

Pre-Paid Funerals Still Provide Peace of Mind



**BRENTWOOD
FUNERAL
SERVICES**

By Brent Taylor

Memphians have seen recent news accounts of Forest Hill Funeral Home's decision to resume honoring their pre-paid funeral plans. The local funeral industry and Mid-South residents have breathed a collective sigh of relief. Unfortunately, as this egregious wrong has been corrected and the good news has spread, it has become obvious that many of the funeral critics commenting on this local funeral saga have never been put in a position of burying a loved one. They have never been left wondering where the money will come from, or any of the other numerous decisions that must be made under the worst of circumstances.

As a funeral director for 20 years, I have seen many families anguish over making funeral arrangements, not knowing what the deceased wanted and wondering if they were making the right decisions. I have also seen thousands of families enjoy the peace of mind that prepaid funerals provide on the worst day of a family's life.

One news account actually said paying for funerals in advance was referred to as a "controversial practice." Millions of people pre-pay their funerals each year and funeral homes honor them every day, saving families thousands of dollars in inflated costs. Additionally, these pre-paid funerals eliminate the possibility of emotional overspending. The fact that people all across the country purchase and redeem pre-paid funerals every day without incident hardly constitutes a "controversial practice."

Funeral critics, such as the Funeral Consumer Alliance of Vermont, have also stated that paying for funerals in advance is almost always a bad idea and consumers may lose benefits if they move away. Although this may be true of pre-paid funerals that are funded by a trust account, it is never the case with pre-paid funerals that are funded with life insurance. Life insurance funded pre-arrangements are always a good idea. It is a safe investment and is transferable to any funeral home the next of kin may wish to use, local or distant. Even if it is not the funeral home that originally sold the pre-arrangement.

The Funeral Consumer Alliance also misleads when it says the customer will lose the interest they would have received if they had kept their money. Instead they tout pay-on-death accounts as a suitable alternative to pre-paid funerals. However, pay-on-death accounts will likely

cause additional funds to be provided at death as they will not freeze the cost of the funeral. Even in the best of economic conditions, the interest earned cannot keep pace with funeral prices. Historically funeral costs have doubled every ten years. Again, insurance funded pre-arrangements protect against this unavoidable fact of economics by guaranteeing a predetermined rate of growth on the policy to offset inflation. Of course, Mr. Joshua Slocum of the Funeral Consumer Alliance will not be there to explain this little known fact to a grieving family. That job will fall to a qualified and licensed funeral professional that Mr. Slocum has made a career of maligning.

Mr. Slocum has also been quoted as saying that selling these policies is "appalling" and the "state (Tennessee) is having to bail people out." Once again Mr. Slocum is omitting important facts to advance his position. The state is not bailing anyone out. Tennessee is only temporarily managing Forest Hill Funeral Home until a suitable buyer can be found. Forest Hill Funeral Home is paying their own way using pre-need trust money as it was intended without any monetary assistance from the government.

Furthermore, Mr. Slocum suggested in one article that families may lose their money if they purchase a pre-paid funeral and the price actually goes down. Once again, this is inaccurate. If someone has a pre-paid funeral funded with life insurance and the price goes down, the difference is refunded to the family.

Mr. Paul Blankenship with the Mid-South Funeral Consumer Alliance, in an effort to discredit the funeral industry, stated that if a funeral home is sold, the new owners might not honor the pre-paid policies. That is exactly what Mr. Clayton Smart attempted to do at Forest Hill, but he failed. The State of Tennessee through its laws and regulatory oversight has clearly prevented Mr. Smart from not honoring pre-paid funeral contracts. The state even went so far as to take control of Forest Hill for not honoring his pre-paid funeral contracts.

Yet another example: the National Burial Policies purchased during the 1940s and '50s. The thousands of people who purchased these insurance policies can still get a funeral today at no extra cost. The contract funeral home has changed over the years, but the policies *(continued)*

are still being honored even today.

Recently my friend State Senator Jim Kyle said, “Psychologically, I think it makes people feel better.” He is absolutely right! There is no better product on the market today that can deliver this peace of mind. Thousands of people in the Memphis area have purchased their peace of mind by pre-paying their funerals. This will ultimately save their families the burden of having to wonder how to pay for a funeral on the absolute worst day of their lives. Instead, they can walk into the funeral home and breathe a sigh of relief because it was taken care of in advance.

As appalling as the Clayton Smart era was at Forest Hill Funeral Home, even he couldn't destroy the peace of mind my chosen profession has built. Funeral directors have always provided comfort to the bereaved. For 60 years, we have also been providing financial comfort to bereaved families by offering pre-arranged funeral services. ■