

A helping hand in times of need

Takaful has come into its own as a coverage solution within the domestic takaful segment, with a growing range of products catering for every need

AS industries across the board gird themselves against the headwinds buffeting the economy, more and more consumers are looking for certainty in uncertain times. While complete coverage against every eventuality is impractical, a comprehensive *takaful* plan should be a priority for every family, safeguarding against the possibility of serious illness and injury, as well as their associated hospital bills.

Without proper planning, such treatment can have severe financial repercussions for a household, particularly as medical costs tend to increase over time. The situation is even worse for chronic conditions that require ongoing hospitalisation or medical care, the price of which may be out of reach for the majority of Malaysians.

Addressing these concerns, operators such as Takaful Ikhlas Berhad — a company principally involved in the provision of Islamic financial protection — have introduced a range of medical and health *takaful* products to provide peace of mind to domestic consumers. Developed in line with *syariah* principles, these products revolve around the concept of solidarity, with contributors pooling their resources to ease individual burdens in times of need.

Security for the future

The scope for the *takaful* industry in



Takaful coverage includes a comprehensive range of products catering for a wide range of needs for you and your family

Malaysia has expanded in recent years, with domestic providers offering a growing portfolio of products within the segment as awareness of and demand for *takaful* products mature. This interest has spurred the development of solutions for industries and segments as diverse as education, finance, investment, credit and property, to name just a few, ensuring versatility in *takaful* coverage.

With regard to medical and health *takaful* products, such coverage includes the costs of private medical treatments, including hospitalisation and surgery as

well as treatments for specific illnesses and accident types. Protection also encompasses contributions to *tabarru'* funds, which operate on the principle of donation and are used to aid other participants in need of financial assistance in managing healthcare costs.

In finding the right *takaful* plan for their specific needs and risk profiles, it is crucial for potential customers to evaluate the essential features of the diverse *takaful* plans available in the market before making an informed decision. In general, *takaful* medical and health

products are divided into three categories covering distinct areas of financial assistance, namely medical expenses, hospitalisation cash benefits and critical illnesses, each subject to the terms and conditions of their specific contracts.

As one of the most fundamental forms of health *takaful*, medical expense policies extend to treatment costs including hospitalisation and surgery, with such plans covering costs above a pre determined amount, known as the deductible. Hospitalisation cash benefits, in contrast, provide fixed amounts for each day of treatment. Finally, critical illness *takaful* plans offer a lump-sum payment or allowance over a specified period upon diagnosis of life-threatening conditions such as heart attacks, strokes and cancer. In addition to these plans, *takaful* operators also provide medical cards as cashless solutions for clients, as well as fringe benefits such as 50% payback for unutilised hospital benefits.

