

CEMETERY AND FUNERAL BUREAU

Pre-need Q & A

Talking about death is never a popular subject, but planning your own funeral arrangements or those of a loved one is a sensible way to make informed choices and decisions before the need arises. Waiting until a death occurs to attend to all the details of a funeral leaves many families unprepared, overwhelmed, and wondering if they are doing the right thing.

Inside, you will find the Department of Consumer Affairs' Cemetery and Funeral Bureau's most often asked questions and answers regarding funeral prearrangement and advance planning. This pamphlet is intended to provide basic information only. Please refer to the Bureau's *Consumer Guide to Funeral & Cemetery Purchases* for more detailed information.

Q. Should I plan my own funeral or that of a loved one in advance?

A. As with many events in our lives, a death involves making decisions in a very short period of time. Planning in advance can spare you or your family the difficulty of making these decisions while grieving. Planning in advance also gives you the opportunity to compare facilities, prices, and options and to discuss your choices with your family. The Bureau's *Peace of Mind* brochure, available on the Bureau's Web site, can help start the discussion.

Q. What options are available to me?

A. There are many different options available to you. A traditional funeral service, memorial service, burial, entombment, cremation, scattering at sea, or inurnment are just a few of the options available. You may also wish to consider organ or tissue donation or a donation to medical science. Exploring these options before the need arises lets you decide what is best for you and your family.

It is also a good idea to obtain a copy of the Bureau's *Consumer Guide to Funeral & Cemetery Purchases*. You can obtain a free copy of the guide on the Bureau's Web site, or from one of the Bureau's licensed cemeteries or funeral establishments.

Q. If I decide to make pre-need funeral and/or pre-need cemetery arrangements, how do I select a reputable service provider?

A. All funeral establishments and private and fraternal cemeteries located in California are licensed and regulated by the Department of Consumer Affairs' Cemetery and Funeral Bureau. You can check the status of a license by calling the Bureau office at (916) 574-7870 / TTY (916) 322-1700, or on our Web site: www.cfb.ca.gov. Additionally, you may wish to ask friends and relatives for referrals, check with the Better Business Bureau, or check the telephone book yellow pages, or the Internet listings. In some areas, there are funeral consumer alliances that offer help and guidance.

Q. Once I've decided which funeral arrangements are right for me and my family, what should I do next?

A. **Create a written pre-need plan of your wishes.** Most funeral establishments and cemeteries offer prearrangement guides you can complete and keep with your other important records to share with your family. You may also wish to place this information in a will.

Q. I've decided which funeral arrangements are right for me, and I have completed documents stating what I want. Can my instructions be changed?

A. If your instructions are clear as to what arrangements you want and you have made provisions to pay for them to be carried out, only **you** can change them before they are needed. The exceptions to this would be if you leave written instructions stating the arrangements can be altered after your death **or if the arrangements are incomplete or not fully funded**; otherwise, California law states they must be followed.

Q. Should I consider paying for my pre-need choices before they are needed?

A. Making provisions to pay for the costs of pre-need funeral choices accomplishes several things. Prepaying removes the burden of the costs of your final expenses from your survivors, ensures your wishes can and will be carried out, and keeps you in control of the costs involved.

Q. Are there different ways to pay pre-need expenses?

A. Yes. There are several commonly used methods: life insurance, funeral insurance, funeral trusts, bank-held trusts, and others. Each **method** has its own advantages and disadvantages. You should consider consulting an attorney **and Medicare/Medicaid, if applicable**, before making a final decision.

Life insurance specifically purchased for funeral arrangements will pay a fixed amount based on the face value of the policy. Generally, the face amount is the same as the amount of the services, merchandise, and cemetery costs selected or required. Unless the pre-need contract is guaranteed, the actual costs may be greater than the policy proceeds at the time of need and additional funds may be needed from the survivors.

Funeral insurance can be purchased in an amount to pay the costs of the services, merchandise, and cemetery costs selected or required. If the prices are guaranteed, the survivors will not be charged more than the contracted amount.

Before you purchase funeral insurance, you should know in writing exactly how much you will pay over the length of the contract and what will happen if you do not pay the premiums.

Funeral trusts can be purchased in an amount to pay the costs of the services, merchandise, and cemetery costs selected or required. If the prices are guaranteed, the survivors will not be charged more than the contracted amount.

Before you buy a funeral trust, you should know: If the prices are guaranteed; the terms of cancellation; if the funds increase in value who will receive any remaining funds after the contract is fulfilled; what happens if the death occurs before the trust is paid in full.

Savings accounts or bank-held trusts are accounts established by you with a **financial institution** to pay funeral expenses. These are generally not guaranteed cost contracts by the service and merchandise provider. You would need to notify the provider and your family of their existence. You have complete control of your funds.

In addition, before you enter into a pre-need contract of any kind, please consider the following questions:

1. Are there any costs that are not included in the pre-need contract that would be required at the time of need, and who would pay them?
2. Are the prices quoted on the contract guaranteed or not guaranteed?
3. Can the arrangements be transferred to another funeral establishment and/or cemetery if you move or simply change your mind?
4. What happens if the establishment closes or is sold?
5. Exactly who holds your funds and how can you contact them directly? If there is income earned on your account, who is responsible for the taxes on the account? Can you cancel the contract and, if so, what penalties would there be?

Arranging a funeral is a once or twice in a lifetime event, so we usually have little experience or knowledge of what to expect or what we are supposed to do. Before you are placed in the position of needing to do so, obtain a copy of our *Consumer Guide to Funeral and Cemetery Purchases* and review it. Also, check the history of the firms you are considering with the Bureau. **If you do not have access to a computer, please call us.** We are here to help you make an informed choice.

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