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FTC Pricing Disclosure Review Shows Spotty Compliance

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Federal Trade Commission Funeral Rule

A [nationwide review](#) of funeral homes’ compliance with the Federal Trade Commission Funeral Rule’s mandate to disclose pricing information indicated that while most firms did respond to telephone requests for prices, many either did not provide complete details or did not respond quickly enough.

FTC staffers, posing as consumers, called 278 funeral homes throughout the country and asked for pricing information about direct cremation, cremation and a memorial service and cremation with a viewing.

While more than 92 percent of funeral homes gave the FTC staff pricing information during business hours and 73 percent gave information after business hours, it often took several calls to get prices. And in some cases, the responding funeral director or funeral home staff member gave vague or incomplete information to the caller. About half of the funeral homes called gave price estimates and ranges rather than specific prices.

The FTC report states that “certain funeral providers gave price information that failed to provide the specificity, completeness or accuracy of information generally required in a General Price List. Instead, for example, these funeral providers gave ranges of pricing, estimated or approximate pricing, package pricing, inconsistent pricing or price quotes that omitted mandatory costs and/or common optional costs.”

The failure to provide complete and accurate information can be daunting for consumers who need to make quick decisions concerning a family member who has died.

“Consumers facing the unexpected loss of a loved one may need to obtain complete and accurate price information quickly and at any hour of the day or night,” the FTC’s report on the review states. “The results of staff’s review suggest that these consumers may be unable to obtain price information via a phone call as quickly as they may need it or when they need price information outside of the funeral provider’s business hours. For consumers grieving and facing time constraints, phone calls can be a less reliable, and less accurate option to obtain price information compared to reviewing a copy of a price list.”



The Funeral Rule, first enacted in 1982, mandates that funeral homes provide accurate information included on their General Price List to anyone who asks for it. This mandate includes those seeking information by telephone because “the gathering of price information by telephone may often constitute the only practical way in which price information may be obtained before a funeral provider is selected,” the FTC has said.

In the review, however, FTC staffers were repeatedly told they could get more complete information by coming into the funeral home for face-to-face discussions, and in some cases staff members’ questions were met with vacillation. One funeral director flatly refused to discuss prices over the phone, saying “it all depends.”

Funeral homes chosen for the review were located metropolitan and micropolitan areas that ranged in population from 19 million to 12,413. Both the New York and Philadelphia metropolitan regions, which include large swaths of New Jersey, were included in the review, and the responses of 18 funeral homes in those regions were included in the report.

The FTC is currently considering changes to the Funeral Rule, including mandating that pricing be included on funeral homes’ websites. And, in fact, 43 of the 278 funeral homes called directed callers to their websites to find pricing information.

“We have a website [mentions website url]. And all the things that I went over with you are on the website as well.... Yeah so, it’s like obviously, that is a lot of information at once so if you need any clarification you can go over there and click on our [location] and it will list all of the packages, along with our General Price List,” one funeral home staffer told a caller.

Still, there were disparities in how funeral homes responded about how costs were listed and explained. While some funeral directors said the pricing on the GPL was “pretty self-explanatory,” others warned that the document could be confusing.

The report on the FTC review does not draw conclusions about the state of pricing disclosure within the industry, but it does point to the need for funeral directors to be vigilant about complying with the disclosure mandate. Providing complete information as quickly as possible is a must, and the FTC does not seem to consider after-hours calls an excuse for not meeting the disclosure mandate.

The New Jersey State Funeral Directors Association urges member firms to keep their General Price Lists close at hand, even after hours, and provide complete and accurate information whenever and however it is sought, including by telephone and email.

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