

FUNERAL CONSUMERS ALLIANCE

A nonprofit protecting your right to choose a meaningful, dignified, and affordable funeral

www.funerals.org

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Why Consumers Should Be Able to Get Price Lists on Funeral Home Websites

Funeral Consumers Alliance (FCA)¹ and Consumer Federation of America (CFA)² are urging the Federal Trade Commission (FTC) to amend its Funeral Rule to require funeral homes to post their price lists on their websites. The Rule was implemented in 1984 to give American families the right to receive accurate price information from funeral homes, following nearly a decade of research by the FTC and consumer organizations which showed that the industry had a long record of concealing and misstating prices, as well as bundling goods and services together to increase the cost of final arrangements. The Rule helps consumers make informed buying decisions for funeral services.

Now the most popular source for consumers to find and compare services and prices on purchases large and small is the internet. But the funeral business has lagged behind; the large majority of funeral homes in the U.S. do not put any pricing information on their websites. While the Rule requires funeral homes to hand consumers printed price lists when they physically visit them, it does not require online price disclosures, making it impossible for consumers to gather information or compare costs without physically visiting numerous funeral homes. Grieving families do not have the time to do this, and it is also very inconvenient for consumers who want to pre-plan funeral arrangements.

FCA and CFA have conducted several sampling surveys of U.S. funeral homes and their websites. Among the results:

- Of 150 funeral homes surveyed in 10 cities, only 25% disclosed their prices completely on their websites. The remaining 75 percent disclosed no prices at all on their business websites.
- The price range for the same services, among different funeral homes, reflects a lack of competition. For example, the cost of a direct cremation in the District of Columbia ranged from \$1,295 to \$7,595. Such an extraordinary range can only occur in a market where price information is kept from the public to prevent effective consumer pressure and competition.
- The largest funeral home chain in the country, Service Corporation International, has the highest prices found in our surveys. The company does not disclose prices on the websites of any of its nearly 1,500 funeral homes.

In 2016 FCA and CFA petitioned the FTC to modernize the Rule by extending the price disclosure requirement to funeral home websites. Just as they must hand consumers a paper price list in person, they should be required to post it on their websites. This modest change would impose no costs; all funeral homes already have price lists as required by law, and those with websites would only need to click a few buttons to upload this document. This would not require funeral homes to create websites if they do not already have them. So far, the FTC has not responded to our petition.

Posting the price list on funeral home websites would benefit consumers by:

- Making it much easier to find and compare the prices of funeral services.
- Lowering the costs of funeral services due to increased competition resulting from price transparency.
- Encourage pre-planning for funeral arrangements, easing the burden on families when death occurs.

For more information go to consumerfed.org/funerals.

¹ Funeral Consumers Alliance is a 501(c)(3) organization founded in 1963. FCA educates consumers on planning funerals that are meaningful and affordable. FCA participated in the research and drafting of the original Funeral Rule, and has tracked compliance in the funeral industry for more than two decades.

² Consumer Federation of America is an association of more than 250 non-profit consumer groups that, since 1968, has sought to advance the consumer interest through research, education, and advocacy.