

PRE-NEED PLANS -- Do You Need One?

Probably not. The experience is that pre-paying usually costs the consumer more.

"Pre-Need" is a term used by the funeral industry to describe payment for funeral and cemetery services and merchandise prior to death. Such plans usually are in the form of insurance payable on an installment plan. Financing and service charges increase the cost. Both mortuaries and cemeteries sell pre-need plans.

"Pre-Planning" is a term used by the Funeral Consumers Alliance of Humboldt. We do not sell insurance funeral merchandise and services, nor make funeral arrangements. Therefore, there is no cost to the consumer. Our group (and groups like ours) assists members in pre-planning to keep costs as low as possible, while respecting their wishes.

Before you enter into a "pre-need plan," make sure the plan:

- Will allow you a full refund with little or no penalty
- That your money is invested safely
- That the plan is transferable if you move
- That the plan is guaranteed wherein the price you pay now will pay for the designated goods and services you choose today
- That any excess funds will be paid to your estate

Pre-paying is not the same as pre-planning. "Let the buyer beware" before entering into a pre-need plan.