Where Do We Go From Here?

- Where Are We Now?
Where Do We Go From Here?

- Where Are We Now?
- What’s Next for the Funeral Rule?
- How Can We Keep Up-To-Date?
Where Are We Now?

- Compliance Checks
- Compliance Problems
- Enforcement Actions
- Interpretations
- ‘Deathcare Industry’ Developments

Where Are We Now

- State Law Compliance Questions
Where Are We Now

- State Law Compliance Questions
  - State law price disclosure requirements?

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  - Inspections?
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  - Inspections?
  - Role of Consumer/Competitor Complaints?

- FTC Compliance Checks
  - Role of Consumer/Competitor Complaints
  - Undercover Shops
  - Why We Really Need Your Help
Where Are We Now?

- FTC Undercover Shops Overview:
  - 20
  - 100-150
  - 2950
  - 15%
  - 490
  - 500
  - 2
  - 10
  - 15

Where Are We Now?

- Compliance Problems We’re Seeing
  - Corporate Homes
  - Minority Homes
  - GPL CPL & OBCPL Compliance
  - Non-Compliant Disclosures In General
    - Direct Cremation Disclosures/Options
    - Embalming Disclosures
    - OBCPL Disclosure

- What Problems Are You Seeing?
Where Are We Now?

- State Enforcement of Law Violations:
  - Price Disclosure Violations?
Where Are We Now?

- State Enforcement of Law Violations:
  - Price Disclosure Violations?
  - Deficient Contracts & Documentation?
  - Scandalous violations (misidentified bodies, decomposing remains at home)?
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  - Scandalous violations (misidentified bodies, decomposing remains at home)?

- How Does Your Enforcement Work?
  - Fines?
Where Are We Now?

- State Enforcement of Law Violations:
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  - Deficient Contracts & Documentation?
  - Scandalous violations (misidentified bodies, decomposing remains at home)?

- How Does Your Enforcement Work?
  - Fines?
  - Enforcement Lawsuits in State Court?

Where Are We Now?

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  - Scandalous violations (misidentified bodies, decomposing remains at home)?

- How Does Your Enforcement Work?
  - Fines?
  - Enforcement Lawsuits in State Court?
  - Other?
Where Are We Now?

- FTC Enforcement
  - Our Goal
  - Major Violations
    - Compliance Training Option (“FROP”)
    - Enforcement Lawsuits
  - Minor Violations
  - Other enforcement

Where Are We Now?

- Recent Staff Rule Interpretations
Where Are We Now?

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  - Embalming, Cremation & OBCPL Disclosure Language Clarification
  - Clients Waiting in Casket Room
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  - Clients Waiting in Casket Room
  - Fees for Collecting Insurance
  - Identification Viewing Charge
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  - Clients Waiting in Casket Room
  - Fees for Collecting Insurance
  - Identification Viewing Charge
  - Casket Test Marketing

- Extra Fee for Big Bodies or Funerals
Where Are We Now?

- Funeral Service Industry Developments
  - Federal “Deathcare” Legislation

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  - State Special Interest Laws
  - Louisiana Casket Case
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    - N.J., Pennsylvania Restrictions

- Price Information on the Web
  - Everest
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  - Price Information on the Web
    - Everest, parting.com
  - FCA/CFA Internet Price Survey
Funeral homes charge a wide range of prices, but most fail to disclose these prices adequately (or even at all) according to a new national survey.

Funeral Consumers Alliance and Consumer Federation of America Call on the FTC to Update Antiquated Disclosure Rules

WASHINGTON, DC – Today, the Funeral Consumers Alliance (FCA) and Consumer Federation of America (CFA) released a report based on a national survey of the prices and price disclosures of a representative sample of 150 funeral homes from ten different regions of the country. The survey revealed significant price differences — for example, from $2,580 to $13,800 for a full-service funeral — and the failure of most funeral homes to disclose their prices adequately. Only 38 of the 150 homes (25%) fully disclosed prices on their websites, while 24 (16%) failed to fully disclose prices both on their website and in response to an email and a phone call.

“Most funeral homes need to give consumers much better access to price information,” said Josh Slocum, FCA’s Executive Director. “The Federal Trade Commission should update antiquated disclosure rules developed in the pre-Internet 1980s, just as California has successfully done,” he added. For example, California requires funeral homes to disclose the same prices the FTC requires funeral homes to disclose by phone or in an in-person visit. Thirteen of 15 surveyed California funeral homes fully disclosed prices on their websites.

“The huge price ranges for identical funeral services within individual areas indicate that these markets lack effective competition,” noted Stephen Brobeck, CFA’s Executive Director. “The lack of price competition is unfortunate given the relatively high cost of funeral services and the reluctance of many bereaved consumers to comparison shop for these services,” he added.

As the table below shows, prices for the same funeral services within individual areas almost always varied by at least 100 percent and often varied by more than 200 percent.

<table>
<thead>
<tr>
<th>Location</th>
<th>Direct Cremation Low</th>
<th>Direct Cremation High</th>
<th>Immediate Burial Low</th>
<th>Immediate Burial High</th>
<th>Full Service Funeral Low</th>
<th>Full Service Funeral High</th>
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<tbody>
<tr>
<td>Atlanta</td>
<td>850</td>
<td>3640</td>
<td>1193</td>
<td>2520</td>
<td>2370</td>
<td>11050</td>
</tr>
<tr>
<td>DC</td>
<td>1295</td>
<td>7595</td>
<td>1416</td>
<td>6000</td>
<td>2770</td>
<td>13360</td>
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<tr>
<td>Philadelphia</td>
<td>3,965</td>
<td>3,143</td>
<td>10,000</td>
<td>3,500</td>
<td>4,135</td>
<td>7,990</td>
</tr>
<tr>
<td>Mercer Co. (NJ)</td>
<td>1,300</td>
<td>4,315</td>
<td>850</td>
<td>4,040</td>
<td>2,710</td>
<td>6,600</td>
</tr>
<tr>
<td>Indianapolis</td>
<td>895</td>
<td>3,395</td>
<td>1,295</td>
<td>4,385</td>
<td>2,700</td>
<td>6,415</td>
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<tr>
<td>Maastricht</td>
<td>750</td>
<td>3,000</td>
<td>650</td>
<td>3,500</td>
<td>2,580</td>
<td>7,855</td>
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<tr>
<td>Denver</td>
<td>1,025</td>
<td>2,840</td>
<td>1,260</td>
<td>2,945</td>
<td>2,600</td>
<td>7,855</td>
</tr>
<tr>
<td>Tucson</td>
<td>669</td>
<td>3,140</td>
<td>640</td>
<td>3,140</td>
<td>2,630</td>
<td>3,140</td>
</tr>
<tr>
<td>Orange Co. (CA)</td>
<td>925</td>
<td>3,460</td>
<td>985</td>
<td>4,985</td>
<td>3,954</td>
<td>10,000</td>
</tr>
<tr>
<td>Seattle</td>
<td>495</td>
<td>3,900</td>
<td>690</td>
<td>3,890</td>
<td>2,905</td>
<td>5,515</td>
</tr>
</tbody>
</table>

What’s Next for the Funeral Rule?

- Upcoming Regulatory Review of Rule
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- Notice and Request for Public Comment

- 60-day Comment Period
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  - Other Unfair/Deceptive Practices?
  - Websites Disguising Actual Name Lower Web Prices Than at Facility
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    - What Would You Add?

What’s Next for the Funeral Rule?

- FTC will want input from all stakeholders
  - Funeral Providers & Trade Associations
  - Consumer Groups
  - State Funeral Boards!

- So Please Mark Your Calendars to Look for the FTC’s Federal Register Notice in 2018

- How Can You Find Out When It’s Published?
How Can We Keep Up-To-Date?

- Industry newsletters, magazines, web publications
  - Your Favorites?

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- Industry newsletters, magazines, web publications
  - Your Favorites?
  - Funeral Service Insider
How Can We Keep Up-To-Date?

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  - Let me show you where to look . . .
The FTC enforces federal consumer protection laws that prevent fraud, deception, and unfair business practices. The Commission also enforces federal antitrust laws that prohibit anticompetitive mergers and other business practices that could lead to higher prices, fewer choices, or less innovation.

Whether combating telemarketing fraud, Internet scams or price-fixing schemes, the FTC’s mission is to protect consumers and promote competition.

The FTC administers a wide variety of laws and regulations, including the Federal Trade Commission Act, Telemarketing Sales Rule, Identity Theft Act, Fair Credit Reporting Act, and Clayton Act. In total, the Commission has enforcement or administrative responsibilities under more than 70 laws.
Funeral Industry Practices Rule

TAGS: Consumer Protection | Funerals

16 CFR 453

RULE SUMMARY:
The Funeral Rule requires providers of funeral goods and services to give consumers itemized lists of funeral goods and services that not only state price and descriptions, but also contain specific disclosures. The “General Price List” (GPL) must list all prices for funeral goods and services offered by the funeral provider, although separate price lists may be developed for cashlists and outer burial containers. The GPL must contain four disclosures:

1. the consumer has the right to select only the goods and services desired;
2. embalming is not always required by local law;
3. alternative containers are available for direct cremations; and
4. the only fee which a consumer can be required to pay is a non-declinable basic services fee.

The rule enables consumers to select and purchase only the goods and services they want, except for those which may be required by law and a basic services fee. Also, funeral providers must seek authorization before performing some services, such as embalming.

For more information, see Complying with the Funeral Rule.

Text of Rule | Part 453 - Funeral Industry Practices (46.76 KB)

FEDERAL REGISTER NOTICES:

- Agency information Collection Activities: Submission for OMB Review; Comment Request; Extension (Funeral Rule) (June 9, 2014)
- Agency information Collection Activities: Proposed Collection; Comment Request; Extension (Funeral Rule); Notice (March 18, 2014)
- Agency information Collection Activities: Submission for OMB Review; Comment Request; Extension (Funeral Rule); Notice (August 4, 2011)
How Can We Keep Up-To-Date?

I Invite You To Contact Me:

By email: ctregillus@ftc.gov
By phone: (202) 326-2970

Where To Find More Funeral Rule Information:

FTC Websites: www.ftc.gov
www.consumer.ftc.gov
www.business.ftc.gov