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DCSD

## Debt Counsel for Seniors & the Disabled

### SCAMMING THE ELDERLY: A LOOK INTO FUNERAL FRAUD

The funeral industry is federally regulated by the Federal Trade Commission (FTC). The federal funeral industry regulations, commonly known as “The Funeral Rules,” regulate certain pricing and sales practices by providers of funeral home to inquire about the goods and services offered.

For example, the staff must disclose what prices are available over the telephone and then provide them as requested. When consumers inquire in person, the funeral home must provide a general price list describing the cost of each good and service available.

The consumer must be informed that embalming is required by law only in certain circumstances and that direct cremation or immediate burial are options that do not require embalming. The funeral home staff may not imply that embalming or sealing the casket will indefinitely preserve the remains.

If the funeral home adds a service fee to the price of cash advance items or receives a refund, discount or rebate from the supplier, that information must be disclosed to the consumer. The consumer has a right to purchase only goods and services desired. A written statement of the goods and services selected that includes an explanation of any items required by law must be provided.

*The sealed casket scam:* 16 CFR § 453.3(3) states, “In selling or offering to sell funeral goods or funeral services to the public, it is a deceptive act or practice for a funeral provider to represent that funeral goods or funeral services will delay the natural decomposition of human remains for a long-term or indefinite time.”

*The mandatory embalming scam.* Embalming is required by some states in certain instances. It is a practical necessity when the remains are to be held longer than 48 hours or an open-casket ceremony is planned. Yet many times funeral homes inform consumers they must have the body embalmed because the law requires it. This clearly goes against the FTC regulation regarding embalming, which states: (1) the customer has a right to choose a funeral without embalming, and (2) the provider may not embalm for a fee unless it is required by law or expressly approved by the customer.

*The pay-in-advance scam.* Because the FTC’s “Funeral Rule” does not specifically address prepaid funeral arrangements, it is up to the states to regulate this area as they see fit. Although nearly all states regulate prepaid funeral contracts either by statute or administrative regulation, the amount of protection afforded to the consumer varies greatly from state to state.

Many things can go wrong with prepaid funeral arrangements. The funeral home, because of formal or informal ties with particular financial institutions, may push consumers into setting the funds aside at those institutions. The funeral home may also choose to provide only some of the selected goods and services to compensate for the effects of inflation on prices. At worst, the funeral home may embezzle the customer’s funds, leaving the family to pay a second time for funeral arrangements.

*Tips for protecting yourself and your loved ones from this type of scam:*

- Before setting foot in a funeral home, do some preliminary research online to gauge price points of basic goods and services.

- When actually at the funeral home, remember that all funeral homes are required by federal law to provide a price list on any customer inquiry regarding funeral arrangements.
- Bring someone with you who is not emotionally invested to separate the financial from the emotional.
- Do not spend extra money on a “sealed” or “protective” casket. Such caskets do not protect the body any better than a normal casket.
- When deciding which products and services to purchase, think about what is truly needed and purchase each individually. Generally, package deals are padded with many services that would not have been purchased individually.
- Try to avoid paying in advance. The consumer should elect a pay-in-advance plan only if he or she is completely satisfied with the protections afforded.

**Food Stamps Make Your Money Go Further** Food stamps aren’t stamps anymore. Now they look like a credit card. People use their food stamps cards at participating stores to buy food (or plants and seeds to grow food.) The cost of your groceries is subtracted from the card’s account every time it’s used. The government puts the amount of your benefit in the card’s account every month.

**Are you eligible?** There are three main areas of eligibility guidelines – citizenship status, resource limits and income limits. To get food stamps, you must meet the guidelines in all three:

- Citizenship: You must be a citizen – or a non-citizen who meets one of the many exceptions.
- Resource limits: Resources include cash, money in the bank, and some things you own. But, not all resources are counted. For example, the program doesn’t count your home. The program also does not count \$4,650 of the value of one car. The resource limit depends on age or if you are disabled.  
Age 60 or older or disabled: Limit of \$3,000.  
Under 60: Limit of \$2,000
- Income limits: Income is the amount of money you receive each month from a pension, Social Security, and/or work. Until September 30, 2003: a single person is limited to \$739 of counted income while a couple is limited to \$995 of counted income. But not all income is counted. There are many deductions.

**How much will you get?** The amount you get in food stamps depends on your income, resources, and expenses. It also depends on how many people live in your house.

**How do you apply?** Apply for food stamps at your local Department of Social or Human Services. The phone number is in the blue pages of your phone book. Or you can call 1-800-221-5689 for the telephone number of your state Food Stamp agency. Since your food stamps start the date you apply you should turn in your application right away, even if the application is not complete. You have a chance to finish the application later. Once it’s approved, you get benefits back to the date you applied.

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achieve peace of mind and restore dignity in his or her life.  
Help US by distributing DCSD cards around your community  
and make others aware of the service that has  
been helping you restore dignity to YOUR life!

We’d love to talk to anyone whom you think would benefit from our service.

Please give your friends and loved ones DCSD cards.  
Please call (800) 992-3275 ext. 1004 for DCSD cards.

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as stated in your  
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