

General Price Lists Demystified!

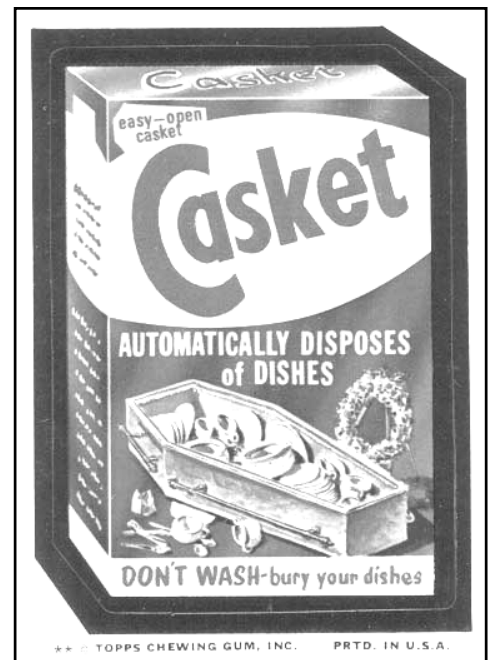


Have you ever wondered how to tell whether the GPL you're reading is up to snuff? Wonder no more! By the time you finish this ACME™ Mortu-Matic GPL Decoder course, you'll be wise owl when it comes to spotting mortuary mischief! But first, a word from our sponsor. . . .



I love entertaining my husband's clients . . .but oh, the clean-up. I just hate doing dishes!

So don't! Try new Casket with decomposing action! Available in fine mortuaries everywhere . . .



Theory . . .



Does the basic services fee include staff? Do I have to have 'sanitary care and disinfection? Oh, I'll never get it right!

Yes, you will! General Price Lists can be confusing, but with a little background, you'll be spotting violations in no time flat, or our name isn't the ACME™ Corporation!

The Federal Trade Commission's Funeral Rule was implemented to standardize and simplify funeral shopping. Before the Rule went into effect in 1984, funeral homes frequently didn't offer individual goods and services a la carte — customers were forced to buy a whole package, from embalming through caskets through a graveside service.

This is now illegal. General Price Lists must offer customers goods and services individually. The overriding principle you should remember when grading a GPL is with only one exception, consumers have the right to choose or decline any item or service the funeral home offers. GPLs that state that certain items are required are in violation of the Funeral Rule (unless your state's laws require the item).

Sounds simple enough, right? It should be. But there's considerable confusion among funeral homes about how to properly offer their wares. Some funeral homes deliberately violate FTC rules when writing their GPLs, which can cause confusion in consumers while limiting their freedom of choice. If you know what to look for, you can spot these errors, and, hopefully, convince the funeral home to rectify them.

On the following pages, we'll look at a fake GPL that shows all the most common violations FCA staff find when grading these lists. Editorial notes are in blue; errors are in red. Items required to be on the GPL (if they are offered) are marked with a ✱. Required disclosures also have a ✱. Next to violations, we'll examine the nature of the violation and then show the way it should read. Included at the end of this packet is a hypothetical GPL that is correct in every way.

Let's go, gang! →



Roy G. Biv, Certified Funeral Service Professional

Maudlin-Moper Mortuary

"Where the bell tolls for thee. . ."

General Price List

These prices are effective as of June 11, 2004

Make sure the list doesn't seem too out of date.

*The goods and services shown below are those we can provide to our customers. You may choose only the items you desire. However, any funeral arrangements you select will include a charge for our basic services and overhead. If legal or other requirements mean you must buy any items you did not specifically ask for, we will explain the reason in writing on the statement we provide describing the funeral goods and services you selected.

* **Basic Services of Funeral Director and Staff \$1,595**

* Our services include [this can vary to some extent]: Conducting the arrangements conference; planning the funeral; consulting with family and clergy, shelter of remains; preparing and filing of necessary notices; obtaining necessary authorizations and permits; coordinating with the cemetery/crematory, or other third parties; staff assistance and supervision prior to, during, and after the funeral.

No, no! Since not everyone will select a funeral or ceremony requiring staff, this must be billed separately.

*Also included in this fee is a proportionate share of our basic overhead costs, [the following is optional, but typical] including: Parking lot maintenance, taxes, general governmental compliance, licensing fees, staff availability 24 hours per day. This fee for our basic services is already included in our charges for direct cremations, immediate burials, and forwarding and receiving of remains.

[Now, don't you feel you're getting a great value? Even though this fee merely gets you in the door, look at the laundry list of services you're receiving!]

* **Embalming\$495**

Except in certain special cases, embalming is not required by law. Embalming may be necessary, however, if you select certain funeral arrangements, such as a funeral with a viewing. If you do not want embalming, you usually have the right to choose an arrangement that does not require you to pay for it, such as direct cremation or immediate burial.

*** Other Preparation of the Body**

- Dressing and Casketing _____ \$150
- Reconstruction after Autopsy _____ \$ 50 (per hour)
- Washing and Disinfection when no embalming is selected _____ \$150



This could be a violation. Funeral directors may not impose this charge on a family. If the family wants such washing, then the charge is legitimate.

- * Transfer of Remains to Funeral Home _____ \$175
- * Hearse [sometimes called 'casket coach'] _____ \$200
- * Limousine _____ \$225
- Flower Car _____ \$90

Facilities and Staff

- Staff supervision/attendance for funeral ceremony at funeral home _____ \$200
- Use of chapel for funeral service _____ \$100



The FTC says you have to make one combined charge for the staff *and* facilities (and equipment) for a funeral ceremony, memorial service, or graveside service!

- * Use of Facilities and Staff for Viewing/Visitation at Funeral Home _____ \$ 300
- * Use of Facilities and Staff for Memorial Service at Funeral Home _____ \$300
- * Graveside Service (our charge includes staff for supervision, setup at graveside) _____ \$250
- Grave Equipment (tent, folding chairs, lowering device) _____ \$100

* [price range mandatory] Caskets _____ (\$500 - \$9,000)

+

Outer Burial Containers (vaults) [price range mandatory] _____ \$600 - \$3,000



The following four items must be on every GPL : Forwarding of Remains, Receiving of Remains, Direct Cremation, and Immediate Burial. Each must also contain a description of the services offered. Let's see if you can find the violations. Remember, there is only one non-declinable fee and service!

* **Forwarding Remains to Another Funeral Home** _____ \$895

Our charge includes: Basic services of funeral director and staff; a proportionate share of overhead costs; removal of remains; embalming or other preparation of remains, if relevant; and local transportation.

* **Receiving Remains From Another Funeral Home** _____ \$795

Our charges include: Basic services of funeral director and staff; a proportionate share of overhead costs; care of remains; ~~transportation~~ of remains to funeral home and to cemetery or crematory, funeral director and staff for graveside service.



Whoopsie! A graveside service is a declinable charge. Looks like we're double-billing and illegally bundling charges!

* **Direct Cremation** _____ \$900 to \$2,000

Our charge for a direct cremation (without ceremony) includes: Basic services of funeral director and staff; a proportionate share of overhead costs; removal of remains, transportation to crematory; authorizations, and cremation [Watch to see if the crematory fee is actually included, or is it a surprise extra?]

* If you want to arrange a Direct Cremation, you can use an alternative container. Alternative containers encase the body and can be made of materials like fiberboard or composition materials (with or without an outside covering). The container we provide are : cardboard.

- * Direct Cremation with Container Provided by Purchaser _____ \$900
- * Direct Cremation with alternative container _____ \$975
- * Immediate Burial _____ \$1,300 - \$1,995
- * Our charge for an immediate burial (without ceremony) includes: Basic services of funeral director and staff; a proportionate share of overhead costs; removal of remains, and local transportation to a cemetery.
- * Immediate Burial with casket provided by purchaser _____ \$1,300
- * Immediate Burial with minimum casket _____ **\$1,550**



You got some 'splainin' to do! On the last page, the casket price range showed the cheapest casket was \$500. So how can Immediate Burial, which starts at \$1,300, add up to only \$1,550 with the minimum casket? It can't — without an illegal casket handling fee! By discounting the \$500 minimum casket to only \$1,550 when the customer purchases Immediate Burial and the casket, the funeral home has built in a \$250 casket handling fee into the price of Immediate Burial for customers who don't purchase a casket from the funeral home.

If the prices here were legal, Immediate Burial with casket provided by purchaser would cost only \$1,050. Or, if the base price stayed the same, then Immediate Burial with the minimum casket would cost \$1, 800. Pretty sneaky, Lucy!

The last section of the GPL usually lists itemized charges for ancillary goods and services. The section might look like this . . .

- Prayer Cards _____ \$25
- Memorial Register _____ \$35
- Shipping Cremated Remains _____ \$50
- Shelterization [**yes, they do make up interesting words**] of remains **(this is a declinable charge if our facilities are not used to shelter remains)** _____ \$75 per day

Actually, this is almost always a declinable charge. Funeral homes may only charge for sheltering when:

- a). The body is to be held for an unusually long period of time
- b). Most customers never use the funeral home to shelter a body for any length of time (extremely unlikely)
- c). Sheltering the body is the only service the funeral home is providing.

. . . etc., etc.

Congratulations, class!



You're a bona fide GPL sleuth! By learning to grade General Price lists, you'll be keeping funeral homes on their toes while helping the public find fair deals and reasonable prices. You'll be the talk of all your friends —

I can't believe how cheap that funeral was Madge. . .what will people say?



They'll say 'that girl didn't fall off the apple cart yesterday!' After all, there's no dignity in getting fleeced Donna. . .

You may even strengthen your marriage —



Golly, you sure drove a hard bargain today at that undertaker's place — it got chilly in there!

Oh Bill. . .don't be silly. You know I won't put up with funeral follies. But just because I put the freeze on Mr. Joyboy doesn't mean we can't warm up at home. . .



Checklist for Grading a GPL

(you should keep the FTC publication "Complying with the Funeral Rule" with you while you grade)

1. Does it have a current date?
 2. Does it carry the required disclosure beginning "The goods and services shown below are those we can provide to our customers?"
 3. Does it show the Basic Services of Funeral Director and Staff?
 - a. Does the basic service fee follow the FTC's wording?
 4. Is the price of embalming listed?
 - a. is the disclosure beginning "Except in certain special cases, embalming is not required by law," listed?
 - b. Is embalming *ever* required by law in your state (and yes, you should know this)? If not, ask the funeral home why it does not simply state "embalming is not required by law."
 5. Are the prices for "Other Preparation of the Body" listed?
 - a. are the services described?
 - b. is there a "disinfection" or "sanitary care" fee listed? Does it appear to be mandatory (which is illegal)?
 6. Is the fee for transfer of remains (body pickup) listed?
 7. Are the fees for the following listed?*
- a. Facilities and Staff for Viewing/Visitation
- b. Facilities and Staff for Funeral Ceremony
- c. Facilities and Staff for Memorial Service
- d. Staff and Equipment for Graveside Service
- *be sure these fees are listed similar to the above, and that the staff and facilities aren't being billed separately, unless you're in New York state.*
8. Is the fee for a hearse listed?
9. Is the fee for a limousine/family car listed (if offered)?
10. Is the fee for a service car/flower truck listed (if offered)?
11. Is there a price range listed for caskets?
12. Is there a price range listed for outer burial containers?
13. Is there a charge listed for Forwarding of Remains?
 - a. are the services provided described?
14. Is there a charge listed for Receiving of Remains?
 - a. are the services provided described?
15. Is there a charge listed for Direct Cremation?
 - a. are the services provided described?
 - b. Is the alternative container disclosure listed?
 - c. Is the alternative container offered described?
 - d. Are the required options i) *Direct Cremation with alternative container* ii) *Direct Cremation*

with container provided by customer offered?

16. Is there a charge listed for Immediate Burial?

a. are the services provided described?

b. are the required options i) *Immediate Burial with casket provided by purchaser* ii) *immediate burial with minimum (or cloth-covered, etc.) casket* offered?

c. is there evidence of a built-in casket handling fee?

All other items you may see on the GPL — package deals, memorial books, etc. — are optional. Remember this, too: While there are 16 items required to be on the GPL, at a minimum, these are only required if the funeral home offers them. For example, if the funeral home does not offer facilities and staff for a viewing (and some budget funeral services forego this overhead in order to keep their prices down), then that funeral home needn't list it on the GPL.

This is not an excuse, however, for failing to list FTC-mandated options that the funeral home simply doesn't want to list. For example, if a funeral home offers cremation at all, it must offer direct cremation. Moreover, it must offer direct cremation with an alternative container. Likewise, funeral homes must offer immediate burial (and the requisite options) if they offer burial at all. The only funeral services that do not offer burial are cremation-only services.

Of course, there are gray areas when it comes to applying the Funeral Rule. Experience and talking with others will help you develop your own sense of judgment about these over time. You can always call FCA executive director Joshua Slocum (800-765-0107) with any questions you might have.