

A Parting Gift to Your Family: Plan Your Own Funeral

Grieving family members are usually not in the best state of mind to be making financial decisions. This is exactly what they must do when a loved one dies. It's easy to let emotions, and costs, get out of control.

Currently, although this may change, funerals are not something that we can shop for online. Very few funeral homes post their price lists online. While this makes it hard to compare costs, it also means that family members must visit the funeral home and sit down with a funeral director. During these meetings, they are reluctant to discuss costs and are painfully surprised by the result -- and, often, embarrassed to ask to change their selections.

In New York, many people prearrange and even *prefund* their funerals. They recognize that this is smart financial planning and also provides emotional relief to their loved ones. New Yorkers benefit from the strictest and most comprehensive funeral "preneed" laws in the country. Under New York law, once selections have been made, costs are established at current prices and a contract is prepared. Payment is deposited in an interest bearing escrow account insured by the FDIC. The monies remain in the individual's name and, if the account is left intact, the monies deposited, plus the interest earned, will be accepted as full payment for the services specified regardless of the costs at the time of the funeral. Pre-payment protects against rising fees and inflation. Under such a plan, you have the right to use any funeral home that you choose and you may also change your selection at any time and for any reason.

There are many advantages to this. First, it allows individuals the opportunity to make unhurried, informed decisions. Every detail can be specified: the casket and other merchandise, the type and content of the funeral and/or memorial service, the number of days or hours of visitation, the stationery items, the monument, transportation, etc. Loved ones are assured that the arrangements reflect your true wishes. It is comforting to know that money has been set aside for these arrangements. It is also an integral part of Medicaid planning as Medicaid applicants are allowed to set aside money to fully fund arrangements of their choosing before their funds are exhausted.

Planning in advance is one of the best things you can do for your loved ones. This will allow your loved ones to focus on grieving -- and on one another.