



Director, Regulations Management (02REG)
Department of Veterans Affairs
810 Vermont Avenue, NW
Room 1068
Washington, DC 20420

Re: RIN 2900-A082, Burial Benefits

Dear Director:

The National Funeral Directors Association (the "NFDA") is pleased to have the opportunity to submit these comments on RIN 2900-A082 Burial Benefits which propose to amend VA's burial regulations to authorize the payment of flat-rate service-connected and non-service-connected burial allowances and the plot or interment allowance at the statutory maximum amount and to improve VA's delivery of these benefits by, among other things, automatically paying surviving spouses certain burial benefits when eligibility for those benefits can be determined from evidence of record.

The National Funeral Directors Association represents more than 13,000 funeral homes and over 20,000 licensed funeral directors and embalmers in all 50 states and over 600 funeral establishments in 45 countries. The average NFDA member is an independently owned and operated business with fewer than 10 employees and has been in the same family for over 60 years. NFDA is the leading funeral service organization in the United States, providing a national voice for the profession.

Our members provide both funeral and burial services for our veterans and their families on a daily basis. Every day funeral directors offer comfort and support to families who are dealing with the loss of a loved one. When a family is dealing with the loss of a veteran, funeral directors help the family organize a personalized funeral and burial that both celebrates the life of their loved one and honors their service to our country. The VA estimates that roughly 648,400 veterans died in the U.S. in 2011. Each one of these service men and women has a family or friends who grieved their loss, and in each case a funeral director helped ensure that every veteran received the care, honor, and dignity they earned because of their sacrifice for our country.

In that regard, NFDA has worked with VA over the years to improve, update and streamline their reimbursement policies. With this proposed rule, it would appear that VA now officially recognizes some of these past inequities and brings them more in line with the intent of Congress by reflecting the current realities of today's funeral and burial

costs and the need to insure timely payment of those expenses. In that regard, we applaud VA for proposing this change in their reimbursement of burial benefits policy.

First and foremost, NFDA strongly supports the ability of VA to authorize and automate the payment of flat-rate service-connected and non-service-connected burial allowances and the plot or interment allowance at the statutory maximum amount. We believe this alone will dramatically improve the current reimbursement time for funeral and burial benefits to be paid to a veteran's family and the funeral home that serves them. It will hopefully soften the current economic burden on both.

However, we are very concerned with the statement in the preamble that says "*VA would no longer prioritize payment to funeral directors or other service providers, but would pay survivors first with the expectation that survivors, particularly surviving spouses, would receive payments more quickly and thus be able to more expeditiously pay funeral directors and other service providers.*" We are concerned because in February of 2012, NFDA conducted a non-scientific study of our members to assess whether they are experiencing difficulties when dealing with the Department of Veterans Affairs (DVA) funeral reimbursement policies.

Approximately half of the respondents receive reimbursements from the DVA in nine months or less while it takes 10 months or longer for the remaining half of respondents to receive reimbursement. In fact, 60 percent of respondents stated the VA owes them for outstanding veterans' funerals that are over six months past due. Of the 60.9% of members who stated the VA still owes them for outstanding Veterans' funerals that are over six months past due, the average amount owed is \$5,951. In one case, a funeral director reported that the DVA owes him \$128,355!

While we understand the importance to expedite funeral and burial expenses to the surviving spouse or next of kin of a deceased veteran, it is also critical to insure the funeral home that provides those services for that family be reimbursed for those expenses in a timely manner as well. In that regard, we would urge VA to prioritize funeral homes who serve a veteran's family for timely reimbursement of the funeral and burial expenses they incur. Since most of our members are small, family owned funeral homes, their ability to adsorb these expenses for a considerable period of time is difficult, especially during these economic times and with the ever increasing costs associated with providing a dignified funeral and burial for our fallen warriors.

Second, under the proposed rule, we support the expansion of burial benefits to include all forms of final dispositions such as cremation, burial at sea, and medical school donation. Again, this tracks with the current options now being chosen by veterans families. One suggestion would be to add to this list alkaline hydrolysis as a means of disposition as it has become another method of disposition available to the family of a veteran.

NFDA also supports the proposed references that clarify and distinguish between memorialization and interment as there is a distinct difference in the two. As the rule

states, "Interment refers to the burial of casketed remains in the ground or the placement or scattering of cremated remains. "Memorialization" means any action taken to honor the memory of a deceased individual". This reflects the options currently available to the families.

Third, NFDA applauds VA for recognizing the plight of a deceased veteran who dies without any next of kin and without the resources to pay for a dignified funeral or burial. The preamble to the proposed rule clearly states that *"VA may now pay the non-service-connected burial allowance, including transportation to a National Cemetery for any deceased veteran based upon a VA finding that there is no next of kin or other person claiming the remains and that there are insufficient resources to cover the cost of the veteran's burial and funeral."* In addition, the rule eliminates the requirement for either wartime service or for discharge based on disability incurred in line of duty so that the Secretary may pay benefits, if the remains of an indigent veteran are unclaimed. Moreover, the preamble states that the proposed rule *"...removes the requirement that claimants provide a statement showing the efforts made to locate relatives or friends because VA no longer considers this information necessary and requiring such information is inconsistent with our efforts to improve the efficiency of claim processing."*

Of concern to NFDA is the statement in the preamble that indicates that under current policy this payment is to be made to *"... [unclaimed remains] held by a State (or political subdivision of the State),"* The proposed rule apparently eliminates this requirement and would include those unclaimed veterans remains held by a funeral home as well. However, it is not specified in the proposed rule whether funeral homes that have these remains would be an eligible claimant for the reimbursement of expenses incurred in providing appropriate funeral or final disposition services to an unclaimed deceased veteran. NFDA would urge VA to specifically include funeral homes who hold these remains to be an eligible claimant for reimbursement of the funeral, burial and transportation expenses associated with handling these remains.

Fourth, with regard to transportation costs, the proposed rule states:

"VA will reimburse reasonable transportation expenses, including but not limited to the costs of shipment via common carrier (i.e., procuring permits for shipment, a shipping case, sealing of the shipping case, and applicable Federal taxes) and costs of transporting the remains to the place of burial.

(2) A reasonable transportation expense is an expense that is usual and customary in the context of burial transportation, with a corresponding charge that is the usual and customary charge made to the general public for the same or similar services."

This provision only applies to transportation to a National Cemetery and for those veterans who meet certain requirements specified in this section.

NFDA strongly supports this provision on the grounds that many veterans die far from their original hometowns but wish to be buried close to their home. Moreover, many National Cemeteries are some distance from where the funeral takes place; so transportation in both instances is both critical and expensive in providing for the wishes

of the veteran or their family. An example of this situation is cited by a funeral director from New Jersey who stated that *“The closest VA cemetery to us in Northern NJ is a state veteran’s cemetery about an hour and a half away. The National VA cemeteries we seldom go to as they are located in the greater New York/Long Island area and are a challenge to get to and even a longer ride”*.

In conclusion, NFDA believes this proposed rule goes a long way in addressing many of the concerns our members have expressed in serving their veterans and their families; however, we have made several recommendations which we hope will be seriously considered or clarified by VA when they consider making revisions to the proposed rule.

Sincerely,

John H. Fitch, Jr.

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Senior Vice-President, Advocacy

National Funeral Directors Association