right in writing on the General Price List.
- Statement of goods and services selected spells out the specific state law that requires you to purchase any particular item.

Statement of Funeral Goods and Services

The funeral provider will give you an itemized statement of the total cost of the funeral goods and services you select. This statement will also disclose any legal, cemetery or crematory requirements that compel you to purchase any specific funeral goods and services.

The funeral provider must give you this statement after you select the funeral goods and services that you would like. The statement combines in one place the prices of the individual items you are considering for purchase, as well as the total price. You can then decide whether to add or subtract items to get what you want.

If the cost of cash advance items is not known at this time, the funeral provider must write down a “good faith estimate” of their cost. The Funeral Rule does not require any specific form for this information. Therefore, funeral providers may include this information in any document they give you at the end of your discussion about funeral arrangements.

Preservative and Protective Claims

Under the Funeral Rule, funeral providers are prohibited from telling you a particular funeral item or service can indefinitely preserve the body of the deceased in the grave. The information gathered during the FTC's investigation indicated these claims are not true. For example, funeral providers cannot claim embalming or a particular type of casket will indefinitely preserve the deceased's body.

The Funeral Rule also prohibits funeral providers from making claims that funeral goods, such as caskets or vaults, will keep out water, dirt, and other gravesite substances when that is not true.

Other Considerations

Most decisions about purchasing funeral goods and services are made by people when they are grieving and under time constraints. Thinking ahead may help you make informed and thoughtful decisions about funeral arrangements. In this way, you can carefully choose the specific items you want and need and compare prices offered by one or more funeral providers.

If you decide to make advanced plans about funeral arrangements – for yourself or a loved one – you can choose among several dispositions and ceremonies. The type of disposition you choose may affect the cost.

Some people prefer a ceremonial service, religious or secular with the body present. Another service – cremation – can be performed either directly after death or after a ceremony. Additionally, the deceased's body may be donated, either directly or after a ceremony, to a medical or educational institution.

To help ensure that your wishes are carried out, you may want to write down your preferences. It also may be helpful to tell relatives and other responsible persons what you have decided.

For more information, contact AFDA or any AFDA member.