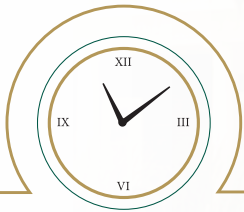


PLANNING GUIDE FOR END OF LIFE AFFAIRS



ALLEN

Memorial Home, Inc.

511 - 513 East Main Street • Endicott, NY 13760

(607) 754-0110

www.AllenMemorial.com

SIMPLICITY

Cremations

LLC

511 - 513 East Main Street • Endicott, NY 13760

(607) 754-0110

www.simplicitycremationsllc.com

Planning Guide for End of Life Affairs

A Personal and Financial Affairs Check ListPages 1-13

This personal checklist is designed to help individuals organize information that will be helpful to loved ones at the time of death and beyond.

Preplanning / Prefunding a Funeral: Why and How* Pages 14-22

This guide is designed to inform and educate individuals about the advantages and process of preplanning and prefunding their funeral arrangements.

When a Death Occurs* Pages 23-29

This guide is designed to help individuals with the challenges surrounding a death from arrangements to estate settlement issues such as taxes.

*New York State Funeral Directors Association Publication and Forms
New York State Tribute Foundation

A Personal & Financial Affairs Check List



Personal Information

NAME	<input type="text"/>	
ADDRESS	<input type="text"/>	
CITY	<input type="text"/>	
STATE	<input type="text"/>	ZIP <input type="text"/>
PHONE	<input type="text"/>	
EMAIL	<input type="text"/>	
DATE OF BIRTH	<input type="text"/>	
DRIVERS LICENSE	<input type="text"/>	
VA CLAIM NUMBER	<input type="text"/>	
OTHER INFORMATION	<input type="text"/>	

SPECIAL NOTES

Family Members

NAME	<input type="text"/>
PHONE	<input type="text"/>
EMAIL	<input type="text"/>
NAME	<input type="text"/>
PHONE	<input type="text"/>
EMAIL	<input type="text"/>
NAME	<input type="text"/>
PHONE	<input type="text"/>
EMAIL	<input type="text"/>
NAME	<input type="text"/>
PHONE	<input type="text"/>
EMAIL	<input type="text"/>

Who to Contact Immediately

NAME
 RELATIONSHIP
 PHONE - EMAIL

NAME
 RELATIONSHIP
 PHONE - EMAIL

NAME
 RELATIONSHIP
 PHONE - EMAIL

NAME
 RELATIONSHIP
 PHONE - EMAIL

Employer Information

COMPANY
 CONTACT NAME
 DETAILS
 DEATH BENEFITS
 OTHER

COMPANY
 CONTACT NAME
 DETAILS
 DEATH BENEFITS
 OTHER

COMPANY
 CONTACT NAME
 DETAILS
 DEATH BENEFITS
 OTHER



SPECIAL NOTES

Where are important papers located

MY WILL	
SPOUSE WILL	
FUNERAL PLANS	
CEMETERY CHOICE	
MORTGAGE	
BIRTH CERTIFICATE	
SOCIAL SECURITY CARD	
LIFE INSURANCE	
HEALTH INSURANCE	
AUTO INSURANCE	
HOMEOWNERS INSURANCE	
BUSINESS INSURANCE	
MILITARY CERTIFICATE	
AUTO TITLES	
MARRIAGE CERTIFICATE	
DIVORCE RECORDS	
PRE-NUPTIAL AGREEMENT	
DETAILS	
DEATH BENEFITS	
CHILDREN'S BIRTH CERT.	
OTHER	



SPECIAL NOTES

Where are Financial papers located

CHECKING	
SAVINGS	
MONEY MARKET	
PENSION PLANS	
TAX RETURNS	
LIST CREDIT CARDS	
STOCK CERTIFICATED	
MUTUAL FUNDS	
BONDS	
IRA, 401 PLANS	
PROFIT SHARING PLANS	
RETIREMENT FUNDS	
RENTAL PROPERTY	
NOTE OR LOANS	
SAFETY DEPOSIT BOX	
SAFE CODES	
OTHER	



SPECIAL NOTES

Personal Items List *(Family heirlooms/Sentimental items)*

Talk to your children or people close to you about these items -
Someone may be attached to a particular item. If two or more
want the same item, settle it now.



SPECIAL NOTES

ITEM
GIVEN TO (NAME)
LOCATION OF ITEM

ITEM
GIVEN TO (NAME)
LOCATION OF ITEM

ITEM
GIVEN TO (NAME)
LOCATION OF ITEM

ITEM
GIVEN TO (NAME)
LOCATION OF ITEM

ITEM
GIVEN TO (NAME)
LOCATION OF ITEM

ITEM
GIVEN TO (NAME)
LOCATION OF ITEM

ITEM
GIVEN TO (NAME)
LOCATION OF ITEM

ITEM
GIVEN TO (NAME)
LOCATION OF ITEM

ITEM
GIVEN TO (NAME)
LOCATION OF ITEM

Medical Information

It is important to keep medical records up to date, in an event that a spouse or both parents become deceased before the two-year maturity date of a life insurance policy there may need to be an investigation. This may require medical records.

Husband / Partner

DOCTOR

DENTIST

OTHERS

MEDICATIONS

Wife / Partner

DOCTOR

DENTIST

OTHERS

MEDICATIONS



SPECIAL NOTES

Child Name

DOCTOR

DENTIST

OTHERS

MEDICATIONS

Child Name

DOCTOR

DENTIST

OTHERS

MEDICATIONS



SPECIAL NOTES

Pet Name

VETERINARIAN

PHONE

FEEDING SCHEDULE
SPECIAL INSTRUCTIONS

Pet Name

VETERINARIAN

PHONE

FEEDING SCHEDULE
SPECIAL INSTRUCTIONS

SPECIAL NOTES



SPECIAL NOTES

Insurance & Financial Information

LIFE INSURANCE POLICY #1

POLICY HOLDER	<input type="text"/>
COMPANY	<input type="text"/>
CONTACT	<input type="text"/>
POLICY #	<input type="text"/>
AMOUNT	<input type="text"/>
BENEFICIARY	<input type="text"/>

LIFE INSURANCE POLICY #2

POLICY HOLDER	<input type="text"/>
COMPANY	<input type="text"/>
CONTACT	<input type="text"/>
POLICY #	<input type="text"/>
AMOUNT	<input type="text"/>
BENEFICIARY	<input type="text"/>

CAR INSURANCE POLICY #1

POLICY HOLDER	<input type="text"/>
COMPANY	<input type="text"/>
CONTACT	<input type="text"/>
POLICY #	<input type="text"/>

CAR INSURANCE POLICY #2

POLICY HOLDER	<input type="text"/>
COMPANY	<input type="text"/>
CONTACT	<input type="text"/>
POLICY #	<input type="text"/>

HOMEOWNERS INSURANCE POLICY

POLICY HOLDER	<input type="text"/>
COMPANY	<input type="text"/>
CONTACT	<input type="text"/>
POLICY #	<input type="text"/>



SPECIAL NOTES



HEALTH INSURANCE POLICY (PRIVATE)

POLICY HOLDER	<input type="text"/>
COMPANY	<input type="text"/>
CONTACT	<input type="text"/>
POLICY #	<input type="text"/>

HEALTH INSURANCE POLICY (EMPLOYER)

POLICY HOLDER	<input type="text"/>
COMPANY	<input type="text"/>
CONTACT	<input type="text"/>
POLICY #	<input type="text"/>

DISABILITY INSURANCE POLICY

POLICY HOLDER	<input type="text"/>
COMPANY	<input type="text"/>
CONTACT	<input type="text"/>
POLICY #	<input type="text"/>

OTHER POLICY

POLICY HOLDER	<input type="text"/>
COMPANY	<input type="text"/>
CONTACT	<input type="text"/>
POLICY #	<input type="text"/>

SPECIAL NOTES

Memberships

ORGANIZATION	<input type="text"/>
MEMBER ID	<input type="text"/>
CONTACT	<input type="text"/>
DETAILS	<input type="text"/>

ORGANIZATION	<input type="text"/>
MEMBER ID	<input type="text"/>
CONTACT	<input type="text"/>
DETAILS	<input type="text"/>

ORGANIZATION	<input type="text"/>
MEMBER ID	<input type="text"/>
CONTACT	<input type="text"/>
DETAILS	<input type="text"/>



SPECIAL NOTES

APPOINTMENT OF AGENT TO CONTROL DISPOSITION OF REMAINS

I, _____
(Your name and address)

being of sound mind, willfully and voluntarily make known my desire that, upon my death, the disposition of my remains shall be controlled

by _____
(Name of agent)

With respect to that subject only, I hereby appoint such person as my agent with respect to the disposition of my remains.

SPECIAL DIRECTIONS

Set forth below are any special directions limiting the power granted to my agent as well as any instructions or wishes desired to be followed in the disposition of my remains:

Indicate below if you have entered into a pre-funded pre-need agreement subject to section four hundred fifty-three of the general business law for funeral merchandise or service in advance of need:

[] No, I have not entered into a pre-funded pre-need agreement subject to section four hundred fifty-three of the general business law.

[] Yes, I have entered into a pre-funded pre-need agreement subject to section four hundred fifty-three of the general business law.

(Name of funeral firm with which you entered into a pre-funded pre-need funeral agreement to provide merchandise and/or services)

AGENT:

Name: _____

Address: _____

Telephone Number: _____

SUCCESSORS:

If my agent dies, resigns, or is unable to act, I hereby appoint the following persons (each to act alone and successively, in the order named) to serve as my agent to control the disposition of my remains as authorized by this document:

1. First Successor

Name: _____

Address: _____

Telephone Number: _____

2. First Successor

Name: _____

Address: _____

Telephone Number: _____

DURATION:

This appointment becomes effective upon my death.

PRIOR APPOINTMENT REVOKED:

I hereby revoke any prior appointment of any person to control the disposition of my remains.

Signed this ____ day of _____, _____

(Signature of person making the appointment)

Statement by witness (must be 18 or older)

I declare that the person who executed this document is personally known to me and appears to be of sound mind and acting of his or her free will. He or she signed (or asked another to sign for him or her) this document in my presence.

Witness 1: _____
(signature)

Address: _____

Witness 2: _____
(signature)

Address: _____

ACCEPTANCE AND ASSUMPTION BY AGENT:

1. I have no reason to believe there has been a revocation of this appointment to control disposition of remains.

2. I hereby accept this appointment

Signed this day of ____ day of _____, _____

(signature of agent)

Pre Planning/Pre Funding A Funeral Why & How

The Funeral Prearrangement Conference

INTRODUCTION

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. There are a number of advantages to preplanning and prefunding funeral expenses:

- It allows individuals the opportunity to make personal and specific selections for the funeral service that most closely meets their needs;
- It is comforting to know that money has been set aside for their final expenses, which will in turn reduce the burden on family members at a difficult time;
- Loved ones are not left guessing which type of funeral service would have been preferred; and
- Medicaid/SSI recipients are allowed to set aside money to fully fund the service of their choice before their funds are exhausted down to necessary eligibility levels.

What you should expect from a prearrangement conference:

The law requires the funeral director to provide the consumer with the following:

1. A GENERAL PRICE LIST with the current prices for any merchandise, services and facilities offered by the funeral home.
2. A PRENEED ITEMIZATION STATEMENT that lists the items of merchandise, services and facilities that have been chosen, and the price of each.
3. A PRENEED AGREEMENT that outlines all the terms, as well as consumer's rights as the purchaser. It must also state how the principal and interest will be applied to the cost of the funeral services and merchandise at the time they are provided.

How Preplanning Works.

- Purchaser selects the funeral home of their choice.
- Purchaser meets with a funeral director.
- Purchaser selects desired services and merchandise while reviewing the funeral home's General Price List.

- Funeral director prepares an Itemization Statement and Preneed Agreement.
- Both the funeral director and purchaser sign the documents.
- Purchaser submits a check made payable either to the funeral home or the funeral trust program.

If cash is remitted, the purchaser should obtain a cash receipt at the time of the transaction.

- Purchaser receives copies of all signed documents and a General Price List for retention.
- Within ten days, the funeral director forwards the funds to a funeral trust program.
- Within 30 days, the purchaser should receive a deposit acknowledgment in the mail indicating where the money has been placed.
- Funds are paid directly to the funeral home once the funeral services have been provided.
- If the account is REVOCABLE and there is an overage after the final funeral charges have been paid, the overage will be paid to the living purchaser or the decedent's estate.
- If the account is IRREVOCABLE and there is an overage after the final funeral charges have been paid, the overage will be paid to the county where the beneficiary resided and was receiving assistance.
- If the total funeral charges were never paid-in-full or if the purchaser requested partial refunds from the preneed account during the life of the trust, an outstanding balance may be due and any guarantee would technically become null and void.

Type of Preneed Agreements

New York State mandates that preneed agreements with New York funeral firms **MUST BE REVOCABLE**, except for Medicaid/SSI applicants or recipients and their family members. This means that all preneed agreements (except when prepared for Medicaid spend-down) may be canceled at any time prior to death and the entire balance, including all accrued interest, may be refunded upon request. New York State mandates that preneed burial trusts for applicants or recipients of Medicaid/SSI **MUST BE IRREVOCABLE**. This means that the prearrangement **MAY NOT** be canceled prior to death. It may, however, be transferred to a different funeral home at any time.

Effective January 1, 2011, New York State law also mandates that all contracts for prefunded funerals for family members executed by applicants for or recipients of Medicaid also be **IRREVOCABLE**. An applicant/recipient of Medicaid/SSI may, under New York State law, set aside funds for funeral trust accounts for immediate family members. Immediate family members include:

- The applicant/recipient's spouse;
- Minor and adult children;
- Stepchildren;
- Brothers;
- Sisters;
- Parents; and
- Spouses of these individuals.

Please note that when the original purchaser (applicant/recipient) passes away, the beneficiary (family member) becomes the new purchaser and taxpayer. At that time, the Social Security number associated with the account will be changed from the original purchaser's to the beneficiary's. Aside from being revocable or irrevocable, there are three types of preneed agreements. The following is a description of each: NON-GUARANTEED — indicates that the funeral home does not guarantee that the principal plus interest earned on the trust will be sufficient to pay the total and final cost of the prearranged products and services. In other words, a balance may be due at the end. The funeral home will provide the funeral services and merchandise selected at the cost of those items at the time of the funeral. If the total cost of the funeral exceeds the amount in the trust account, the additional expense will be due. FULL GUARANTEE — guarantees that the price of the funeral services and merchandise will not exceed the balance of deposits and interest earned in the trust account at the time that the funeral is provided. The funeral home agrees that the principal deposited plus any interest earned on the paid in full account will be sufficient to pay for all final expenses to be provided by both the funeral home AND third party vendors providing cash advance items.

GUARANTEED EXCLUDING CASH ADVANCES — guarantees that the price of the funeral home charges only will not exceed the principal deposited plus any interest earned on the paid in full account at the time that the funeral is provided. Outside vendor costs such as cemetery expenses and death certificates are not guaranteed. Please note, interest earned on this type of account should be split proportionately between the funeral home charges and the cash advance charges.

The Summary Statement

The purchaser will receive a tax information statement each year, postmarked by January 31st.

Taxation of Preneed Funeral Trusts

The Internal Revenue Service (ruling 87-127) has determined that purchasers of preneed funeral trusts are responsible for any income tax (if the purchaser is required to file) resulting from interest earned on the trust account, because the funds, although set aside as payment for funeral expenses, always remain the property of the purchaser. With the exception of irrevocable trusts, a purchaser always maintains the right to withdraw the funds at anytime prior to the performance of the funeral. Although withdrawals are not permitted from irrevocable trusts, the funds may be transferred to a different funeral firm at any time. The purchaser will receive a tax information statement each year, postmarked by January 31st, (i.e., Grantor Trust Statement). The tax statement provides:

- The gross interest income earned on your funeral trust. To comply with IRS tax filing requirements, this amount must be reported on your income tax return. Please consult with your tax advisor/preparer should you have any questions pertaining to this requirement. The amount of the fiduciary fee paid for management of the trust, as disclosed in your preneed agreement.
- The amount of the professional investment advisory fee paid for services, as disclosed in your preneed agreement.

Important Information for Applicants of Public Benefit Programs

A 1982 amendment to the Social Security Act implemented a program whereby Medicaid/SSI eligible persons can set aside funds for their funeral and burial before their resources are exhausted by medical bills or their income declines to such a level that they need the cash assistance provided by the Supplemental Security Income (SSI) program. This program was implemented through specific resource exclusions for prepaid funeral contracts.

• 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. It was the judgment of Congress that persons should not have to choose between lifesaving welfare assistance and giving up their plan for the disposition of their bodily remains . .

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. As of January 1, 2011, New York State law also mandates that all contracts for prefunded funerals for family members executed by applicants for or recipients of Medicaid also be IRREVOCABLE. 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. A trust which is titled “irrevocable” means that any refund, withdrawal or other disposition of the deposits on account plus accrued interest, for any purpose, will and must legally be refused by the funeral director and/or funeral trust or financial institution. Please note: If the account is irrevocable and there is an overage after the final funeral charges have been paid, the overage will be paid to the county where the beneficiary resided and was receiving assistance. Finally, you have the right to use any funeral home you choose. You may also change your funeral home selection, at any time, for any reason.

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

Medicaid, Medicare, and SSI...Which is Which?

There is often confusion about what each of these programs provide, specifically Medicaid, Medicare, and SSI. Below are brief descriptions of each:

• MEDICARE

Medicare is authorized under the Social Security Act and is part of a national health insurance program for individuals age 65 or older, younger people with disabilities and individuals with permanent kidney failure. Medicare is administered by the Health Care Financing Administration under the US Department of Health and Human Services.

• MEDICAID

Medicaid was established by Congress in 1965 as a government health insurance program for individuals of any age whose income is too low to provide routine health care costs, or whose health care costs are too high to be covered by their income. These costs include the cost of nursing home residence. Medicaid eligibility is determined from detailed documentation provided by an applicant regarding their income and assets. The figures below reflect the amount of resources an applicant may retain and still qualify for Medicaid. Resource levels depend on the number of family members living with the applicant.

2014 MEDICAID RESOURCE LEVELS *

- 1 person household - \$ 14,550
- 2 person household - \$ 21,450
- 3 person household - \$ 24,668
- 4 person household - \$ 27,885

Excludes irrevocable burial account, house, car, life insurance with face value of \$1500 or less. Currently, a Medicaid recipient residing in a nursing home may also retain \$50 of monthly income as a personal needs allowance for any personal expenses not covered by Medicaid.

• SUPPLEMENTAL SECURITY INCOME (SSI)

SSI is a federally administered program assisting individuals who have reached an age of 65+ or have been legally classified as blind or disabled and meet specific income and resource tests, citizenship/qualified alien status and US residence requirements. Currently, all funds placed into an irrevocable preneed account are excluded as countable resources when an individual applies for SSI benefits.

2014 SSI RESOURCE LEVELS *

- \$ 2,000 for individuals
- \$ 3,000 for couples

Excludes irrevocable burial account, house, car, life insurance with face value of \$1500 or less.

*Both Medicaid/SSI Resource limits are adjusted annually, and are confirmed by the Office of Health Insurance Programs.

Prepaid Funeral Resource Exclusion

Any individual who is an applicant for Medicaid/551, and is in the “spend-down” process, should meet with a funeral director.

• HOW TO QUALIFY

During a prearrangement conference, the individual should select which funeral services and merchandise he or she desires as disclosed on a “General Price List.” The funeral director will then note these selections on an itemized statement (commonly known as a “Preneed Itemization Statement”) which will reflect the current retail value of the merchandise and services selected. The next step is funding the arrangements. Funeral prearrangements will qualify as a prepaid funeral resource exclusion, and not counted as an asset, if the funds are placed in an irrevocable prepaid funeral trust account.

• PAYMENTS TO PURCHASERS

Purchasers who have entered into irrevocable burial trusts may only use the funds for payment of funeral services and merchandise upon the death of the intended funeral recipient. If the account is irrevocable and there is an overage after the final funeral charges have been paid, the overage will be paid to the county where the beneficiary resided and was receiving assistance.

• REQUIREMENTS

All documentation generated by this process must meet stringent federal and state requirements for resource qualification and funeral service disclosures. Social Services personnel require evidence that the funeral arrangements exist and that they are linked irrevocably to the funding vehicle. Additionally, all of the documentation generated by the funeral home must meet Federal Trade Commission standards for price and itemization disclosure, and all of the provisions of Section 453 of the New York State General Business Law.

PORTABILITY

The law allows the consumer to change funeral homes at any time prior to death without affecting the irrevocability of the arrangements themselves. Even if the consumer moves out-of-state, they can request that the funds be transferred to a different funeral home.

Mandatory Contract Disclosures

A major goal of NYS preneed law is to ensure that preneed consumers have a full written explanation of all meaningful aspects of the preneed agreement. New York State law mandates that every irrevocable preneed agreement must contain the following consumer disclosure, in a minimum of 12 point type: New York law requires this agreement to be irrevocable for applicants for and recipients of supplemental security benefits under section two hundred nine of the Social Services Law or medical assistance under section three hundred sixty-six of the Social Services law, and for the moneys put into a trust under this agreement to be used only for funeral and burial expenses. Whether the agreement is for your funeral and burial expenses or for those of a family member, if any money is left over after your funeral and burial expenses have been paid, it will go to the county. You may change your choice of funeral home at any time. If this agreement is for the funeral and burial expenses of a family member, after your death such

family member may change the choice of funeral home at any time. All literature promoting prearranged funeral and burial services prepared after January 1, 1997 must contain language disclosing the irrevocable nature of burial trusts established for an applicant or recipient of supplemental security income benefits or medical assistance. Following are some samples of the language that could be used: New York State law mandates that all contracts for prefunded funerals executed by applicants for or recipients of Medicaid/SSI be irrevocable. New York State law mandates that funeral/burial trust funds for Medicaid/SSI recipients must be irrevocable.

Summary of NYS Irrevocable Trusting Statute

New York Social Services Law, Section 209

New York State Social Services Law Section 209 and Section 366 mandate that all contracts for prefunded funerals established for applicants or recipients of Medicaid/SSI be IRREVOCABLE.

- Applicants and recipients of Medicaid/SSI may establish an irrevocable trust fund (for an unlimited dollar amount) for the exclusive purpose of their or a family member's funeral and burial.
- Only a single irrevocable trust fund may be established for each beneficiary.
- The funds in an irrevocable funeral account are not considered an asset during the spend-down process.
- Individuals will have the opportunity to select the funeral firm, funeral director, and cemetery to be used, and may change their selection at any time. The irrevocable account(s) are completely portable, and may be transferred to another funeral home, even in another state. Funds must be placed in an interest-bearing account within ten business days. The accumulated interest shall not be reported as "countable" income.
- Any account overage remaining after the full payment of funeral services and merchandise must be forwarded to the county where the decedent resided and was receiving benefits.
- All preneed agreements for accounts established by or for an applicant or recipient of Medicaid/ SSI must contain a mandatory disclosure explaining the nature of the irrevocability of the contract and the issue of portability.

Commonly Asked Questions:

Preneed Accounts for Applicants or Recipients of Medicaid/SSI

Q: What happens if I currently have a revocable preneed account, but I am now applying for Medicaid or SSI?

A: When applying for Medicaid/SSI, your caseworker should advise you that the revocable preneed account must be converted to irrevocable status to ensure that your program eligibility is not jeopardized.

Q: How does my life insurance policy affect my Medicaid eligibility?

A: The face value of any life insurance policy(ies) over \$1,500 will be counted as an asset in determining your Medicaid eligibility.

Q: Can additional funds be added to my irrevocable preneed account?

A: Yes. However, the total deposits into the account must not exceed the total cost of funeral merchandise and services recorded on the original itemization statement.

Q: Can an overage in an irrevocable preneed trust account be used to fund additional services or merchandise?

A: No. If the current account balance exceeds the actual costs of the services and merchandise originally selected, the overage must be returned to the county.

Q: Can my irrevocable preneed agreement be modified at the time of need?

A: Yes. However, the new items must be of equal or lesser value, and must qualify as funeral merchandise and services. If there is an overage, the funds may not be depleted to cover additional merchandise and services, but must be sent to the county.

Q: Which county Social Services Department receives the overage in an irrevocable trust account?

A: If there's an overage after the final funeral charges have been paid, the overage must be sent to the county where the recipient was receiving public assistance at their time of death (in most cases this will be the county where the decedent resided).

Q: Can an irrevocable preneed funeral account be split into separate accounts in New York State?

A: No. The full amount of an irrevocable preneed agreement must be placed into a single preneed trust account.

Q: Which items may not be included on the preneed itemization form for an irrevocable preneed account?

A: As an applicant or recipient of Medicaid/SSI, you may only prearrange "reasonable and common" funeral merchandise and service expenses that are related to fulfilling the funeral contract. Examples of items not permitted by the NYS Bureau of Funeral Directing include: airline tickets, funeral luncheons, charitable donations and cash gifts. If there are any questionable items, you should speak to a social worker to obtain prior approval.

Q: Who may authorize a transfer of funds to another funeral home?

A: Before death occurs, only the purchaser and his/her legal representative may authorize a transfer of an irrevocable preneed account to another funeral home.

Q: How does the law affect pre-existing contracts of Medicaid applicants and recipients?

A: If you had both a pre-existing agreement and were receiving benefits prior to January 1, 1997, your account may remain revocable, but must still be recertified annually by County Social Services personnel.

Q: Must a funeral firm's print materials include a disclosure relating to preneed agreements?

A: Yes. Any promotional material printed must contain language disclosing the irrevocable nature of preneed funeral and burial accounts established by and for individuals receiving or applying for Medicaid or SSI.

Have more questions? Please do not hesitate to ask your funeral director.

When a Death Occurs

INTRODUCTION

Adjusting to the death of a loved one can be a very difficult process. This brochure was designed to help you deal with the problems and processes surrounding a death in the easiest and simplest manner possible. Although some major decisions are unavoidable at this time, many can be put off until you are feeling less vulnerable. When a death has occurred there is usually a need to administer the estate of the decedent. Every estate should be considered unique, and not all estates will have administrative duties. Some small estates, under particular circumstances, will not even require administration. If there are multiple beneficiaries or heirs, make every effort to keep them informed of your actions on their behalf and consult with them if possible, especially where there is no Will. The responsibility will be great and the anxiety will remain for months but through careful planning, expert advice and family support, you can resolve the duties in a manner that will provide you with personal satisfaction.

FUNERAL ARRANGEMENTS

As a relative or close friend, some day you may find yourself in the position of handling funeral and cemetery arrangements. Here is some important information to help you through that difficult time.

- In 2006, a law took effect that established a next-of-kin “hierarchy” of individuals who have the legal right to control the disposition of the remains of a deceased person. This law also allows someone to formally designate/ appoint another person to control the disposition of their remains and carry out his or her wishes as they intended.
- If no prepaid arrangements have been made or if the prepaid purchases do not cover the entire amount required, you will be asked to sign a contract when ordering services.
- While the contract usually binds the person who signs it to pay the charges, that person can seek reimbursement from the estate, or utilize the money from other sources. However, if the estate is not sufficient to cover the funeral costs or other assets cannot be quickly converted to cash, the person who signed the contract may be required to pay costs.
- Check to see if the deceased had any death benefits that would help cover funeral costs.

Choose a Funeral Home with which you are comfortable. The funeral director will meet with you at the arrangement conference to help you choose the services and merchandise you would like. Since 1982, the Federal Trade Commission (FTC) has overseen the manner in which funeral homes charge the families they serve.

UNDER FTC RULES:

- Funeral directors must offer accurate price information to people making inquiries over the telephone regarding funeral costs.
- If you inquire in person, the funeral director will give you a written, itemized price list with all the specific goods and services the funeral home offers. This is called a General Price List (GPL) and is usually given when the family first meets with the funeral director to make arrangements.
- After making your selection, the funeral director will provide you with a written statement showing the total cost and break down of each good or service you have purchased.

IMPORTANT TIPS:

- The cost of funeral arrangements vary depending on the funeral home and type of service and merchandise you choose. It is important for family members to agree on arrangements. Remember that your funeral director is there to help you.
- If the deceased was a veteran s/he may be entitled to VA burial allowance and also entitled to a Social Security death benefit. The funeral director will help you with these claims.

REVIEW OF DEATH BENEFITS

SOCIAL SECURITY ADMINISTRATION

Payment for covered individuals can only be made to an eligible surviving widow, widower, or entitled child.

VETERANS ADMINISTRATION

Death benefits may be available for qualifying veterans through the Veterans Administration.

INSURANCE

The deceased may have purchased some form of insurance, or have been a member of a civic or employment organization which provides death related benefits.

PREPAID FUNERALS

In New York State, if the contract is paid for in advance, the funeral establishment must place 100% of all moneys received in trust, and all interest accrues to the benefit of the consumer.

VICTIMS OF CRIME

If the death was the result of a criminal act, benefits may be available through the Victims of Crime Compensation Program. See page 17 for information on how to contact the above organizations.

IMPORTANT TIP:

You will need several copies of certified death certificates. The easiest way to obtain a copy is to ask the funeral director for assistance. The cost of a copy varies by county.

THE DECEASED'S PROPERTY

When a person dies, it is important to account for the deceased person's property, making sure it is safe and protected. If the person lived alone, make arrangements to stop newspaper deliveries and have mail forwarded or held at the post office for daily pick up. The matter of who will inherit the deceased's property is determined by the estate planning arrangements that were made by the person during their lifetime.

BEWARE: Some burglars will burglarize the homes of deceased persons at the time of the funeral service. Make arrangements to guard the home during the funeral.

IMMEDIATE FINANCIAL CONCERNS

When a death occurs, people and businesses who are owed money usually understand and will work with you to get through this difficult time.

- Contact creditors and make special arrangements if it is difficult to make timely payments.
- Family members or friends providing money to cover immediate need may be reimbursed from the estate.
- When paying bills, keep careful records of payments or loans.

PAYING BILLS

UTILITY BILLS — Make sure to pay utility bills to ensure continued service.

MEDICAL BILLS — These bills are often covered by Medicare, Medicaid, or a medical insurance plan. Before making any payments, call the appropriate agency to obtain the necessary information or forms. **LONG-TERM DEBTS** — Be sure to make regular payments on long-term debts such as mortgages, car loans, or retail installment contracts until the estate is settled.

ACCESS TO BANK ACCOUNTS

- If the deceased was the only one authorized to sign on a bank account, these funds at banks or other financial institutions may not be immediately available.
- Accounts with co-signers or joint accounts will generally be available to draw funds out of with rights of survivorship. The other account holder will generally have access to the funds and may be deemed the owner of the funds.

STOCKS AND BONDS

U.S. SAVING BONDS are often payable upon death to another person. Any person whose name is registered along with the deceased's name on bonds payable on death, may redeem the bonds. When redeeming the Bonds, a certified death certificate must be presented. The person cashing the bonds should be aware that the interest earned on the U.S. Saving Bonds may be taxable as income to the recipients.

STOCK SHARES — Certain documents will need to be provided before a person whose name is registered on the stock with the deceased's can sell those shares. Consult a stockbroker or legal or financial advisor for more information.

SAFE DEPOSIT BOXES

- Anyone who has the right of access to that box may open that box.
- When opening a safe deposit box, make an accurate record of all the contents and note any items removed.
- If the deceased was the only one authorized to open the box, or if the other authorized person is not available, legal or formal proceedings may be necessary in order to open the box.

LIFE INSURANCE

Life insurance proceeds are usually paid to the named beneficiaries within a few weeks after filing the required form. This form is submitted to the insurance company, together with the policy and a certified copy of the death certificate. If the death was accidental and the policy contains a provision for additional coverage in that event, some proof of the accident will be required.

INVENTORY OF ASSETS

A very complete and detailed listing of all the assets of the deceased, the value at the time of death, and the "fair market value" of each item should be compiled immediately. If the deceased was married, the list should reflect any items that are jointly owned with the decedent's spouse. If necessary, a professional appraiser can be hired and paid from the estate. List assets in the following order:

REAL ESTATE — Includes the deceased person's residence, any summer or recreational real property, other interests in land owned. Property tax statements show the assessed value, not the fair market value. It would be wise to consult a real estate agent or appraiser for an estimate of fair market value at the time of death.

STOCKS AND BONDS — List all shares of stock, bonds, notes payable to the deceased and other securities, including the name or names in which they are registered.

INVENTORY OF ASSETS (CONTINUED)

CASH, FINANCIAL INSTITUTIONS — List the exact name for each account, the account number and financial institution, branch and balance as of the date of death.

INSURANCE — List all insurance policies which pay benefits upon the policy holder's death. Include life, mortgage or credit insurance.

MISCELLANEOUS ASSETS

- Motor Vehicles — Include the year, make, model, registration number, mileage, and condition. Determine the value of the vehicle with help from the Kelly Blue Book or the NADA Guide.
- Boats — Include the year, make, model and identification numbers.
- Furniture and Furnishings — Be sure to include all major appliances, sporting equipment and antiques.
- Jewelry — A detailed listing is generally not necessary except for specific items of particular value and for items which have been specifically bequeathed to someone in the decedent's Will.
- Employment Benefits - List pensions, and profit sharing plans, IRA's or 401K's. Listing in this order will help people inheriting the assets to determine its value and in reporting any capital gains tax due if they sell the item.

TRANSFER OF ESTATE PROPERTY PROBATE is the technical, legal term for distribution of the deceased person's estate under the supervision of the court. It is designed to protect all those who have an interest in the deceased's property, such as immediate family, joint tenants, creditors and the taxing authorities.

PROBATE

In many cases, probate proceedings are not necessary to transfer property of the deceased to persons entitled to it. Depending on a variety of factors, probate maybe necessary or preferable. Consultation with a legal advisor is recommended. The probate procedures in New York State are relatively simple and in most cases require very little court intervention. Appointment of an Executor or Administrator. This person takes charge of the property, its distribution, and the filing of necessary papers in Court. Often times, an Executor is named in the Will. If there is no Will, the Court will usually appoint a surviving spouse or relative to serve as Administrator of the decedent's Estate.

EXECUTOR RESPONSIBILITIES

- Provide proof to the Probate Court that the Will is valid and is the last Will of the deceased.
- Provide written notice of probate proceedings to all known distributees and beneficiaries.
- Give actual notice of the deceased's death to the U.S. Social Security Administration and any other state, private agency, or company that the decedent may have been receiving periodic payments from for their lifetime.

- After all these steps have been taken, the Court will issue letters Testamentary to the Executor, of the Estate and the Executor can do whatever is necessary to then administer the estate in accordance with the decedent's Will. That includes appraising property, investing and managing assets, paying creditors, filing and paying taxes, and transferring assets.
- File receipts and releases from the beneficiaries and a report that the Estate has been fully distributed with the Court once the process is concluded and all the steps have been completed.

ESTATES UNDER \$30,000

As long as real property is not involved, New York State Law allows for the transfer of small estates by a Voluntary Administrator to either beneficiaries named in the decedent's Will or if there is no Will, to the decedent's intestate distributees as long as:

1. They are entitled to the estate;
2. Notification is given to all distributees; and
3. These conditions are met:
 - The estate is under \$30,000 exclusive of joint bank accounts, trust accounts, U.S. Savings Bonds POD, and jointly owned personal property.
 - No probate proceeding is pending.
 - All decedent's valid debts have been satisfied.
 - All estate debts paid. If all these conditions are met, the Voluntary Administrator must submit a completed, signed and notarized affidavit affirming that these steps have or will be taken. The Court then issues a certificate which allows the transfer of assets to the Voluntary Administrator so that expenses and debts can be paid and then distribution of the remaining assets made to the beneficiaries or distributees.

JOINT TENANCY

Property held in joint tenancy with a right of survivorship usually can be transferred after a few requisites are met. These may include furnishing a copy of the death certificate and if the decedent died after February 1, 2000 and the estate is OVER \$1,000,000, proof that no federal or state taxes are due.

TAXES

INCOME TAXES — Even though a death has occurred, taxes are still due by the April 15 deadline. An extension can be requested from the Internal Revenue Service and New York State if all the information needed is not readily available. Further information can be obtained from the IRS taxpayer information services listed under United States Internal Revenue Service in your telephone directory and the New York State Department of Taxation and Finance.

PROPERTY TAXES — Property taxes are also due at the same time and in the same manner as if the deceased person was still alive. Contact the local treasurer's office in the City, Town or Village where the decedent resided for more information on property taxes.

FEDERAL ESTATE TAXES — The federal government assesses a tax based on the deceased person's estate. A federal estate tax return has to be filed only if the total value of the deceased person's estate exceeds the federal estate tax exemption as set forth in the IRS code. Visit www.irs.gov for the current rate. It is important to check with an attorney or financial planner for more information. If the Estate is required to file a federal and/or New York State tax return, they must be filed and all taxes paid within nine months of the date of death. The tax will be based on the following:

- All property in the decedent's name alone at the time of death.
- Large gifts made immediately prior to death unless gift tax returns were previously filed and any applicable tax paid.
- Life insurance proceeds, unless ownership was transferred more than three years prior to death or the decedent never actually owned the policy.
- The value of the decedent's interest in jointly or co-owned property.

“MARITAL DEDUCTION”

The value of most property which passes to a surviving spouse is deducted from the value of the estate. It would be wise to check with the IRS and a financial advisor for more information. Contact your local IRS office for more information and the appropriate forms.

Uncertainty about income tax issues can add to the stress experienced from the death of a spouse. For more detailed information on income tax liability after a spouse's death, contact the Internal Revenue Service at 800-829-3676 to order forms, instructions and publications or visit the Web site: www.irs.ustreas.gov . To find out what services are available, get Publication 910, Guide to Free Tax Services. Publication 559, Survivors, Executors and Administrators covers filing the final return for the decedent, what income to include and other pertinent information such as filing due dates and sample forms. Publication 575, Pension and Annuity Income outlines special rules that apply to this type of income.