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Activities that do not constitute preneed

-**#2 is very concerning since it borders on requiring a licensed funeral director to only sell preplanned funerals.** This may not be what they intended but it leans heavily towards that. Is there any purpose to having this in there?

-Is #3 to allow final expense sales? Most insurance companies will not allow a funeral home to be named as beneficiary since it limits the freedom of choice. Also, how does this follow along with section 436.450.7(1)?

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Seller Obligations

-#1 needs to have added: except in the case of an insurance funded preneed contract, all payments shall be paid directly to the insurance company by the purchaser. There is no need to make it part of the preneed contract if it is stated in the rule. By not putting it in the rule you are allowing a 3rd party to have access to that money which opens up an opportunity for theft.

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Consumer Contract Requirements

-Why can't the disclosures be placed in the preneed contract rather than have them be a separate form. Can't we make the rule be that it can be either in the preneed contract or on a separate form?

-What are the disclosures?

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Insurance Funded Contracts

-In #1 they discuss "administrative or other fees" – what fees are they talking about? There are no other fees that should be collected other than the initial premium.

-Need to change #2. It should not be upon agreement by the seller and provider. The insurance company will **ALWAYS** send the bill for the premium payment to the consumer who will then send the premium payment to the insurance company. This needs to be rewritten to reflect this. Again, allowing a 3rd party to have access to that money opens up an opportunity for theft.

-In #3 paying excess to the named beneficiary is a change for many of the funeral homes in Missouri. Besides which, the statutes do not state that this is required. Why change this?

-Also in #3 I am okay with the first part of paying any excess to the State of Missouri if they are named as beneficiary, however the second part is a problem since we are obligated under a life insurance policy (a contract) to pay the named beneficiary. We cannot violate that contract. Having us pay the estate instead of the named beneficiary would require us to violate that contract thus placing us in jeopardy with the named beneficiary and potentially having to pay out twice. Besides which, we do not know when an individual is receiving public assistance so this cannot be monitored.