



Department of Health

KATHY HOCHUL
Governor

JAMES V. McDONALD, MD, MPH
Commissioner

JOHANNE E. MORNE, MS
Executive Deputy Commissioner

July 6, 2026

Nadine Morrell
Audit Director
Division of State Government Accountability
NYS Office of the State Comptroller
110 State Street, 11th Floor
Albany, New York 12236

Dear Nadine Morrell:

Pursuant to the provisions of Section 170 of New York State Executive Law, I hereby transmit to you a copy of the New York State Department of Health's comments related to the Office of the State Comptroller's final audit report 2022-S-47 entitled, "Oversight of the Practice of Funeral Directing."

Please feel free to contact the Office of Governmental and External Affairs at (518) 473-1124 with any questions.

Sincerely,

A handwritten signature in dark ink that reads "Johanne E. Morne".

Johanne E. Morne, M.S.
Executive Deputy Commissioner

Enclosures

cc: Melissa Fiore
DOH Audit

**Department of Health
Comments on the
Office of the State Comptroller's
Final Audit Report 2022-S-47 entitled, "Oversight of the Practice of
Funeral Directing"**

The following are the Department of Health's (Department) comments in response to the Office of the State Comptroller's (OSC) Final Audit Report 2022-S-47 entitled, "Oversight of the Practice of Funeral Directing"

Audit Recommendation Responses:

To Department of Health (Department or DOH):

Recommendation #1

Take steps to enhance assurance that funeral directors and firms are:

- Aware of and complying with required death tests; and
- Minimizing the risk of misidentifying human remains

Response #1

Funeral directors are second-line verifiers of death. If a death occurs at a hospital, nursing home, hospice or other health care facility, a medical professional makes the primary determination of death. If death occurs in a residence, the medical examiner, coroner, or other health care professional makes the primary determination of death.

A regulatory revision has been drafted to accurately reflect that under New York State law, only a licensed health care practitioner may make a determination of death.

Dear Administrator letters are under development to provide education and guidance to funeral directors, hospitals, and long-term care facilities to provide them with guidance regarding verification of death and identification/handling of human remains.

Recommendation #2

Take appropriate action to provide greater assurance that firms meet requirements related to their preparation rooms

Response #2

Applications to register as a new funeral firm require the funeral firm to submit current photographs of their entire preparation room to ensure that the room is properly constructed and equipped and has tile or other hard, impervious washable material on the floor, walls and ceiling. If the embalming room does not meet these requirements, the funeral firm is required to demonstrate evidence that improvements have been made to obtain compliance.

The Bureau of Funeral Directing is drafting a Dear Funeral Director letter to send to the funeral firms to advise them that with new funeral firm applications and commencing with the 2027 funeral firm reapplication, time-stamped photographs and a line drawing outline of the embalming room with dimensions of their entire preparation room will be required.

Recommendation #3

Communicate with funeral directors about the Law's requirements related to registering deaths prior to disposition

Response #3

A letter was sent to funeral directors on February 10, 2026 (BFD 26-01: Completion and Registration of a Death Certificate prior to Disposition) reminding them of their responsibilities under Articles 34 and 41 of New York State Public Health Law and 10 NYCRR Part 77 regarding the proper completion and registration of the death certificate prior to any form of disposition.

Recommendation #4

Work with DOHMH to develop an approach to identify and follow up, as appropriate, on risks that disposition of bodies occurs prior to registering the death.

Response #4

The Department and the New York City Department of Health and Mental Hygiene (DOHMH) have been collaborating to identify and address risks associated with the disposition of bodies before death registration. We are conducting a review of procedures to identify any vulnerabilities that could allow burial, or cremation permits to be issued without a verified death registration. An Interagency meeting will be held to review these flagged cases and coordinate necessary actions.

The Bureau of Funeral Directing sent a letter to funeral directors on November 21, 2025 (BFD 25-02) providing additional instruction to funeral directors regarding confirmation of who has legal authority for final disposition; obtaining verbal and/or written authorization before taking the decedent into the funeral director's care; documenting the authorization is in the funeral director's case file; and ensuring that documentation requiring a signature is obtained prior to the funeral director taking the decedent into their care.

Recommendation #5

Strengthen methods to identify and address risks of unauthorized funeral directing activity by unregistered directors or firms or at unregistered firm locations. This might include improving internal communication and information sharing between BFD and BVR.

Response #5

To ensure data integrity and compliance, the Bureau of Vital Records (BVR) is reviewing individual accounts in the Department's Electronic Death Registration System (EDRS). This process involves verifying account existence in the Health Commerce System, validating that funeral firm roles match EDRS access permissions, and confirming active licensure registration with the Bureau of Funeral Directing (BFD). Discrepancies found will be reported to the Bureau of Funeral Directing via email for verification. The Bureau of Vital Records is also assessing the operational status of each funeral firm listed in EDRS utilizing the Bureau of Funeral Directing's website to ascertain whether each firm is currently operational. The Bureau of Vital Records is

creating a master list of firms, which will then be submitted to the Bureau of Funeral Directing for final confirmation.

The Bureau of Funeral Directing provides lists of active funeral directors and active funeral firms to the Bureau of Vital Records monthly. When funeral firms are closed, the Bureau of Funeral Directing notifies the Bureau of Vital Records of these closures so they can discontinue access to EDRS.

The Bureau of Funeral Directing discontinued issuing pocket cards (i.e., identification cards for licensed funeral directors) for funeral directors who are in an inactive status to avoid confusion about the status of the funeral director and the eligibility of these individuals to perform funeral directing tasks and responsibilities.

Recommendation #6

Evaluate the benefit of conducting inspections of funeral firms, based on risks identified, and document the result.

Response #6

Prior to the audit, the Department had been in the process of hiring an investigator. An investigator was hired and is dedicated to funeral home surveillance.

As an example, based on risks the Department identified, on January 30, 2026, the Bureau of Funeral Directing staff conducted an unannounced inspection of Camelot Funeral Home, a location where there was a reasonable assumption of unregistered funeral firm activity. The inspection discovered 13 bodies in various states of decomposition throughout the facility, including six bodies located in the chapels and three bodies in the detached garage – two of which were stacked on top of one another. Additionally, 17 boxes of cremated remains were recovered from the basement. We referred our findings to the NYS Office of the Attorney General (OAG).

A subsequent investigation by the OAG Criminal Enforcement and Financial Crimes Bureau uncovered evidence that between at least May 2025 and January 2026, the operator of Camelot Funeral Home, Michael Naughton, allegedly defrauded dozens of residents of Westchester County, and others residing elsewhere in New York, out of thousands of dollars by claiming to be a licensed funeral director at Camelot Funeral Home. Naughton allegedly negotiated prices and entered into contracts for funeral services, arranged for transport of decedents, presided over funeral services, and oversaw the disposition of bodily and cremated remains – all of which he was not permitted to do without a funeral directing license. Naughton was also charged with forging a Burial Transit Permit, the required document authorizing the transfer of the deceased to the place of burial or disposition.

The OAG's 20-count indictment charged Naughton with three counts of Grand Larceny in the Third Degree (a Class D felony), five counts of Grand Larceny in the Fourth Degree (a Class E felony), one count of Attempted Grand Larceny in the Third Degree (a Class E felony), one count of Criminal Possession of a Forged Instrument in the Second Degree (a Class D felony), one count of Scheme to Defraud in the First Degree (a Class E felony), and nine counts of Unlicensed Practice of Funeral Directing (an Unclassified Misdemeanor). If convicted of the top count, Naughton faces a prison sentence of up to 7 years.

Recommendation #7

Follow up on the two firms described in this report that may have practiced—and may still be practicing—at unknown or unregistered locations unauthorized funeral directing activity.

Response #7

The Bureau of Funeral Directing addresses unlicensed or unregistered activity and will continue to address it. The two firms referred to in the report were not practicing at unknown or unregistered locations.

To DOH and DOHMH:

Recommendation #8

Improve interagency communication, which could include analysis of registration data and sharing results, to better identify and address risks of unauthorized funeral directing activity, whether by unregistered people or by unregistered firms or firm locations.

Response #8

The Department and DOHMH have drafted a Memorandum of Understanding (MOU) that outlines parameters for data sharing. Specific staff have been designated in each agency for information exchange and issue resolution. Interagency meetings will be held to coordinate necessary actions.

The Bureau of Funeral Directing, the Bureau of Vital Records, and DOHMH are holding quarterly meetings to improve communication and assist in identifying risks of unauthorized funeral directing activity. The Bureau of Funeral Directing also provides monthly lists to DOHMH and the Bureau of Vital Records regarding closed funeral firms, registered funeral directors and firms.

Recommendation #9

Determine and document the feasibility and value of adding funeral firm and director information for trade calls to the required fields in EDRS and eVital and implement changes accordingly.

Response #9

EDRS currently collects funeral firm and director information within existing fields on the trade calls page. The Department will review the trade call page for potential enhancements and the need for any areas needing clearer explanation. Also, as of February 4, 2025, the Drop to Paper functionality was discontinued for all death cases, subsequently requiring all death cases to be fully electronic.

Recommendation #10

Improve the completeness and accuracy of death certificate SSN information that's captured in EDRS and eVital, respectively. This could include:

- Increased use of the online SSN verification service; and
- Addressing potential system limitations.

Response #10

The Social Security Number (SSN) is generally obtained by funeral directors from the family of the deceased or their estate administrator. The online SSN verification service is designed to verify this SSN by cross-referencing it with the Social Security Administration's (SSA) official records system, using the information provided by the funeral director.

As a contingency measure, if the online SSN verification service experiences an outage, funeral directors are advised to submit a 'Statement of Death by a Funeral Director' (Form SSA-721) to the Social Security Administration.

To DOH:

Recommendation #11

Take steps to improve assurance that closing and/or closed firms have ceased to operate.

Response #11

When a funeral firm submits documentation that the firm is closing, the Bureau of Funeral Directing requires the firm to demonstrate that it is closed. This includes proof that the firm's phone number has been disconnected and is no longer accessible to the public and signage has been removed.

Additionally, the Bureau of Funeral Directing's investigator may conduct random site visits to determine funeral firm status, based on risk.

Recommendation #12

Improve assurance that firms report relevant changes. This could include comparing firm information to DOS information on a sample basis for potential follow-up and enhanced communication about the notification requirements to firms and their directors.

Response #12

The Bureau of Funeral Directing reviews the Department of State (DOS) website when new firms submit an application to ensure that the firm is also registered with the Department of State. A sample of firms who changed managers, owners or locations will also be reviewed for potential follow-up and enhanced communication about the requirements for firms and their funeral directors.