



**The 2008 Price and Compliance Survey
of North Carolina Piedmont Triad
Licensed Funeral Homes and Crematories**

Conducted by
Funeral Consumers Alliance of the Piedmont
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The 2008 Price and Compliance Survey of North Carolina Piedmont Triad Licensed Funeral Homes and Crematories

Summary:

During July 2008, Funeral Consumers Alliance of the Piedmont collected general price lists from 33 Piedmont Triad funeral homes and crematories for its first price and compliance survey. One additional general price list, still depicting data as of July 2008, was added in October. The aim of the study was to compare all Forsyth and Guilford County funeral providers' prices on common funeral goods and services and to assess their general price lists' compliance with the Funeral Rule of the Federal Trade Commission, which sets certain requirements aimed at protecting consumer rights and options in funeral arrangements.

While median prices for funeral goods and services in the Piedmont Triad generally compare favorably to national averages, the survey raised concerns about the range of prices for specific goods and services. Depending on the provider chosen, the price for such common services as embalming and immediate burials could be up to five times more at the highest priced firm than at the lowest priced firm. Prices for goods such as outer burial containers included similar ranges; the least expensive outer burial container at one funeral home was about seven times as expensive as the least expensive outer burial container at another. Of special concern was the observation that the basic services fee – the one charge that consumers cannot decline – was up to four times as much at one funeral provider than at another.

The median compliance score among the 34 establishments was 81. Four establishments (12 percent) received a 100 percent compliance score while five others received scores above 90 percent that reflected only minor violations (15 percent). The firms were evaluated using a score sheet based on the explicit requirements of the Funeral Rule, with each firm being assessed only on those requirements applicable to the types of services and goods they offered.

The most common violation, found in 44 percent of the firms, was illegal handling fees placed on caskets and containers provided by customers. Other common violations were: failure to disclose what an immediate burial would cost if the customer provided the casket (34 percent); the listing of non-declinable charges other than the basic services fee (32 percent); failure to disclose the actual cremation fee in direct cremations (27 percent); the omission of the required statement that includes the sentence, "You may choose only the items you desire" (21 percent); disallowed charges for ordinary sheltering of human remains (21 percent); the omission of the required statement that includes the sentence, "If you want to arrange a direct cremation, you can use an alternative container" (15 percent); and the omission of the required statement that includes the sentence, "This fee for our basic services and overhead will be added to the total cost of the funeral arrangements you select" (12 percent). Another problem noted was the discrepancy in compliance between the one independent retail crematory (33 percent) and its conglomerate chain-owned rival crematory (97 percent), a situation that is enabled by state regulators that apply more relaxed standards for independent crematories than they require of funeral-home-owned crematories.

Considering pricing and compliance together, the survey noted that high prices tended to correlate with higher compliance scores, meaning that consumers might have to choose between a good price and a consumer-friendly presentation of their options. However, the survey did note several “best buy funeral homes,” which it defined as firms that had compliance scores above 90 coupled with basic service fees that were approximately at or below the median. These were: Archie’s Funeral Home, Community Funeral Service, Forbis & Dick Brooke Chapel, Hayworth-Miller Funeral Home and J. C. Green & Sons Funeral Home. Among the crematories, Sensible Alternatives was noted for its low basic services fee of \$385 and only one very minor general price list error.

Background:

One of the most common projects of Funeral Consumers Alliance chapters in the United States is the periodic survey of funeral providers in their areas. These surveys vary greatly in goals and scope, but are valued by affiliate members and the public at large for the comparison data they provide. The 2008 Price and Compliance Survey of North Carolina Piedmont Triad Licensed Funeral Homes and Crematories (hereafter referred to as “survey”) is the first such study conducted by Funeral Consumers Alliance of the Piedmont (hereafter referred to as “FCA of the Piedmont”), a not-for-profit educational organization of funeral consumers which was formed June 5, 2008 at a public meeting in Greensboro, N.C.

The Survey’s Aim:

The aim of the survey was two-fold: (1) to provide side-by-side comparisons of the prices local establishments charge for common funeral or crematory goods and services and (2) to assess the compliance of each establishment’s general price list (hereafter referred to as “GPL”) with the Funeral Rule of the Federal Trade Commission.

The Funeral Rule, introduced in 1984, requires funeral providers to give consumers a printed GPL upon a request made in person. The Funeral Rule specifies certain elements and disclosures that the GPL must include, although the funeral provider may add additional items as well. It also prohibits certain claims and charges. The purpose of the Funeral Rule is to enable consumers to choose only desired goods and services with few permitted exceptions. A good source for more information on the Funeral Rule is the Federal Trade Commission’s publication “Paying Final Respects: Your Rights When Buying Funeral Goods and Services”:

<http://www.ftc.gov/bcp/edu/pubs/consumer/products/pro26.shtm>

The Survey’s Scope:

This first survey embraced as its scope all 34 funeral homes and crematories in Forsyth County and Guilford County that were licensed as of July 2008 by the North Carolina Board of Funeral Service and were providing funeral goods and services to the public as of July 2008. Excluded from the study were providers of funeral goods and services other than licensed funeral homes and crematories (such as cemeteries), any entities located outside the boundaries of Forsyth and Guilford Counties (including Davidson Funeral Home of Winston-Salem), and crematories in Forsyth and Guilford Counties that provide services only through funeral homes and never directly to the public (including Carolina Cremation of Winston-Salem). The survey’s findings

are based entirely on July 2008 GPLs, sent voluntarily by the establishments in response to a letter FCA of the Piedmont mailed to all participants July 5, or obtained by affiliate members who visited the remaining firms to collect them. FCA of the Piedmont inadvertently overlooked Hoover's Funeral Home in High Point in its collection of price lists in July but this online version has been updated throughout to include Hoover's data as the 34th establishment surveyed. Its prices and compliance also reflect data as of July 2008. The survey does not include Triad Cremation Society, which began providing cremation services in August 2008, or other changes in services and ownership that occurred among the surveyed firms after July 31, 2008.

The Survey's Design and Methodology:

The survey was designed by Holly Stevens, a member of the steering committee of FCA of the Piedmont, with assistance from members of other FCA affiliates who had done similar studies elsewhere. FCA of the Piedmont volunteers reviewed the price data sheets used to prepare the spreadsheets to help make sure that prices were culled accurately from the original GPLs and subsequently reviewed the spreadsheets themselves to make sure that the prices were culled accurately from the data sheets. The staff of Funeral Consumers Alliance's headquarters in Burlington, Vt., reviewed the compliance assessments.

The survey reveals prices as of July 2008 for goods and services commonly offered by funeral homes and crematories. If a given service did not apply to a particular provider (such as burial related services in the case of crematories), that particular item was marked "NA" for "Not Applicable." In some cases, the GPL failed to provide clear price data for some items required by the Funeral Rule; such violations are marked "omitted." In addition to the side-by-side comparisons of each service or merchandise considered, the survey provides the median value at which half of the prices fell below the given value and half fell above it.

The elements considered for the side-by-side comparisons were:

- Basic services fee – The Funeral Rule allows funeral providers to charge a basic services fee that customers cannot decline to pay. This fee includes services that are common to nearly all funerals, regardless of the specific arrangement, such as funeral planning, securing death certificates, placing obituaries, sheltering remains and coordinating arrangements with third parties such as cemeteries. Often it includes overhead costs as well. However, it may not include charges for optional services or merchandise.
- Embalming – North Carolina does not require embalming under any circumstance, but most funeral homes require it for viewings and visitation as a matter of business policy. Some funeral homes allow for private family viewings without embalming; it is wise to ask. Direct cremations and immediate burials do not involve embalming at all.
- Transfer of remains from place of death – This is the charge for removing the body from the hospital, home or other place of death and into the custody of the funeral provider, not to be confused with the terms "receiving of remains" and "forwarding of remains," which have to do with transportation of the body from one funeral provider to another.
- Hearse – Often called the "funeral coach," this is the vehicle that transports the casketed remains to the place of final disposition. Some funeral providers assess additional charges

after the first 25 to 50 miles; for the purposes of this survey, the hearse charge was defined as the cost for the first 25 miles.

- Limousine – Sometimes called the “family car,” this transports the family to the place of final disposition. Some funeral providers have more than one size of limousine or assess additional charges after the first 25 to 50 miles. For the purposes of this survey, the smallest limousine offered and its cost for the first 25 miles was the operating definition.
- Casket low and high – This is any rigid container designed for the encasement of human remains and usually constructed of wood, metal, fiberglass, plastic, or like material, and ornamented and lined with fabric. The Funeral Rule requires funeral providers that offer caskets either to list each casket offered on the GPL with its description and price or, at its option, to provide on the GPL the price range for caskets offered with a statement that a complete price list is available at the funeral home. In several instances, the survey found price information provided twice in the same GPL, sometimes with variances as to the lowest and highest priced offerings. A few providers included information about caskets for children. For the purposes of this survey, FCA of the Piedmont used the lowest and highest adult casket price found on the GPL, even if these came from separate sections.
- Vault low and high – Technically called “outer burial containers,” the survey used the more familiar term “vault” in its spreadsheets. Outer burial containers are any container designed for placement in the grave around the casket such as vaults and grave liners. As with casket prices, the survey used the lowest and high price given even if these came from separate sections of the same GPL.
- Immediate burial – This is disposition of human remains by burial without formal viewing, visitation or ceremony with the body present, except for a graveside service. A funeral provider that offers burials must offer immediate burial options without embalming, visitation or ceremony. For the purposes of this survey, the survey used the price for an immediate burial in which the customer provides the container or casket (that is, the cost for the immediate burial minus any container or casket cost).
- Direct cremation – This is disposition of human remains by cremation, without formal viewing, visitation or ceremony with the body present. For the purposes of this survey, the price for a direct cremation is one, including the cremation fee, in which the customer provides the container (that is, the cost for direct cremation minus any container cost). If the GPL did not include the fee for the cremation process itself, the spreadsheet is marked “Omitted” as FCA of the Piedmont regards the value given as misleading without it.
- Type of establishment – “A” represents a funeral home owned by a multi-state conglomerate, “B” a funeral home owned by a chain that operates only within North Carolina, and “C” a single, independent funeral home. “D” represents a stand-alone retail crematory owned by a multi-state chain with its own GPL and “F” a stand-alone, independent retail crematory. “E” would have represented a stand-alone retail crematory owned by a North Carolina restricted chain, but there was none in this study. “G” represents an entity whose owner also owns a crematory that handles its cremations, while “H” represents an entity whose owner contracts out its cremations to third parties. Most firms have two such descriptor codes.

For the compliance portion of the survey, an extensive GPL score sheet was designed based directly on the text of the Funeral Rule of the Federal Trade Commission. The score sheet assigned points for each required price element included on the GPL, each required disclosure

statement, and each additional requirement such as placement of required elements and absence of prohibited claims. If a given item was not applicable to a firm (e.g., embalming for a crematory), that item was marked “NA” for “Not Applicable.” The number of points earned were then divided by the total number of possible applicable points attainable to arrive at a percentile expression of the GPL’s compliance with the Funeral Rule.

The survey design additionally established that if the chapter volunteer encountered resistance in obtaining a GPL, the score was reduced 20 percent. (This resistance was encountered only in the case of Unity Memorial, in which the North Carolina Board of Funeral Service assisted FCA of the Piedmont in its efforts to obtain the GPL.) If efforts to obtain a GPL in person failed completely, the negligent firm would have received a zero percent compliance rating; fortunately, this did not happen, as GPLs were obtained in the end from all participants.

Finally, the evaluation of each establishment included a list of recommendations that, while not mandated by the Funeral Rule and therefore not part of the numerical assessment, are GPL traits that FCA of the Piedmont believes would improve the GPL’s compliance with the spirit of the Funeral Rule. These optional items will be shared with the establishments for their consideration in revising their GPLs.

The Survey’s Price Findings:

The side-by-side comparisons of prices for common funeral goods and services will be useful in various ways for different consumers, depending on their funeral needs, preferences and budgets. The most important *row* is the first one, showing the “median,” which is the value at which half of the firms charge more and half charge less for the given service or merchandise. For a consumer seeking an economical disposition, the most valuable *columns* will be those for immediate burial or direct cremation, which also include the basic services fee (or a discounted version of it). For consumers seeking full-service options, the most valuable columns will be those that reveal the firms’ charges for embalming, caskets and vaults, and the basic services fee. Common services not reflected in the spreadsheets include ceremonial services (funeral, memorial or graveside), visitations and viewings, and preparations of the body other than embalming. However, the spreadsheets can be seen as a ballpark estimate of a firm’s affordability as of July 2008 – helping the consumer limit the field of potential providers to visit in person.

How do local prices compare with those elsewhere? The most often quoted source for national funeral prices is the National Funeral Directors Association (NFDA) periodic survey, the most recent of which provides data for 2006. Of the categories that match this survey’s – basic services fee, transfer of remains, embalming and hearse – Piedmont Triad prices were slightly below the national average for 2006 except for embalming, which was slightly above the national average for that year. Given that the NFDA survey reflected an overall 11 percent price increase for the average funeral between 2004 and 2006 suggesting an annual inflation rate of five to six percent, local prices for these four services compare favorably to the national norms. FCA of the Piedmont was unable to find reliable data concerning the national average price of direct cremations; this is a much more difficult figure to ascertain, as a firm’s cost in providing cremation depends on whether it is an independent crematory specializing in cremation services only or is a traditional full service funeral home with the higher overhead costs that come with

2008 Price and Compliance Survey of North Carolina

Funeral Home	Compliance	Basic Services	Embalming	Transfer	Hearse	Limousine	Casket Low
Median	81	\$1,500.00	\$612.50	\$175.00	\$250.00	\$200.00	\$795.00
Allen & Associates Mortuary	81	\$1,350.00	\$700.00	\$150.00	\$300.00	\$220.00	\$1,075.00
Archie's FH	93	\$975.00	\$465.00	\$125.00	\$95.00	\$150.00	\$800.00
Beasley's F&C Service	79	\$760.00	\$650.00	\$150.00	\$300.00	\$285.00	\$450.00
Clark S. Brown FH	68	\$1,285.00	\$450.00	\$175.00	\$250.00	\$150.00	\$535.00
Community FH	100	\$1,095.00	\$500.00	\$150.00	\$200.00	\$200.00	\$400.00
Cremation Services	33	Omitted	N/A	Omitted	N/A	N/A	N/A
Cumby Family Funeral Service	94	\$2,245.00	\$650.00	\$375.00	\$250.00	\$100.00	\$400.00
Davis at Floral Gardens F&C	100	\$3,445.00	\$650.00	\$300.00	\$300.00	\$175.00	\$1,550.00
Douthit Funeral Service	57	\$1,500.00	\$625.00	\$150.00	\$400.00	\$290.00	\$1,200.00
Forbis & Dick, Brooke Chapel	93	\$1,370.00	\$595.00	\$150.00	\$190.00	\$190.00	\$1,395.00
Forbis & Dick, Other Locations	93	\$1,790.00	\$820.00	\$175.00	\$225.00	\$225.00	\$1,495.00
Frank Vogler & Sons	99	\$2,695.00	\$895.00	\$595.00	\$395.00	\$195.00	\$595.00
George Brothers Funeral Service	82	\$1,640.00	\$535.00	\$160.00	\$95.00	\$85.00	\$995.00
Gilmore Funeral Service	73	\$1,395.00	\$695.00	\$175.00	\$300.00	\$275.00	\$575.00
Haizlip FH	82	\$1,095.00	\$525.00	\$150.00	\$225.00	\$225.00	\$695.00
Hanes-Lineberry FH	99	\$2,895.00	\$1,095.00	\$595.00	\$295.00	\$295.00	\$595.00
Hargett Funeral Service	75	\$1,295.00	\$595.00	\$150.00	\$300.00	\$275.00	\$950.00
Hayworth-Miller FH	100	\$1,560.00	\$495.00	\$260.00	\$260.00	\$150.00	\$675.00
Hinnant Funeral Service	75	\$1,500.00	\$600.00	\$175.00	\$250.00	\$260.00	\$950.00
Hooper FH	71	\$1,495.00	\$790.00	\$200.00	\$300.00	\$285.00	\$895.00
Hoover's FH	71	\$1,150.00	\$575.00	\$160.00	\$275.00	\$195.00	\$1,500.00
J.C. Green & Sons FH	100	\$1,395.00	\$625.00	\$225.00	\$225.00	\$175.00	\$760.00
Johnson's Home of Memory	72	\$1,295.00	\$595.00	\$150.00	\$185.00	\$185.00	\$695.00
Lambeth-Troxler FH & Crem.	91	\$1,595.00	\$595.00	\$195.00	\$150.00	\$95.00	\$795.00
Memorial Funeral Service	71	\$895.00	\$345.00	\$125.00	\$90.00	\$150.00	\$395.00
People's Funeral Service	82	\$1,215.00	\$595.00	\$130.00	\$200.00	N/A	\$900.00
Perry J. Brown FH	81	\$1,695.00	\$600.00	\$175.00	\$200.00	\$275.00	\$975.00
Pierce Jefferson F. Service	65	\$1,990.00	\$795.00	\$295.00	\$295.00	\$225.00	\$995.00
Russell FH	78	\$1,595.00	\$650.00	\$225.00	\$225.00	\$200.00	\$395.00
Salem F&C Services	79	\$1,995.00	\$750.00	\$250.00	\$250.00	\$250.00	\$695.00
Sechrest Funeral Service	99	\$2,195.00	\$1,095.00	\$595.00	\$495.00	\$195.00	\$595.00
Sensible Alternatives	97	\$385.00	N/A	\$330.00	N/A	N/A	N/A
Unity Memorial Funeral Service	66	\$3,940.00	\$550.00	\$175.00	\$276.00	\$276.00	\$1,500.00
Woodard FH	49	\$1,825.00	\$725.00	\$195.00	\$245.00	\$200.00	Omitted

Disclaimer:

The prices displayed in this report were taken from general price lists effective as of July 2008 from each of the funeral providers. Although the information was sometimes difficult to interpret, the FCA of the Piedmont has made a good faith attempt to report the price information as accurately as possible. If a reader finds an error in the survey, FCA of the Piedmont would appreciate learning about it so that it can investigate the matter and make any appropriate corrections. Consumers are advised to check with the provider of their choice to confirm the accuracy of individual prices. All prices are subject to change without notice by the funeral providers.

Piedmont Triad Funeral Homes and Crematories

Casket High	Vault Low	Vault High	Immediate Burial	Direct Cremation	Type	Funeral Home
\$9,147.50	\$895.00	\$8,640.00	\$1,685.00	\$1,495.00		Median
\$4,075.00	\$1,050.00	\$1,825.00	\$1,600.00	\$1,450.00	C,H	Allen & Associates Mortuary
\$9,500.00	\$350.00	\$2,500.00	\$1,125.00	\$1,375.00	C,H	Archie's FH
\$26,000.00	\$650.00	\$6,950.00	\$795.00	\$800.00	C,H	Beasley's F&C Service
\$3,500.00	\$1,200.00	\$1,885.00	\$1,250.00	Omitted	C,H	Clark S. Brown FH
\$35,000.00	\$376.00	\$8,995.00	\$905.00	\$1,085.00	C,H	Community FH
N/A	N/A	N/A	N/A	\$975.00	F	Cremation Services
\$8,490.00	\$855.00	\$8,500.00	\$2,570.00	\$2,365.00	B,G	Cumby Family Funeral Service
\$4,850.00	\$1,099.00	\$9,900.00	\$3,995.00	\$2,290.00	A,G	Davis at Floral Gardens F&C
Omitted	\$1,000.00	Omitted	Omitted	Omitted	C,H	Douthit Funeral Service
\$17,500.00	\$1,205.00	\$12,950.00	\$1,685.00	\$1,495.00	B,G	Forbis & Dick, Brooke Chapel
\$18,500.00	\$1,345.00	\$12,950.00	\$2,050.00	\$1,595.00	B,G	Forbis & Dick, Other Locations
\$22,995.00	\$395.00	\$8,995.00	\$2,795.00	\$2,495.00	A,G	Frank Vogler & Sons
\$4,995.00	\$1,175.00	\$4,295.00	\$1,895.00	\$1,395.00	C,H	George Brothers Funeral Service
\$25,000.00	\$960.00	\$8,640.00	Omitted	\$1,935.00	C,H	Gilmore Funeral Service
\$35,000.00	\$895.00	\$8,995.00	\$1,215.00	\$1,095.00	C,H	Haizlip FH
\$5,895.00	\$895.00	\$10,645.00	\$2,195.00	\$2,795.00	A,G	Hanes-Lineberry FH
\$27,000.00	\$850.00	\$12,885.00	\$1,100.00	Omitted	B,H	Hargett Funeral Service
\$8,000.00	\$875.00	\$7,900.00	\$2,080.00	\$1,680.00	B,G	Hayworth-Miller FH
Omitted	\$1,080.00	Omitted	\$1,375.00	Omitted	C,H	Hinnant Funeral Service
\$30,000.00	\$1,010.00	\$11,500.00	\$1,325.00	\$1,295.00	C,H	Hooper FH
\$28,995.00	\$650.00	\$31,999.00	\$1,476.00	Omitted	C,H	Hoover's FH
\$7,500.00	\$1,045.00	\$8,800.00	\$1,775.00	\$1,595.00	B,H	J.C. Green & Sons FH
Omitted	\$725.00	Omitted	\$1,245.00	Omitted	C,H	Johnson's Home of Memory
\$5,945.00	\$1,245.00	\$9,645.00	\$1,995.00	\$1,395.00	A,H	Lambeth-Troxler FH & Crem.
\$2,395.00	\$895.00	\$1,395.00	\$995.00	\$975.00	C,H	Memorial Funeral Service
\$8,495.00	\$1,160.00	\$3,240.00	\$1,420.00	\$1,195.00	C,H	People's Funeral Service
\$20,000.00	\$195.00	\$8,440.00	\$1,415.00	Omitted	C,H	Perry J. Brown FH
\$6,900.00	\$895.00	\$6,900.00	\$2,395.00	\$1,570.00	C,H	Pierce Jefferson F. Service
\$15,000.00	\$350.00	\$7,000.00	\$1,875.00	Omitted	C,H	Russell FH
\$15,995.00	\$395.00	\$8,995.00	\$2,585.00	\$1,645.00	C,H	Salem F&C Services
\$8,795.00	\$400.00	\$8,995.00	\$2,895.00	\$2,195.00	A,G	Sechrest Funeral Service
N/A	N/A	N/A	N/A	\$1,070.00	D	Sensible Alternatives
\$4,000.00	\$1,150.00	\$2,500.00	\$2,250.00	\$2,200.00	C,H	Unity Memorial Funeral Service
Omitted	\$1,050.00	\$5,695.00	Omitted	Omitted	B,H	Woodard FH

Type codes:

A=Multistate FH chain
 B=Local N.C. FH chain
 C=Independent single FH
 D=Multistate chain owned crem.
 F=Independent crematory
 G=Uses crematory by same owner
 H=Uses third-party crematories

parking lots, casket inventories, embalming equipment and ceremonial facilities.

Of more concern is the range of prices seen locally within a specific column. The lowest price outer burial container at Forbis & Dick's Greensboro and Pleasant Garden locations (\$1,345) is almost seven times as costly as the lowest price outer burial container at Perry J. Brown Funeral Home (\$195). Davis at Floral Garden's immediate burial price (\$3,995) is five times that of Beasley's (\$795). If you choose to embalm your loved one at Hanes Lineberry (\$1,095), you'll spend three times as much as you would at Memorial Funeral Service (\$345). As for the non-declinable basic services fee, Davis at Floral Garden's charge (\$3,445) is more than four times that of Beasley's (\$760).

Some discrepancies seen in pricing can be explained by overhead costs (funeral homes with the most opulent visitation facilities and newest model limousines have higher overhead costs) or by their pricing strategies (some firms use the basic services fee to recapture their overhead expenses while others shift more of their overhead to individual goods and services). In the case of the firms owned by national conglomerates (those marked "A" under "Type"), higher prices probably reflect those corporation's strategies to recapture their acquisition costs and provide profits to shareholders; Consumers Union found in a 2001 survey that these big chains charged roughly \$1,300 more than independent funeral homes for comparable funerals. (By contrast, the same study found that small, local chains, marked "B" on the spreadsheets under "Type," tended to charge the least.)

The wide range of prices seen in the basic services fee is especially troubling, as this is the one charge that customers cannot choose to decline. A 1994 amendment to the Funeral Rule allows mortuaries to add all overhead to this charge. With no limits on this fee, it has effectively become a guaranteed income for funeral directors, a situation that invites consumer abuse, according to Joshua Slocum, executive director of Funeral Consumers Alliance.

The Survey's Compliance Findings:

The median for compliance was 82 percent. Only four of the establishments, or 12 percent, received a 100 percent compliance rating: Community Funeral Services, Davis at Floral Garden Funerals and Cremations, Hayworth-Miller Funeral Home and J.C. Green & Sons Funeral Home. Five additional establishments, or 15 percent, received compliance ratings above 90 percent that reflected only one or two violations judged to be minor: Cumby Family Funeral Service, Hanes-Lineberry, Frank Vogler & Sons, Sechrest Funeral Service and Sensible Alternatives. Seven more firms, or 21 percent, had ratings above the median but which included more serious violations.

The most common violation among the firms was charging a handling fee for accepting caskets or alternative containers provided by the customer. An amendment to the Funeral Rule in 1994 prohibits funeral providers from refusing or charging a fee to handle a casket purchased elsewhere. FCA of the Piedmont found that 15 of the firms, or 44 percent, imposed illegal handling fees on caskets or alternative containers provided by the customer. This contrasts with the average 10 percent handling fee rate found in most cities, according to FCA's Slocum. In some cases, these violations were detected in the prices and descriptions given for immediate

burial or direct cremation options; in others, some firms offered promotional packages with savings that were explicitly contingent upon the purchase of a casket from the funeral provider.

In a related violation, 11 of the 32 funeral homes in the survey – or 34 percent – failed to disclose what an immediate burial would cost if the customer provided the casket.

There were other common serious violations:

Eleven firms, or 32 percent, illegally listed non-declinable charges other than the basic services fee on their itemized list of funeral goods and services.

Nine firms, or 27 percent, failed to specify the actual cremation fee for direct cremations. In its July 5 letter to the firms, FCA of the Piedmont stated that it would look for the cremation fee in the descriptions of direct cremation and, where it was not specifically included, would consider it to be excluded from the price given. In such a case, the FCA of the Piedmont scanned the GPL for a cremation fee listed elsewhere. (The Funeral Rule permits the cremation fee to be listed apart from the direct cremation price when the cremation fee is a third-party expense.) However, if the fee was not found anywhere on the GPL, the survey penalized the firm for omission of the actual cremation fee. This violation is particularly misleading, since many customers are left wondering how they could have paid for a direct cremation that did not somehow include the cost of the cremation itself!

Seven firms, or 21 percent, completely omitted the required “right of selection” statement while an additional four firms, or 12 percent, illegally altered its language, and three firms, or nine percent, illegally buried it beneath the descriptions of their full-service packages. That statement, which the Funeral Rule requires to be placed immediately above the prices of the goods and services offered, is supposed to read as follows:

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.

Six firms, or 18 percent, charged for ordinary sheltering of human remains, which is supposed to be part of the basic services fee instead. According to the Federal Trade Commission, a firm may charge an additional fee for sheltering only if a significant percentage of its customers do not use the funeral home to hold remains at any point or if it receives a request to hold the remains for an “unusually long period of time.” For the purposes of the survey, FCA of the Piedmont defined ordinary sheltering as up to three days of non-refrigerated storage.

Five firms, or 15 percent, completely omitted the required alternative container statement with their descriptions of direct cremation services, while an additional 12, or 35 percent, illegally altered the statement’s language or failed to specify the types of containers they provide. That

statement is supposed to read as follows, with the firm substituting a description of its containers for the parenthetical phrase “(specify containers)”:

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 containers we provide are (specify containers).

Of the 28 funeral homes that elected not to incorporate a full list of caskets in their GPLs, four, or 14 percent, failed to include the required statement, “A complete price list will be provided at the funeral home,” while an additional nine, or 32 percent, altered its language. Similarly, of the 30 funeral homes that elected not to incorporate a full list of outer burial containers (vaults and grave liners) in their GPLs, four, or 13 percent, failed to include the required statement, “A complete price list will be provided at the funeral home,” while an additional seven, or 23 percent, altered its language.

Four firms, or 12 percent, omitted the required basic services statement, while another eight firms, or 24 percent, altered its mandatory language or omitted the second sentence in parentheses. That statement is supposed to read:

This fee for our basic services and overhead will be added to the total cost of the funeral arrangements you select. (This fee is already included in our charges for direct cremations, immediate burials, and forwarding or receiving remains.)

A particularly troubling observation is that the one independent stand-alone crematory in the survey, Cremation Services Inc., received a mere 33 percent compliance score, well below even the second lowest ranking establishment. That contrasts with the 97 percent compliance score of Sensible Alternatives, owned by Service Corporation International (SCI) of Houston, Texas. Independent crematories tend to get away with less compliance because their tendency toward lower prices leads to fewer outcries by consumers, Stevens noted. By contrast, crematories owned by the large interstate conglomerates, which are much more subject to class-action lawsuits due to their sheer number, tend toward greater compliance with the “letter of the law,” she said. FCA of the Piedmont notes that low compliance by independent crematories is aided by state regulators when they allow a double standard exempting independent crematories not owned by funeral homes. The chapter, with the assistance of the national office in South Burlington, Vt., is presently seeking in writing the official position of the North Carolina Board of Funeral Service (NCBFS) regarding whether independent crematories are subject to the same compliance standards as their funeral home competitors, after its general counsel, Stephen Dirksen, told Stevens in August 2008 that the matter is “open to interpretation.”¹

¹ Dirksen’s comment conflicts with an August 2008 written statement to the contrary from Craig Tregillus of the Bureau of Consumer Protection of the Federal Trade Commission to Funeral Ethics Organization executive director Lisa Carlson, which clearly stated that independent crematories doing business with the public fall under the Funeral Rule’s scrutiny because they offer both funeral goods and services as defined by the Federal Trade Commission. Dirksen subsequently has told FCA that the NCBFS has directed him to seek a ruling on this issue from the FTC. FCA of the Piedmont will be tracking this policy issue.

FCA of the Piedmont penalized firms only for explicit violations of requirements in the Funeral Rule. However, there were several gray areas where the chapter recommends changes that would make GPLs more consumer-friendly, even though no penalties were assessed for the undesirable practices noted:

- The Funeral Rule statement on embalming begins with the sentence, “Except in certain special cases, embalming is not required by law.” The phrase “except in certain special cases” is optional unless state or local law requires embalming in some cases. In North Carolina, embalming is never required by law, yet all but two GPLs in this study included the optional phrase. It should be dropped to make it clear that embalming, typically required by a funeral home for public viewings and sometimes private viewings, is a business policy rather than a legal mandate.
- Similarly, the description and pricing for the forwarding of remains to another funeral provider should not include embalming. Frozen gel packs have been shown to be effective in the temporary preservation of remains during shipping, at far less cost to the consumer. Only a few states have laws requiring bodies crossing their lines to be embalmed, and only Alabama’s law extends to all circumstances of interstate transport of human remains. Therefore, it is a very rare instance when a funeral home would be required by another state law to embalm a body being shipped to another funeral provider.
- The cremation fee should be explicitly included in the price and description of direct cremation, rather than buried elsewhere on the GPL, as was found in several instances.
- All required disclosures and itemized prices should appear before a firm’s promotional packages; otherwise, the effect is to discourage the customer from choosing only the goods and services he or she wants.
- If promotional packages are offered, they should be printed as an incorporated part of the GPL without separate page numbering. Numbering promotional packages separately enables the illegal practice of providing only the promotional package literature without the required literature.
- Required elements should be presented in type fonts of the same size and readability as other elements in the GPL. FCA of the Piedmont found several instances where required elements were presented in smaller fonts, in italics, or in centered alignment, all more difficult to read.

Considering Pricing and Compliance Together:

One interesting observation is that high scores for compliance tended to correlate with high prices, meaning that the funeral consumer might have to decide between a consumer-friendly presentation of services and a good price. This correlation of high prices with high compliance scores is particularly evident in Piedmont Triad funeral homes owned by the big three national chains: Service Corporation International (Hanes Lineberry, Frank Vogler & Sons and Sechrest), Stewart Enterprises (Davis at Floral Garden) and Keystone Holdings Group (Lambeth-Troxler).

However, there were several “best buy funeral homes,” representing firms that had compliance scores above 90 percent coupled with basic services fees that were approximately at or below the median: Archie’s, Community, Forbis & Dick Brooke Chapel, Hayworth-Miller and J.C. Green

& Sons. Of the two stand-alone crematories, Sensible Alternatives (owned by Service Corporation International) was noted for its low basic services fee of \$385 and only one very minor GPL violation.

Use of the Survey:

Pricing and compliance are only two, albeit important, factors in choosing a funeral provider. Each funeral consumer is advised to clarify their particular needs, preferences and budget when it comes to funeral options. A consumer who prefers an economical option such as immediate burial or direct cremation without a public viewing may not need a funeral provider with opulent rooms for funeral ceremonies. Another consumer who seeks a full-service package may indeed place a higher value on the ambience of the funeral home or its parking lot amenities.

One consumer might have a sentimental preference to work with the provider that so aptly handled a previous family member's death or, conversely, wish to avoid altogether a provider whose poor service or high charges made final arrangements unsatisfactory in the past. Still another consumer who opts to care for the body of the loved one at home for up to three days and has sufficiently researched the requirements for arranging the death certificate and keeping the body cool may seek a funeral home or crematory that is willing to work in a family-directed funeral setting, handling only the final disposition perhaps at a marked discount since the family would already have arranged for the death certificate filing and obituary and ordinary sheltering of the remains.

FCA of the Piedmont recommends that its survey findings be considered one tool for limiting the number of possible providers for consideration but that the final selection only be made after the consumer has made at least two and preferably at least three visits to potential providers. The chapter highly supports the notion of planning in advance for one's own funeral care, but not *prepaying* for it. If a consumer wants to protect survivors from the expense of his or her funeral, a better option would be to open a payable-on-death savings account that names a survivor as beneficiary. It would become available to the survivor as soon as the death certificate is arranged, in plenty of time to meet funeral expenses.

Acknowledgments:

FCA of the Piedmont acknowledges gratefully the help of volunteers with every stage of the survey. One team of chapter members assisted with the collection of GPLs from establishments that did not voluntarily mail a GPL in response to the July 5 letter requesting them. Another team of five chapter members reviewed the initial price data sheets against the original GPLs to spot possible errors. Two other chapter volunteers prepared the spreadsheets. Yet another chapter volunteer reviewed the spreadsheets against the price data sheets on which they were based. Finally, Joshua Slocum, executive director of Funeral Consumers Alliance in South Burlington, Vt., reviewed the compliance evaluations and offered overall impressions. Board member Joe Gruendler posted the results to the chapter website at www.fcapedmont.org

Thirteen funeral providers are recognized for voluntarily providing their GPLs in response to the July 5 mailed request, even though the Funeral Rule only requires funeral providers to provide a GPL upon a request made in person. These firms were: Cremation Services, Cumby Family

Funeral Service, Forbis & Dick (one for its Brooke Chapel site and another for its other sites), George Brothers Funeral Service, Hanes Lineberry Funeral Home, Hayworth-Miller Funeral Home, J.C. Green & Sons Funeral Home, Lambeth-Troxler Funeral Home & Cremation Service, Memorial Funeral Service, Pierce-Jefferson Funeral Service, Salem Funeral & Cremation Services, Sechrest Funeral Service and Sensible Alternatives.

Plans for Future Surveys:

FCA of the Piedmont plans to periodically conduct future price and compliance studies, although the aims, scope and timing of these studies are yet to be determined. It does not plan to conduct future surveys at predetermined intervals, since participating firms might delay raising prices on their GPLs until the month following the next anticipated survey period. In addition, the chapter will periodically dispatch volunteers as “ordinary consumers” to area funeral providers to ensure that providers are routinely providing GPLs as required by the Federal Trade Commission upon consumer requests made in person.

Disclaimer:

The prices displayed in this report were taken from general price lists obtained in July 2008 from each of the funeral providers. Although the information was sometimes difficult to ascertain, the FCA of the Piedmont has made a good faith attempt to report the price information as accurately as possible. If a reader finds an error in the survey, the chapter would appreciate learning about it so that it can investigate the matter and make any appropriate corrections. Consumers are advised to check with the provider of their choice to confirm the accuracy of individual prices. All prices are subject to change without notice by the funeral providers.



Funeral Consumers Alliance of the Piedmont supports after-death arrangements that embrace the needs, preferences and rights of funeral consumers and the public at large. We use education, information gathering, advance planning and advocacy to address this aim. We are not-for-profit, nonsectarian and member-driven. We welcome area funeral consumers without regard to their religion, race, age, gender, orientation, ethnicity or income level. The Alliance assumes no legal or financial responsibility for death care arrangements.

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