

TO YOUR HEALTH

Volume 28, Number 8

August 2023

Buried Treasure

Maeve Lobo, LICSW

Though planning a funeral is not woven into the fabric of everyday life, the inevitability of arranging a service of this nature looms ahead for almost all of us. The AARP projected that in 2023, the funeral industry will generate \$68 billion. Yet a study conducted in 2019 by the National Funeral Directors Association (NFDA) indicated that less than 17% of consumers called or visited more than one funeral home when organizing a ceremony. In selecting a funeral service most consumers select a company based on being a repeat customer, religion or geographic location. Very few bereaved consumers are considering the cost of a funeral.

Death care, as it is commonly known in the industry, has become a lucrative business in the US. According to the NFDA, in 2019 the average cost of a funeral with viewing, burial and cemetery cost added up to \$9135. A funeral with viewing and cremation came to a total of \$6,645. Family run businesses usually charge less, and studies show that if prices are posted online the cost of a funeral is thirty percent less. The largest corporate run company, Service Corporation International, can charge forty percent or higher than independently owned companies. Carriage Services is another corporately run company. Keep in mind that these conglomerates usually retain the names of the funeral homes they purchase, thereby enjoying the benefits of a family run enterprise. Furthermore, Funeral Directors report that when funerals are purchased "at need" there is rarely ever negotiating or bargaining for prices (WSJ 2019). Given that the cost of a funeral is the third largest expense older adults face, it would be advisable to shop around for the best service. The other sizeable expenditures are the purchase of a home and car (AARP Policy Book 2020- 2021).

There are a few questions to consider when arranging a funeral. Funerals can be arranged



on a "pre need" basis. This involves an element of planning and possible prepayment. Planning for a funeral is always wise, but conventional wisdom states that paying in advance for a service may not always be necessary. According to the Motley Fool (2018), prepayment is expedient if a consumer needs to spend down an asset to receive Medicaid. However, consideration should be given to a funeral home going out of business or the company being sold. More alarming though, would be the volatility of the stock market. Prepayments are invested in the stock market, and this can cause difficulties in the future. Purchasing a service "at need" or after death also has drawbacks. The grieving family is emotionally vulnerable and has to make immediate decisions.

Victoria Haneman, Professor at Creighton University, has suggested amending the Internal Revenue code, section 125 (Harvard Journal of Legislation 2021). Provisions could be made in a Flexible Spending Plan (FSP) or a Health Savings Account (HSA) to pay for a funeral. Presently none of these options include setting aside funds for a funeral. Creating a Federal tax shelter is tangled in bureaucracy and will require a bipartisan commitment by Congress. However, changes are afoot.

(continued)

In 1984 the Federal Trade Commission (FTC) set up guidelines for funeral homes to follow. Known as the Funeral Rule, it ensures that consumers must be given a list of prices if they visit or call a funeral service. With some exceptions consumers were also given the right to select their own funeral products. In addition, the funeral providers could not refuse or charge a fee for caskets purchased elsewhere. If a cremation is arranged, providers should offer a variety of containers. These measures were put in place to help individuals when they were at their most vulnerable.

In October 2022 the FTC proposed enhancing these guidelines and embracing the age of the internet. A survey conducted in 2022 by the Funeral Consumers Alliance (FCA) and the Consumer Federation of America (CFA) cited that of over one thousand funeral homes surveyed in thirty-five state capitals, only 18 % posted their prices online. Yet over 75% of consumers want funeral home websites to post their prices. The objective of the FTC is to create an environment of competition accompanied with clarity.

There are various options available to a consumer. Over the years there has been a departure from traditional funerals involving a graveside burial. According to the AARP, in 2016, 55% of Americans choose to be cremated. This is projected to be 70% by 2030. Cremations are much cheaper and save a multitude of resources. In Massachusetts cremations can only take place after 48 hours of an individual passing away. There are waivers for contagious or infectious diseases. (MGL Title XVI, Chapter 114, Section 44.)

Green Burials are on the increase, and simply means that the individual is put in a biodegradable container and buried in the ground. This was a 19th century custom that is being revisited. Anatomical gifts have been available to individuals for years. However, this is not accessible to everyone. There are restrictions on height, weight, BMI, contagious diseases and whether trauma has affected the body.

New Technologies are also changing the plot in the funeral industry. Eco embalming is now an alternative to traditional embalming. The Infinity Mushroom Suit, a fabric that accelerates decomposition, has been gathering momentum. Biodegradable burial pods enable your remains to be placed under a tree to provide nutrients for the plant. These innovations involve a degree of research and planning. State regulations also vary and must be considered when utilizing these methods.

Funerals and memorial services are sombre affairs and continue to monopolize the death care industry. Transformations are taking place and families are gravitating towards a celebration of life. The BBC reported in 2015 that over 54% polled in a survey wanted their funerals to be a celebration of life. Monty Python's *Always Look On The Bright Side of Life* is played more often than Verdi's Requiem. Whether a funeral is an intimate or formal gathering, filled with reflection or praise, it is always important to treasure an individual's life. These rituals soften the grief and create a cache of memories for family and friends.

Telephone Calendar



The latest offering from the Clinic is the Telephone Calendar. Residents can call 781-276-1909 for the daily activity of events. The messages change every day at 4:00pm. The calendar of events for the weekend and a Monday holiday are included in the Friday Calendar. Please don't leave messages on this number.

Send the Clinic feedback about improving this new feature.

- Maeve Lobo, LICSW