



**PREPLAN**

a service you can trust

**PRE-PAYING YOUR  
FUNERAL EXPENSES:**

*A Planning Guide for  
Medicaid/SSI Applicants*



## Pre-paying your funeral makes good sense . . .

Millions of people in New York State and across the nation are choosing to pay their funeral/burial expenses well in advance. As part of a significant trend, more are doing so each day. Why?

They recognize that taking care of this important need is not only smart financial planning, but provides great emotional relief just knowing that their final expenses are covered. Funeral pre-payment also allows an individual to make his or her own specific funeral pre-arrangements at the same time, detailing such important items as hours for visitation and the type and content of the funeral or memorial service.

Individuals also specify their merchandise selections, which includes everything from the desired casket and monument to flowers and stationery items. Notably, pre-paying funeral expenses and making pre-arrangements also spares surviving relatives and friends from the added stress of having to make such decisions at a time of great sadness and emotional distress.

### MEDICAID/SSI: ADVANTAGES FOR ELIGIBLE INDIVIDUALS

All citizens - regardless of income - are entitled to and deserving of both a proper funeral service and a burial with dignity and respect. In fact, federal and state laws support this guiding principle in a number of important ways.

First, any person applying for Medicaid/SSI can set aside funds for the sole purpose of paying their funeral/burial expenses as part of the spend-down process to Medicaid/SSI eligibility. The funeral/burial funds you set aside will not be counted as part of your financial resources.

Second, New York State law requires that 100% of these funeral/burial funds be placed in an irrevocable trust account making certain that they will be available when they are needed and used for no other purpose than what they are intended. An applicant of Medicaid/SSI may also set aside funds in an irrevocable trust account for specific family members. Please note any overage remaining in an irrevocable account after the selected funeral services and merchandise have been provided must be forwarded to the county where the decedent was residing at the time of death.

Finally, you have the right to use any funeral home you choose. You may also change your selection of funeral homes at any time, for any reason.



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# Pre-paying your funeral expenses

## ▶ WHAT IS PREPLAN?

*PrePlan*® is a funeral trust pre-funding program, backed by the *New York State Funeral Directors Association, Inc.*, that is the nationally-recognized leader in managing prepaid funeral and burial accounts. It currently administers over 90,000 of these consumer trust accounts for the more than 600 funeral homes in New York State that offer its services to consumers. This trust fund program is professionally managed by a first-rate team of funeral directors and knowledgeable staff, with the advice and counsel of some of the best investment advisors in the country.

## ▶ PREPLAN KEEPS YOUR FUNDS SAFE AND SECURE

We take very seriously our obligation and duty to carefully manage each consumer's pre-paid funeral trust account using every tool at our disposal to your advantage. With pre-paid funeral/burial accounts totaling over \$675 million, we at *PrePlan* are able to place your specially-designated funeral funds in the safest, most secure investments. Your funds will earn interest to offset any rising cost associated with the funeral service and merchandise you have selected.

These funds are placed in FDIC-insured certificates of deposit (CDs) which provide you, as a consumer, with the combined financial benefit of safe, no risk investments that give you a maximum rate of interest. In addition, each account is fully insured up to \$250,000. Our rock-solid investment principles first and foremost protect the security of consumers' funeral trust funds. Our investments are diversified, and we will only do business with the highest-rated banking institutions.

You can also have peace of mind in prepaying their funeral/burial expenses knowing that *PrePlan* is designated as an accredited company by the highly acclaimed *Better Business Bureau*.

Once your pre-paid funeral account is opened with a funeral home offering our services, *PrePlan's* professional staff immediately goes to work, sending you a personalized confirmation that your funds have been received and deposited.

You will also receive from *PrePlan* helpful and informative year-end tax statements and annual statements detailing your account's activity for the entire year. All of these services are yours for a minimal fee of seventy-five hundredths of one percent (.0075%), as permitted by New York State law.

## ▶ OPENING YOUR PREPLAN TRUST ACCOUNT

*PrePlan* makes pre-paying your funeral/burial expenses easy! All you need to do is contact the funeral director of your choice and say you want to open an Irrevocable Funeral Trust Account using *PrePlan*.

You will then meet with your funeral director to pre-arrange your funeral and burial. Your funeral director will provide you with an itemized list of your selections, as well as a copy of your new pre-paid trust agreement.

Finally, your funeral director will then promptly send a copy of your agreement, along with your check, to *PrePlan* for immediate deposit in your newly-established account!

**NOTE:** An SSI/Medicaid eligible individual must first notify his or her caseworker that funds will be set aside to pay their funeral/burial expenses using *PrePlan*.

*Your funeral home will be happy to provide you with additional information about opening a PrePlan account.*

## ▶ WHAT IS NYSFDA?

NYSFDA stands for the *New York State Funeral Directors Association, Inc.*, a trade association of almost 950 funeral firms and 3500 licensed funeral directors located throughout New York State. Founded in 1889, NYSFDA is the oldest trade association of funeral directors in the United States.

NYSFDA continues its proud and honored tradition of working to ensure that the families served by our members receive helpful and timely information about the many important issues surrounding funeral service. This includes everything from practical tips on pre-paying and pre-arranging a funeral to how we work hand-in-hand with consumer and senior advocates to protect the public interest.

NYSFDA's renowned *PrePlan* funeral trust pre-funding program serves as a cornerstone of our mission to serve the consumers of New York State.





**MATTHEW**

FUNERAL HOME AND  
CREMATION SERVICES, INC.

www.matthewfuneralhome.com  
2508 Victory Boulevard • Staten Island, NY 10314

Your funeral home will be happy to provide you with additional information about opening a *PrePlan* account.



*Effective January 1, 1997, New York State law mandates that all contracts for prefunded funerals executed by applicants for or recipients of Medicaid be irrevocable.*

*Effective January 1, 2011, New York State law mandates that all contracts for prefunded funerals for family members executed by applicants for or recipients of Medicaid also be irrevocable.*



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Established in 1988, *PrePlan*® is a New York pre-funded funeral trust administered for the New York State Funeral Directors Association, Inc., by Funeral Director Support Services, Inc., a New York State corporation.

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