



**Consumer Federation of America**

# **Hidden Funeral Prices: An Evaluation of California Funeral Home Price Disclosure and Lack of Disclosure**

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## **Introduction**

California law requires funeral homes to disclose their prices online. In the spring of 2019 Funeral Consumers Alliance and Consumer Federation of America surveyed 203 funeral home websites in six large California cities and counties to learn how these funeral homes disclose prices. Our specific goal was to learn how many funeral homes:

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- displayed their complete price and service lists in a prominent way on their website,
- made their complete price list, while not prominent, at least visible to site-visitors,
- hid or obfuscated their complete price list, or
- apparently violated California law through no price disclosure.

Since 1984, the Federal Trade Commission’s “Funeral Rule” has required funeral homes to give consumers a printed, itemized list of prices and services, called a General Price List (GPL), before the funeral arrangements are discussed. The Rule also requires funeral homes to allow customers to pick services and goods item by item. Funeral homes may not offer or advertise only packages, as they had before the Rule’s enactment. In addition, the General Price List must disclose to consumers the specific rights they have under the Funeral Rule, using verbatim language from the FTC to ensure clarity.

California is the first and only state so far to require any form of price or service disclosure on a funeral home’s website. A law enacted in 2013 (SB658) requires funeral homes to do one of two things: 1. Post a complete General Price List on their website or 2. List 16 kinds of services and merchandise available, as defined by the Funeral Rule, along with a note that says, “A General Price List is available on request”.<sup>2</sup> In addition, the law does not define what “available on request” means, and does not require the funeral home to provide that price list electronically or by mail. A key goal of this report is to identify those funeral homes that use this loophole in the law to make it difficult or impossible for consumers to obtain the General Price List without visiting the funeral home.

## Summary of Results

California has 1,086 licensed funeral establishments as of August, 2019, according to the California Cemetery and Funeral Bureau, the state regulatory agency. Our survey studied the websites of nearly 20 percent of these funeral homes (203). Our research found that more than two-fifths of funeral homes (45%) prominently disclosed prices, but that nearly one-third of the homes (28%) made it very difficult or impossible for consumers to learn what prices they charge without actually visiting the home to pick up a price list.

- More than two-fifths of all surveyed funeral homes (44%) prominently displayed their complete price lists online. Site visitors will be able to easily find complete funeral price information.

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2 California Business and Professions Code, division 3, chapter 12, article 5.5, 7865 (3, b)

- One-quarter (25%) linked their price lists on their websites in such a way that the price list was visible, but not prominent. Visitors to these sites will have to look more closely to find complete price information.
- Another quarter (25%) concealed their complete prices. These funeral homes used the loophole in California law to avoid disclosing prices.
- A small number of funeral homes (3%) appeared to be in violation of state law. These businesses neither posted their price lists nor alerted consumers to the availability of a price list on request.

We also found that funeral homes in some counties or cities were more willing to disclose prominently than in other locations, with homes in the city of Los Angeles being far more likely to post conspicuously than those in the other five areas. Listed from highest to lowest rate of prominent disclosure:

|                       |     |
|-----------------------|-----|
| City of Los Angeles   | 73% |
| City of Sacramento    | 52% |
| Orange County         | 47% |
| City of San Francisco | 38% |
| City of San Diego     | 31% |
| Alameda County        | 27% |

## Importance of Funeral Home Price Disclosure

There are sound public policy reasons why the FTC enacted the Funeral Rule. Unlike other retail transactions, buying a funeral is a “distress purchase”—it’s something no one wants to buy, but that everyone has to buy. Consumers cannot “opt out” of death. Because funeral consumers are frequently grief-stricken, they often cannot make decisions that are as rational as they would make with other large purchases. This puts the funeral director in a position of greater influence than the buyer.

And funerals are relatively expensive. The cost of a full-service conventional funeral (including viewing the body, ceremonies, etc.) is \$7,360.<sup>3</sup> This does *not* include cemetery costs, which frequently adds \$2,000 to \$3,000, and sometimes more.

Even a simple, direct cremation typically costs \$1,500 to \$2,500 in most parts of the US.<sup>4</sup> The Federal Reserve’s research shows that most Americans can’t pay for an unexpected \$400

<sup>3</sup> National Funeral Directors Association, 2017 data. Accessed at <http://www.nfda.org/news/statistics>

<sup>4</sup> No trade association compiles and publishes survey data of direct cremation costs, presumably because they do not wish to encourage consumers to think about this lower-cost option. This estimate comes from Funeral Consumers Alliance, which samples prices regularly.

expense.<sup>5</sup> It is easy to see that even a simple cremation would constitute a major hardship cost for the average American household. The ubiquity of television ads for small life insurance policies to help cover this expense attests to the financial burden that funerals can impose on many Americans.

The ability of California families to easily compare funeral, burial, and cremation prices gives them a much greater opportunity to plan for funerals in advance and avoid the need to take out expensive personal loans to cover related expenses.

While the FTC's requirement to hand paper price lists to consumers who visit the funeral home is important and helpful, it is also insufficient and now is outdated because funeral homes can easily post the required price lists on their websites. To facilitate online shopping, in 2013 California enacted SB658. Grieving families do not have the time or wherewithal to physically travel to three, four, or five funeral homes in person. The mainstream funeral industry has historically resisted price transparency; it was this refusal to disclose costs that prompted the FTC to put regulations in place. Now in the digital age, most funeral homes ignore the opportunity to post their price lists online. Our 2015 study, *Funeral Shopping Online*,<sup>6</sup> found that only 25 percent of surveyed funeral homes in 10 American cities fully disclosed prices on their website.

## **The California Law Loophole and Its Exploitation by SCI/Dignity**

One-quarter of California funeral homes surveyed (25%) take advantage of the California law loophole to hide their prices. Three-fifths of these homes (33 are) affiliated with Service Corporation International (SCI) under the brand name "Dignity Memorial". This company includes the largest number of funeral homes in the country – about 11 percent of the total. It also refuses to disclose its prices online anywhere in the country, with rare exceptions for some of its subsidiary cremation brands. In our national research, FCA and CFA have found no SCI/Dignity funeral home that included the General Price List online.

In California, utilizing the loophole, SCI/Dignity funeral homes included a sometimes obscure list of services offered followed by the statement, "A general price list is available on request." But when we requested the price lists from 33 SCI/Dignity homes, only two locations responded. One employee provided price lists for five locations in Orange County. One SCI/Dignity location in Los Angeles provided a price list by email.

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<sup>5</sup> <https://www.federalreserve.gov/publications/files/2017-report-economic-well-being-us-households-201805.pdf>

<sup>6</sup>

Of 20 independently owned funeral homes using the opt-out, seven replied to our email with a price list.

It is clear that despite the law's language, complete price lists are usually available to consumers visiting online but rarely, in our survey sample, from SCI/Dignity funeral homes. There is a clear need for California legislators to close the loophole in the law.

## A Note on California's "Cremation Culture"

This study's goal is to learn how many funeral homes display their *complete General Price List*. We do not give credit for advertising pre-packaged cremations or funerals. The FTC Funeral Rule was enacted because the funeral industry insisted that consumers buy packages, whether they wanted all the items included or not.

Those who visit the funeral home websites we list in this survey will notice that more than half of them feature a prominent price for a direct cremation service. This is fine as far as it goes, but does not satisfy our criteria for prominent, full price and service disclosure.

Cremation rates started rising in California and on the west coast decades before the practice became more popular nationwide. In essence, simple cremation has become the tradition in California. Therefore it is not surprising that funeral homes in California often voluntarily feature their affordable direct cremation prices.

Only those funeral homes that posted a complete General Price List in a prominent manner earned our top rating. Those who did not post a General Price List are not only depriving customers of the price information they need, they are depriving customers of the important disclosures about consumer rights that appear on the General Price List:

- the right to shop a la carte
- the right in most cases to decline embalming, which is rarely a legal requirement
- the right to choose basic, less expensive arrangements such as direct cremation or direct/immediate burial

## Method

We chose several cities and counties throughout California that represent a mix of large, urban areas along with smaller cities and suburbs:

- Alameda County
- City of Los Angeles
- Orange County
- City of San Diego
- City of Sacramento
- City of San Francisco

All funeral homes surveyed were on the official list of active, licensed funeral establishments made available by the California Cemetery and Funeral Bureau, the agency that oversees the funeral and cemetery industries. After excluding any funeral homes that did not have a website, or whose website was under construction, the total number of funeral home websites surveyed was 203. This number represents nearly 20 percent of the state's 1,086 funeral establishments.

Researchers visited the funeral home websites and sorted each site into three categories of disclosure:

**Prominent Disclosure**—We rated a funeral home's GPL disclosure as prominent when the site posted the General Price List in the top-most or left-most menu where most visitors would intuitively look for price and service information; and where the link used the full term "General Price List" or similar, such as "prices" or "price and service information." We also rated a site as a prominent discloser when the GPL was linked in the middle of the home page where a visitor's eye would see it without having to scroll through the screen. These funeral homes ensure their complete prices and services are easy for consumers to find, and represent our view of what a "best practice" should look like.

**Visible Disclosure**—We rated a funeral home's GPL as visible when the site posted the price list anywhere on the home page, including within the bottom-most menu, or at the bottom of the page, or elsewhere on the home page. Consumers may have to scroll through the page and look carefully and closely to find it. While we recognize that these funeral homes have disclosed their complete price list, we recommend that all funeral homes make their price list postings prominent. Merely making them visible, but more difficult to find, is not a consumer-friendly practice.

**Hidden Prices**—We assigned this rating to funeral homes that use the state’s “opt-out” clause. This portion of the law allows a funeral home to avoid posting its General Price List. Instead, the funeral home must list the 16 categories of goods and services offered as defined under the FTC Funeral Rule, and must also include the phrase, “a general price list is available on request.”

Note that funeral homes who use the opt-out are in technical compliance with state law. Though legally permissible, this practice flouts the intention of the law and is anti-consumer.

**Apparent Failure to Comply With Law**—Finally, we have listed separately the small number of funeral homes that appear to be in violation of state law. These funeral homes neither post their GPL nor alert consumers to the availability of a GPL on request.

**Attempts to Obtain Price Lists from Funeral Homes Using the “Opt-out”**—We emailed funeral homes who used the “opt-out” posing as a consumer under a pseudonym. We requested “price and service information” for family funeral planning purposes. When the site provided a direct email address, we used that. Other funeral homes required visitors to use an online form, which we filled out with a return email address.

## Implications for Policymakers and Consumers

This research confirms what consumer advocates predicted: laws and regulations are necessary to compel funeral homes to disclose their prices and services the way that many other retail sectors do voluntarily. California’s landmark 2013 law, though flawed, has convinced most in-state funeral homes to disclose their prices and services online. But its loophole, along with the absence of specific directions for how to post General Price Lists, has allowed a significant minority of funeral homes to continue hiding their costs from public scrutiny.

The California legislature should move quickly to close the “opt-out” loophole in state law. It is clear that legislators intended to help Californians compare prices for one of the most emotionally and financially expensive transactions a family will face. There is no sound public policy reason, in the Internet age, to continue allowing funeral homes—most notably the nation’s largest and high-priced chain—to make it very difficult for individual consumers to collect information about prices.

Revisions to the law should include clear and consistent directions for how prominently price and service links are to be posted. The 26 percent of funeral homes in our survey that earned only our “visible” rating show the need to set minimum standards for font size and page placement.

We advise consumers to pay careful attention to which funeral homes in their area disclose their prices, and which funeral homes hide them. If a funeral home goes out of its way to make these prices difficult or impossible to find, it may signal that the mortuary is more interested in maximizing profit than in meeting the emotional and budgetary needs of a client family.



## Appendix: Funeral Home Disclosures by Area

*Establishments owned or under the control of Service Corporation International/Dignity Memorial are marked.*

### ALAMEDA COUNTY (44 funeral homes)

#### **Prominent** (27%)

A Special Touch Funeral and Cremation Service  
Alameda Funeral and Cremation Services  
Colonial Chapel  
Deer Creek Funeral Service  
Grissoms Chapel and Mortuary  
Mission Funeral Home  
Ocean View Cremations  
Pacific Interment Service  
Santos Robinson Mortuary  
Stewarts Rose Manor Funeral Service  
Sunset Funeral, Casket, and Cremation Company  
Tri-City Cremation and Funeral Service

#### **Visible** (39%)

Albert Brown Mortuary  
Bay Area Cremation Society  
Best Cremation Care  
Callaghan Mortuary  
Chapel of the Chimes-Oakland  
Cooper Chapel  
Grant Miller-John Cox  
Greer Family Mortuary and Cremation Services  
Harris Funeral Home Legacy Center  
Holy Sepulchre Cemetery and Funeral Center  
Nautilus Society  
Payless Cremation  
Piedmont Funeral Services  
Sorenson Chapel  
St. Michael Cemetery and Funeral Center  
Thompson Funeral Home  
Wilson and Kratzer

#### **Hidden** (32%)

Berge-Pappas-Smith Chapel of the Angels

CP Bannon Mortuary  
Fremont Chapel of the Roses  
Fuller Funerals-Oakland  
Fuller Funerals-Richmond  
Graham Hitch Mortuary  
Jess C. Spencer Mortuary  
Lima Family Milipitas-Fremont Mortuary (SCI/Dignity)  
Machado Funeral and Cremation Center  
Neptune Society of Northern California-Oakland (SCI/Dignity)  
Neptune Society of Northern California-Livermore (SCI/Dignity)  
Neptune Society of Northern California-Castro Valley (SCI/Dignity)  
San Leandro Funeral Home (SCI/Dignity)  
Trident Society (SCI/Dignity)

**Non-compliant:** (2%)

Fouches Hudson Funeral Home

**CITY OF LOS ANGELES (37 funeral homes)**

**Prominent** (73%)

Abbott and Hast Mortuary  
Angelus Rosedale  
Armstrong Family Milloy-Mitten  
Boyd Funeral Home  
Calvary Mortuary  
Chevra Kadisha Mortuary  
Continental Funeral Home  
Felipe Bagues Mortuary  
Forest Lawn Memorial Parks and Mortuary  
Fukui Mortuary  
Groman Mortuary  
Guerra and Gutierrez Mortuaries  
Harrison Ross Mortuary  
Hillside Memorial Park Mortuary  
Home of Peace Memorial Park and Mortuary  
House of Winston Funeral Services  
Islamic Center of Southern California  
Kubota Nikkei Mortuary  
Los Angeles Funeral Services  
Los Angeles Mortuary  
Mount Sinai Mortuary  
Natural Grace  
Optima Funeral Home

Sholom Chapels  
Solomon's Mortuary  
Traslados Funerales El Buen Samaritano  
Undertaking LA

**Visible (5%)**

Ashes to Ashes Cremation and Funeral Services  
Cedar Hill Mortuary and Accommodations

**Hidden (16%)**

A Serenity Funeral and Cremation Services  
East Olympic Funeral Home  
Funeraria del Angel-Lincoln Heights (SCI/Dignity)  
Han Kook Mortuary  
Pierce Brothers Westwood Village Memorial Park and Mortuary (SCI/Dignity)  
Rachal's Funeral Home

**Non-compliant (5%)**

Citizens Funeral Services  
South Los Angeles Cremation Services

**ORANGE COUNTY (59 funeral homes)**

**Prominent (48%)**

An Lac Funeral Services  
Binh An Funeral Home  
Brown Colonial Mortuary  
Buena Park Chapel Renaker Klockgether Mortuary  
Chapman Funeral Home  
Community Funeral Service  
Continental Funeral Home  
Ferrara and Lee Colonial Mortuary  
Fond Remembrance Cremation Service  
Forest Lawn Memorial Parks and Mortuary-Cypress  
Funeral and Cremation Service of Orange County  
Eternity Cremation and Burial Services  
ISOC Mortuary  
McAulay Wallace Mortuary  
Natural Grace Funerals  
O'Connor Mortuary-San Juan Capistrano  
O'Connor Mortuary-Irvine

O'Connor Mortuary-Laguna Hills  
Olive Tree Mortuary-Lake Forest  
Olive Tree Mortuary-Stanton  
Portal of Peace Cremation  
Public Direct Cremations  
Saddleback Chapel  
Saddleback Funeral Alternatives  
Shannon Family Mortuary  
Simplicity Cremation  
South Coast Family Funeral Services  
Sunnyside Cremation and Funeral  
Blue Pacific Cremation and Burial Services

**Visible (27%)**

Accord Cremation and Burial Services  
Arlington Cremation Services  
Best Cremation Care  
Cremation Society of Laguna  
Cremation Society of Orange Coast  
Heaven's Gate Funeral Home  
Heritage Memorial Services  
Heritage-Dilday Memorial Services  
Hilgenfeld Mortuary  
Lesneski Mortuary  
McCormick and Son Mortuary-Laguna Beach  
McCormick and Son Mortuary-Laguna Hills  
Melrose Abbey Memorial Park and Mortuary  
Memory Garden Memorial Park and Mortuary  
Neptune Society of Orange County  
Pacific Cremation Society

**Hidden (23% )**

Advantage Funeral and Cremation Services  
Berenice's Cremation and Burial Care  
Dimond and Shannon Mortuary (SCI/Dignity)  
Fairhaven Memorial Park and Mortuary (SCI/Dignity)  
Fairhaven Memorial Services (SCI/Dignity)  
Family Mortuary (SCI/Dignity)  
Funeraria del Angel (SCI/Dignity)  
Harbor Lawn-Mt. Olive Memorial Park and Mortuary (SCI/Dignity)  
Pacific View Memorial Park (SCI/Dignity)  
Peek Funeral Home (SCI/Dignity)  
Scott McAulay Family New Options Funeral Service (*the price list is buried two layers deep in the site requiring two clicks through pages; most consumers would not find it*)

Trident Society (SCI/Dignity)  
Westminster Memorial Park and Mortuary (SCI/Dignity)

**Non-compliant (2%)**

Funeraria Latino Americana Anaheim

**CITY OF SACRAMENTO (21 funeral homes)**

**Prominent (52%)**

ABC Cremation Society  
Affordable Cremation and Funeral Center  
All Faith Cremation  
East Lawn East Sacramento Mortuary  
Evergreen Memorial of Sacramento  
George L. Klumpp Chapel of Flowers  
Lowest Cost Cremation and Burial  
North Sacramento Funeral Home  
Ramsey Wallace Funeral Home and Chapel  
Sacramento Memorial Lawn  
Sharer-Nightingale Funeral Chapel

**Visible (29%)**

All Seasons Burial and Cremation  
Nautilus Society  
St. Mary Cemetery and Funeral Center  
Sunset Lawn Chapel of the Chimes  
Thompson River Chapel  
W.F. Gormley and Sons

**Hidden (19%)**

Harry A. Nauman and Son (SCI/Dignity)  
Lombard Funeral Home (SCI/Dignity)  
Neptune Society of Northern California-Sacramento (SCI/Dignity)  
Nicoletti, Culjis, and Herberger Funeral Home (SCI/Dignity)

**Non-compliant (0%)**

**CITY OF SAN DIEGO (26 funeral homes)**

**Prominent (31%)**

All Faiths Mortuary  
AM Israel Mortuary  
American Cremation Service  
Anderson-Ragsdale Mortuary  
Balboa Cremation Services  
Bayview Crematory and Burial Services  
Care Center Cremation and Burial  
Featheringill Mortuary College Chapel

**Visible (23%)**

Cali Home Funeral Services  
Clairemont Mortuary  
Greenwood Memorial Park and Mortuary  
San Diego Cremation Service  
Trinity Funeral Services  
Accucare Cremations and Funerals

**Hidden (38%)**

Altar Funeral Home  
Beardsley-Mitchell Funeral Home (SCI/Dignity)  
Cypress View Mausoleum, Mortuary, and Crematory (SCI/Dignity)  
El Camino Memorial (SCI/Dignity)  
Goodbody Mortuary (SCI/Dignity)  
Merkley Mitchell Mortuary (SCI/Dignity)  
Miramar Memorial Services (SCI/Dignity)  
Pacific Beach La Jolla Chapel (SCI/Dignity)  
San Diego Funeral Service  
Trident Society (SCI/Dignity)

**Non-compliant (8%)**

California Cremation and Burial  
Funerals Your Way

**CITY OF SAN FRANCISCO (16 funeral homes)**

**Prominent (38%)**

City Cremation  
College Chapel Mortuary  
Duggans Funeral Service  
Pacific Interment Mortuary  
Sinai Memorial Chapel-Chevra Kadisha  
Sullivan's and Duggan's Funeral Services

**Visible (38%)**

Bay Area Cremation Society  
Best Cremation Care  
Driscoll's Valencia Street Serra Mortuary  
The Bryant Mortuary  
Thompson's Bay View Mortuary  
Tulip Cremation

**Hidden (25%)**

Green Street Mortuary (SCI/Dignity)  
Halsted N. Gray-Carew and English Funeral Directors  
McAvoy O'Hara Company  
San Francisco Columbarium and Funeral Home (SCI/Dignity)

**Non-compliant (0%)**