

# CONTEMPORARY ISSUES IN BUSINESS ETHICS: SOUTH EAST ASIAN MANAGERS' PERSPECTIVES



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# **Contemporary Issues in Business Ethics: South East Asian Managers' Perspectives**

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## CHAPTER 4

# COMPULSORY HEALTH COVER TAKAFUL/INSURANCE FOR EMPLOYEES

Suhaimi bin Mhd Sarif  
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### ABSTRACT

*This chapter reviews from the literature on the issue of compulsory health cover takaful/insurance for employees. There have been always questioned among us whether should all companies compulsory health cover takaful/insurance for their employees. Only by an analysis of the relevant data for the present economy and a review of some of the experience of other countries with the compulsory health insurance can one hope to answers this question. May be in some forms, the compulsory health insurance is advisable with take some consideration. This paper provides a brief review of literature and logical reason on the need to compulsory health insurance and the theoretical supports economics improvements.*

*Keyword: Insurance; Takaful, health insurance; voluntary and compulsory health insurance; Medical insurance.*

### INTRODUCTION

Insurance can be defined as a provision made by a group or persons, each of singly in danger of some loss, the incidence of which cannot be foreseen, that when such loss shall occur to any of them it shall be distributed over the whole group. On the other hand, takaful can be defined as an Islamic insurance concept which grounded in Islamic banking *muamalat* (banking transactions), observing the rules regulations of Islamic law.

There several types of insurances which are life insurance, home insurance, health insurance, accident, sickness and unemployment insurance and others insurances. However, here, I want to focus on health insurance policies which will cover the cost of medical treatments. These insurance policies will give benefits to the employee especially if they or their company buy the health insurance. For example dental insurance this is coverage for individuals to protect them against dental costs. Sometimes, dental insurance is often part of an employer's benefits package along with health insurance.

However, the question is whether the company compulsory health cover insurance for the employees should. These all question and suggestion will be discussed in the rest of these reviews.

### LITERATURE REVIEW