



ADVISORY MEMO

To: Indiana Funeral Directors Association Members

From: Andy Clayton, Executive Director IFDA

Date: February 2, 2024

FTC Telephone Disclosures

The FTC has been conducting telephone surveys in recent days to make sure that funeral homes are being consistent and compliant in meeting prices inquires over the phone. The following information is from an FTC press release January 25, 2024;

WASHINGTON, D.C. - The Federal Trade Commission is sending warning letters to 39 funeral homes across the country after investigators conducted the agency's first undercover phone sweep and discovered several violations of the Funeral Rule, including funeral homes that failed to provide accurate pricing information or failed to give out price information entirely.

The Funeral Rule gives consumers important rights when making funeral arrangements, including requiring that funeral homes must "tell persons who ask by telephone about the funeral provider's offerings or prices any accurate information from [their] price lists.... and any other readily available information that reasonably answers the question[s]."

Throughout 2023, investigators and other staff from the FTC's East Central Region, Northwest Region, Southeast Region, Southwest Region, Midwest Region, Western Region – Los Angeles, Western Region – San Francisco offices and the Bureau of Consumer Protection's Division of Marketing Practices placed undercover calls to more than 250 funeral homes from across the country to try to obtain price information. Staff determined that 39 funeral homes violated the Funeral Rule on these calls.

- On 38 of the calls, funeral homes either refused to answer questions about pricing at all or provided inconsistent pricing for identical services.

- On one of those calls, the funeral home also misrepresented that the local health code required remains to be embalmed if more than a certain number of people wanted to view the remains when it was not actually required by the local health code. Embalming is a process of preserving a body after death. Most states do not require a body to be embalmed, and the few states that require embalming only do so in limited circumstances, such as if refrigeration is not available.
- On another call, the funeral home promised to send a General Price List, which is required to include important disclosures and itemized services, but instead provided a list of package prices that did not meet the Funeral Rule requirements for a General Price List.

The agency sent letters to the following funeral homes: [A Psalm of Life](#), [A. J. Desmond & Sons Funeral Directors](#), [Airport Mortuary & Shipping Services](#), [Benito & Azzaro Gardens Chapel](#), [Boxwell Brothers Funeral Directors](#), [Burch-Messier Walnut Street Chapel](#), [Burns Funeral Home Inc.](#), [Byles-MacDougall Funeral Home](#), [Dae Han Mortuary](#), [Davis Funeral Home](#), [Edward Hugh McBride Funeral Home](#), [Ferdinand Funeral Homes & Crematory](#), [SCI Texas Funeral Services, L.L.C. d/b/a Forest Park Westheimer Funeral Home & Cemetery](#), [Gresser Funeral Home](#), [Heritage Funeral Service and Crematory](#), [Joe Jackson Heights Funeral Chapel](#), [Kearns Memorial LLC](#), [King of Prussia Crematory d/b/a Bacchi Funeral Home & Crematory](#), [Laurel Hill Funeral Home](#), [Lester C. Litesey Funeral Home](#), [Lynch Funeral Home Inc.](#), [McCormick and Son Mortuary](#), [McWhite's Funeral Home](#), [Messinger Indian School Mortuary](#), [Monti Rago Funeral Home, Inc.](#), [Morris Funerals & Cremation Services, L.L.C.](#), [Mountain View Funeral Home and Crematory](#), [Nieto Funerals & Cremations](#), [O.H. Pye, III Funeral Home](#), [Plummer Funeral Home](#), [Ruby Memorial](#), [Shadow Mountain Mortuary](#), [Staples Funeral Home & Cremation Care](#), [Stephens Funeral Home](#), [Todd Memorial Chapel](#), [Walton's Funerals & Cremation - Chapel of the Valley](#), [West-Hurtt Funeral Home](#), [Wimberg Funeral Home](#), and [Woyasz & Son Funeral Service](#).

The letters reiterate that the Funeral Rule requires funeral providers to disclose prices and other information to people arranging funerals, including itemized price information over the telephone, and asks the funeral homes to take prompt remedial action to make sure they are no longer violating the Funeral Rule. Failure to comply with the rule result in penalties of up to \$51,744 per violation.

To promote compliance with the Funeral Rule, the FTC offers a comprehensive business guide: [Complying with the Funeral Rule](#). The FTC also provides consumer

guides, in English and Spanish, to help inform consumers about their rights under the Funeral Rule, including [Shopping for Funeral Services by Phone or Online](#), and [Shopping for Funeral Services](#).

The following is the excerpt taken from the FTC *Following the Funeral Rule Compliance Guide* regarding telephone disclosures.

Telephone Price Disclosures

- *You must give consumers who telephone your place of business and ask about your prices or offerings accurate information from your General Price List, Casket Price List, and Outer Burial Container Price List.*
- *You also must answer any other questions about your offerings and prices with any readily available information that reasonably answers the question.*

Note: *You cannot require callers to give their names, addresses, or phone numbers before you give them the requested information. You can ask callers to identify themselves, but you still must answer their questions even if they refuse to do so. You cannot require consumers to come to the funeral home in person to get price information.*

- *You can use an answering machine or answering service to record incoming calls. However, you must respond to questions from callers on an individual basis.*

Example: *Your answering machine can have a message telling consumers to call a specified number during business hours for information about prices and offerings.*

You need to provide the requested information when consumers call during those hours, or, you can have an answering machine or answering service take consumers' names and phone numbers so that you can return the calls at your earliest convenience.

- *You may have an employee answering your phones who can respond to easier questions regarding your offerings and prices by referring to the printed price lists, but who refers more difficult questions to you. If you are unavailable when*

the call comes in, the employee can take a message so that you can return the call later.

- *You do not have to give price and other information after business hours if it is not your normal practice to do so. You can tell consumers who call during non-business hours that you will provide the information during regular business hours.*

However, if a consumer calls after hours to inquire about an at-need situation, and it is your practice to make funeral arrangements during non-business hours, you should provide price or other information the consumer requests.

- *If you are in the middle of one arrangements conference when another family calls about your offerings, you can take a message and return the call at a later time.*

Telephone inquiries can be wonderful opportunities to build relationships, learn, and educate the public. Remember, you **MUST** share pricing over the phone within a reasonable time when engaged to do. Make the most of these opportunities, but make it a good practice to follow to include all representatives of your funeral home in telephone training

After you answer the pricing questions as required, you are not required to send you price lists via email, fax, or mail.

Remember, should someone enters your business, and asks for a GPL you must give it to them for retention...even your competitors.

For questions or assistance in compliance training, please call Andy at 317-846-2448 or email him at andy@infda.org