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Want to Plan for Your Death and Funeral? Here's How

By Christine Colby

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Planning for your death and funeral is probably not something at the top of your mind. There will be time for that later, when you're older, right?

But death planning is one of those uncomfortable, yet crucial, topics it's never too early to start thinking about. This is where pre-need funeral arrangements come in: You can plan all the details of your body disposition and funeral so the burden doesn't fall to your loved ones.

"Families can concentrate on the funeral without financial worries, and the person who made their own arrangements has made their last wishes known," said Alexandra Kathryn Mosca, of Hellenic Funeral Home in New York.

Pre-need funeral plans can be complicated, so here is a primer on everything you'll need to know. (Though, keep in mind: States have different laws and regulations, so be sure to check everything out locally.)

What, Exactly, Are Pre-Need Arrangements?

"Pre-need" is a broad term that encompasses any type of pre-death planning, and it may or may not include paying for services in advance.

Generally, pre-need planning enables you to make choices like whether you'll be buried or cremated; whether you'd prefer a formal, religious funeral or a simple, potluck memorial service; what clothing and jewelry you'll be buried in; and what music will be played at your service.

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If you don't have a next of kin, or would not want that person being in charge of your funeral, you can decide whom you do trust and put them legally in charge. You can find the form to appoint a representative for funeral arrangements [here](#).

Do Pre-Need Arrangements Include Pre-Paying?

Sometimes experts are divided on whether you should pre-pay.

“Guaranteed plans” lock in the prices when you buy the plan, no matter how high they might rise in the years between making the arrangements and your death. It’s possible that your plan will predict a rise in cost and price your premiums accordingly.

“Non-guaranteed plans” don’t lock prices, but money put toward them will grow over time through interest, so there may be enough to cover the charges at the time of death. You can read a lengthier explanation [here](#).

In both cases, the policies will be worth more. In all prearrangement plans, even though they’re made through a funeral home, the money is held by a third-party company — in a trust or a life insurance policy.

Not every expert agrees that prepaying is best, although most advocate prepaying if you’re applying for Medicaid, as it will enable you to shelter some of your money from Medicaid-eligibility consideration — what’s called a “spend-down.”

“There are advantages for consumers who want to spend down their assets in order to qualify for Medicaid,” said Tanya Marsh, lawyer and professor of funeral and cemetery law at Wake Forest University. “But for consumers who aren’t in this situation, there are benefits to prearrangement, but not clear advantages for purchasing pre-need plans.”

Joshua Slocum, executive director of the Funeral Consumers Alliance, added: “Only do it when Medicaid says you have to. There is no consumer benefit to locking your money up in an irrevocable account 25 years before you know whether you even need Medicaid.”

If you decide to pre-pay, you should be able to front the money for such options as the coffin, embalming, chapel, dressing/casketing, floral arrangements, stationery, staff for services and the basic service fee. You can also pre-pay for cemetery expenses, such as the grave, headstone, opening and closing, outer burial container, the setting and other fees.

Still, there are many components to a funeral. Take careful note of the services you have paid for — and those you haven’t.

“Families that want burial will take care of one of these categories and then tell their kids, ‘Everything is taken care of,’” said Jeff Jorgenson, funeral director and owner of Elemental Cremation & Burial in Bellevue, Wash. “Whenever a family calls and says these words, it is a red flag that they probably have only purchased a grave and that there is going to be a huge bill coming their way.”

He added: "It's very rare that a family has actually taken care of everything."

What if the Funeral Home Closes?

Remember, any pre-pay arrangements were made with a third party. If the funeral home goes out of business, your money is still there and available.

"The money is still sitting there — the family won't lose their prearrangement funds," Mr. Jorgenson said.

Ms. Marsh warns, however, that even if consumers can transfer their pre-need contracts to a new funeral home, "there may be difficulties in satisfying the contract with a different home — they may not offer the same products."

She also highlights the story of a funeral home whose owner passed away without a designated licensee, leaving consumers in the lurch.

What if I Move or Die Away From Home?

Making arrangements through a particular funeral home doesn't lock you into using them when the time comes.

"Death is permanent, but your prearrangements are not," Mr. Jorgenson said. "This is a financial instrument that can be rewritten — it's your money."

"Pre-need contracts are portable," Ms. Mosca said. "Aspects of the arrangements can be changed. Except for irrevocable trusts, plans can be canceled and the monies refunded."

If, however, you have no intention of moving, Amy Cunningham, a funeral director at Fitting Tribute Funeral Services in New York, said it's O.K. to lock in your final resting place.

"You should get your end-of-life real estate secured," she said. "Buy a burial plot in the cemetery of your choice or a niche in a columbarium. These bits of land will only rise in cost."

If you unexpectedly die away from home and your family ends up paying for you to be quickly cremated out-of-town, for example, your plan might pay as much as a 90 percent refund, but that depends on the state.

Can I Pre-Pay Without Working With a Funeral Home?

The easiest way to set money aside for people who are not facing a Medicaid spend-down is a simple savings account. If you have the discipline to leave that money alone, you can make sure it is available to whomever is most likely to be paying for your funeral.

You could open a joint savings account with your child or other relative whom you expect to be left with that responsibility, or, if a joint account is too complicated, the bank will allow you to appoint someone to be your beneficiary at death.

“The money stays in your control, and if your roof springs a leak, and you decide you need a working roof before you need a casket, you can take that money out with no penalties or revocation fees,” Mr. Slocum said.

Perhaps the most important thing to do if you decide to pre-pay is to tell someone about it, including multiple family members and friends. It’s an unfortunate and common occurrence for a family to pay for an expensive service for their loved one and discover only later that prepaid arrangements had been made.

“There is the possibility that those arranging the decedent’s funeral and disposition won’t know about the existence of the plan and will therefore pay a second time,” Ms. Marsh said. “Refunds may or may not be available if the plan is later discovered, depending on the state.”

Still, not all funeral homes are sold on the idea of prepaid funerals.

Caitlin Doughty and Amber Carvaly run the funeral home Undertaking LA. Unlike traditional funeral homes, they don’t offer embalming and, in an effort to “allow families to reclaim rightful control of the dying process and care of the dead body,” they encourage people to consider home funerals and being involved in the bathing and preparation of their loved one.

They also don’t offer prepaid funeral plans. Ms. Doughty said she used to work for a company that sold pre-need cremation plans, “and it left a horrible taste in my mouth.”

“If people ask for pre-need, we suggest setting up either an investment or a savings account,” she said. “That way, any interest goes to them, not the funeral home or corporation.” They do, however, provide thought-provoking documents to aid in preparing for your own death and planning your own funeral.

Correction: February 20, 2018

An earlier version of this article misspelled the name of a funeral director. He is Jeff Jorgenson, not Jorgensen.

Christine Colby is the managing editor of CrimeFeed, a true-crime blog, and has been a speaker at Death Salon.