

Are you 60 or over? If yes, free legal assistance is available. If you have a debt collection or other consumer problem, please call:

Consumer Law Project for Elders

1-800-296-1467

Call SLS for help if you are under 60.

Statewide
Legal Services
of Connecticut, Inc.

Statewide Legal Services
1-800-453-3320
860-344-0380

Search our website for help.



www.ctlawhelp.org

ELDER

LEGAL SERVICES

Self-Help Series

Prepaid Funeral Contracts & Burial Plots

January 2017



We offer free legal help in many areas including:

- welfare,
- SNAP (food stamps),
- divorce,
- child support,
- domestic violence,
- bankruptcy,
- special education,
- nursing home care,
- health insurance,
- eviction,
- foreclosure,
- and more.

See the reverse side for more about legal services.

If you're 60 or over, call your local legal aid office:

Eastern CT	800-413-7796	Western CT	800-413-7797
Hartford Area	860-541-5000	Bridgeport Area	800-809-4434
Stamford Area	800-541-8909	New Haven Area	203-946-4811

If you're under 60, call SLS for help:



Statewide Legal Services
1-800-453-3320
860-344-0380

Search our website for help:



www.ctlawhelp.org

If you're under 60, call us for help:



Statewide Legal Services
1-800-453-3320 or 860-344-0380

Search our website for help:



www.ctlawhelp.org

If you are over 60, call the
Consumer Project for Elders at 1-800-296-1467.

Connecticut Legal Services

www.ctlegal.org

Bridgeport

1000 Lafayette Blvd Suite 950 203-336-3851

New Britain

16 Main Street 860-225-8678

New London

125 Eugene O'Neill Dr. Suite 120 860-447-0323

Stamford

20 Summer Street 203-348-9216

Waterbury

85 Central Avenue 203-756-8074

Willimantic

1125 Main Street 860-456-1761

Greater Hartford Legal Aid

www.ghla.org

999 Asylum Avenue
Hartford, CT 06105
860-541-5000

New Haven Legal Assistance Association

www.nhlegal.org

205 Orange Street
New Haven, CT 06510
203-946-4811

Consumer Law Project for Elders (CLPE)

Free legal assistance to seniors 60 and over throughout CT who have money/debt problems.
1-800-296-1467

Prepaid Funeral Contracts

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This booklet was produced by Connecticut Legal Services, Greater Hartford Legal Aid, New Haven Legal Assistance Association, and Statewide Legal Services of Connecticut.

The information in this booklet is based on laws in Connecticut as of 1/2017. We hope that the information is helpful. It is not intended as legal advice. For advice on your situation, call Statewide Legal Services or contact a lawyer.

Funds for this service were provided in part by the Area Agency on Aging with Title III funds under the Older Americans Act.

Checklist for prepaid funerals

Before buying...

- ☑ Ask a lawyer to look at the documents before you sign! Your contract may not mean what you think. It is easier to get the funeral home to change the contract before you sign it. If you already signed a contract, read it carefully. Or ask the Consumer Law Project for Elders (CLPE) to review it for you. **Call: 1-800-296-1467**
- ☑ Compare several funeral homes. Each home must give you a written price list if you ask for it. Make sure all the services and goods you want are listed. If not, ask for a list of prices of those items. (There may be items that you have not thought of yet, such as pick-up and delivery to funeral home, house of worship, cemetery or mausoleum, type of casket, including the maker, model number, type of wood, and more.)
- ☑ If someone other than the funeral home will handle some of the services, make sure those services are not included in your contract price.
- ☑ Are the prices given guaranteed not to change? If not, your relatives or estate may be billed for additional charges. If the price is guaranteed, your contract should say that:
 - ➔ The funeral home will not charge more, for any reason, and, your estate will get any funds in escrow that exceed the guaranteed price.
- ☑ Look at the payment terms. How much do you have to pay and when? If you make payments, how much interest do they charge? What happens if a payment is late or if you die before all payments are made? If you pay the whole amount now, is there a discount?

What is a prepaid funeral contract?

A prepaid funeral contract is a legal agreement that says you will pay for funeral services now that will be needed in the future. You can pay with money, insurance, or an investment that you own.

A funeral contract may include a funeral, burial, cremation, and other services or merchandise.

There are two kinds of prepaid funeral contracts: *revocable* and *irrevocable*.

- ➔ **Revocable** means you may cancel the contract and get most of your money back.
- ➔ **Irrevocable** means you cannot cancel the contract, but you may transfer it to another funeral home if you want to.

How can I tell if a prepaid funeral contract is good?

Prepaid funeral contracts cost a lot of money. Before you buy:

- Find out if the funeral home has a good reputation, is financially stable, and gives you the information you need to make good decisions.
- Ask your family and friends for recommendations. Shop around and interview a few different homes.
- Make sure you feel comfortable with the people at the home you choose.
- Find out exactly what is included in the contract. Think about how you could lower the cost if you do not need all of the services offered. For example, if you want to be cremated, you would not need to pay for embalming.
- Be ready: when you visit a funeral home, they will try to sell you a contract. Take the checklist on page 6. If you can, take a trusted friend or relative.

What happens to the money I give the funeral home?

The money you give the funeral home must be put in an escrow account and invested for your benefit. The funeral home contract must say

- the name and address of the escrow agent;
- how the funds will be invested; and
- what happens if the total amount in escrow (with accrued interest or dividends) at the time of your funeral is more or less than the price of your funeral.

You will get a yearly statement of the money in your account.

What should I do with my signed contract?

If you buy a funeral contract, give a copy of your contract to several people you trust, such as a relative, friend, lawyer or doctor. Keep the signed original with your important documents. If you go into a nursing home or hospital, give the facility a copy of your contract.

If you are applying for Medicaid...

If your assets are above the Medicaid limit, you may need to *spend down* some of your assets. Buying a funeral contract and/or burial plot could help you do this. If you decide to buy a funeral contract, it's best if you buy an irrevocable contract. (Medicaid does not count prepaid irrevocable funeral contracts that cost less than \$8,000 as an asset.) Remember: Irrevocable contracts cannot be canceled or refunded.

Buying a funeral contract lets you make your own funeral arrangements in advance, instead of having the town, state, or your family pay for it. Most irrevocable contracts are usually transferable, if you decide to transfer to a different funeral

home. Do not pay more than the fair market value for anything. If you have very low income, the town or state will only pay up to \$1,200 of the costs of your funeral.

Does a funeral contract include a burial plot?

No. You must pay for the burial plot separately. The burial plot cost usually only includes opening and closing the gravesite during the burial. It does not include a

- cremation urn,
- casket,
- outer burial container, or
- headstone or marker.

How much do burial plots cost?

The cheapest burial plot is about \$500. If you have no assets to pay for the burial plot, your family may pay for it, or they can have you buried in the state cemetery.

Are burial plots transferable?

No. Prepaid burial plot contracts are not transferable. If you decide on a different cemetery, you must pay for a plot again.

Does Medicaid count burial plots as assets?

No. Medicaid does not count burial plots as assets. It doesn't matter if the plot is for you, your spouse or immediate family members.